CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING: A STUDY OF DISTRICT KANGRA IN HIMACHAL PRADESH

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Abstract

The present study is an attempt to analyse the consumer behaviour towards online shopping in district Kangra of Himachal Pradesh. For this study 300 respondents have been selected and information has been collected with the help of questionnaire. The results indicates that online shopping has become popular among the young generation consumers (73.33%) mainly students (93.33%) between the age group of 20-30 years. Findings depicted that when a consumer decided to purchase online, they are motivated by multiple factors like ease of purchasing or convenient, time saving, price effective, anywhere-anytime, cost effective, and broad categories availability. The ease of purchasing through online (53.33%) was found to be most popular factor among the consumers. 90% consumers spend their 0-5 hour's time on surfing the internet to purchase online. Now consumers no need to visit the markets and shops physically. But still some of the factors are there which are becoming hindrances in online shopping. It is because consumers cannot physically touch, test, try and see the products so when once an order is placed, there is a chance of getting wrong product.

Keywords: Online Shopping, Consumer Behaviour, Internet Advertising, Consumer.

INTRODUCTION

Online Shopping: Consumers buy a variety of products from online stores. Products like Books, garments, footwear, beauty products, furniture, household appliances, toys, gift cards, hardware, software, and electronics goods are some of the popular products consumers are buying from online store. Online shopping is the process of buying goods and services from merchants who sell them on the Internet or website. A consumer logs into the company's website, visits the store inside virtually, and choose the items which they wants. These items can be hold in a virtual shopping cart until consumer is ready to purchase. Convenience, better prices, broad variety, comparison of prices, compulsive shopping are some reasons consumer prefer online shopping. Many times when consumer goes out for shopping they end up buying things which he does not require because of the shop keepers up selling skills. Sometimes consumer compromises with their choices because of the lack of choices in those shops and market.

ONLINE SHOPPING PLAYERS IN INDIA

Amazon: Amazon was started by Jeff Bezos in 1994 and the headquarters is in Seattle. The original name of the company was Cadabra.com but was changed to Amazon because it sounded like the word "cadaver". The store is named after the world's second longest river. Amazon is an online store that sells books, movies, games, DVDs, music CDs, computer software etc. items. It is the largest online retailer right now.

Flipkart: Flipkart is an e-commerce company based in Bangalore, India. The company was founded by Sachin Bansal and Binny Bansal in 2007. Company initially focused on book sales, before expanding into other product categories such as consumer electronics, fashion, and lifestyle products. As on March 2017, Flipkart held 39.5% market share of India's e-commerce industry. Flipkart is dominant in the sale of apparel and was described as being "neck and neck" with Amazon in the sale of electronics and mobile phones. Flipkart also owns PhonePe, a mobile payments service based on the Unified Payments Interface (UPI).

ShopClues.com: is an online marketplace, headquartered in Gurgaon, India. The company was founded in California's Silicon Valley in 2011. It has over 12,000 registered retail merchants 2, 00,000+ products on the platform to over 42 million visitors every year across 9500 locations in the country. ShopClues joined as 35th entrant in the Indian e-commerce in 2011. The company employs about 700 people across different locations.

Snapdeal: is an Indian e-commerce company based in New Delhi, India. The company was started by Kunal Bahl, (a Wharton graduate as part of the dual degree M&T Engineering and Business program at Penn), and Rohit Bansal, (an alumnus of IIT Delhi) in February 2010. Snapdeal currently has 275,000 sellers, over 30 million products and a reach of 6,000 towns and cities across the country.

Myntra: Myntra is an Indian fashion e-commerce company headquarters in Bengalure, India. The company was founded in 2007 by Mukesh Bansal along with Ashutosh Lawania and Vineet Saxena. Myntra sold on-demand personalized gift items. It mainly operated on the B2B (business-to-business) model during its initial years.

eBay: is a multinational e-commerce corporation, facilitating online C2C and B2B sales. Company's headquartered in San Jose, California. eBay was founded by

Pierre Omidyar in 1995. Today it has a multibillion-dollar business with operations in about 30 countries. The company manages eBay.com, an online auction and shopping website in which people and businesses buy and sell a broad variety of goods and services worldwide. In addition to its auction-style sales, the website has since expanded to include "Buy It Now" shopping; shopping by UPC, ISBN, or other kind of SKU number online classified advertisements online event ticket trading (via StubHub); and other services. It previously offered online money transfers via PayPal, which was a wholly owned subsidiary of eBay from 2002 to 2015. The website is free to use for buyers, but sellers are charged fees for listing items and again when those items are sold.

CONSUMER BEHAVIOR

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs. Consumer behaviour consists of how the consumer's emotions, attitudes, and preferences affect buying behaviour. Warner emphasized the consumption related behaviors which are often undertaken collectively. For example, some activities are performed by individuals but consumed by a family or group of people, similar as organization purchasing activities usually followed by group decisions. Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online within their range of budget at home or in anywhere. They also use internet for comparison of prices of goods and services, news, visit social networks and search information and so on. The recession has so much impact on online consumer behavior (**Rodriguez, 2009**). Online shopping behavior depends on the variables like internet knowledge, experience and shopping incentives. These are key determinants to influence the behavior of online consumers.

FACTORS INFLUENCING CONSUMERS BEHAVIOUR

There are three categories of factors that influence consumer's behaviour:

Personal Factors: An individual's interests and opinions can be influenced by demographics like age, income, occupation and lifestyle.

Psychological Factors: An individual's behaviour is influenced by psychological factors like his motivation, perception, learning, and attitude or belief system.

Social Factors: Family, relatives, friends, reference groups, roles and status, social media all influence consumers purchasing behaviour.

So there are also others certain factors like companies marketing campaigns, economic conditions, personal preferences, group influence, purchasing power etc. which affect the consumer behaviour.

INTERNET ADVERTISING AND CONSUMER BEHAVIOR

The evolution of Internet as a global communication infrastructure has created a new advertising channel for advertisers and advertising agencies. Psychological factors such as thinking, feeling, sensation, and intuition directly correlate with customers' online advertising experience. Companies try to strengthen customer interactions with advertisements on the Web, keeping both context and cognition in mind. Unfortunately, most companies provide a generic experience to all customers rather than relying on customer analysis to deliver a personalized experience. They've failed to innovate and bring the online advertising experience to a whole new level of interaction and integration that would truly let them achieve effective communication. Their reactions manifest themselves as physiological changes they experience as feeling*s*. Likewise, as consumer react to stimuli online for example, to an online advertisement—they have emotional responses that are directly proportional to their reactions to these stimuli. On the other hand, when customers repeatedly experience the same stimuli, they may not cause any emotional response. People become conditioned to ignore the ever-present ads on Web sites, which is called ad blindness Advertising and promotion offer a news function to consumers. As mentioned in their report, personal interactions with other customers and service providers play a very important role while shopping online. Viewers of ads learn about new products and services available to them, much like they learn about events in the news.

REVIEW OF LITERATURE

Guo Jun and Noor Ismawati Jaafar (2011) examined consumer's attitude towards online shopping. Marketing Mix and reputation were the factors found to have significant positive influence over the consumer's attitude towards online shopping. The local culture and reality determines the attitude and behavior of the local people towards online shopping. **Zuroni and Goh (2012)** revealed that e-commerce experience, product perception and customer service

had significant relationship with the consumer's attitude towards e-commerce purchase. The study concluded that consumer risk in online shopping does not had significant relationship over the e-commerce purchases through online shopping. **Goswammi (2013**) reported that majority of the consumers were satisfied with online shopping. The results indicated that 35% of consumers prefer to purchase books, 30% consumers prefer bought apparel and 22% consumers prefer bought other products such as electronics, pen drives and mobile phones etc. The study further revealed that 13% of consumers purchased gift items online. **Bhatt (2014)** examined consumer attitude towards online shopping based on consumer's behavior, beliefs, preferences and opinions in Vadodara and Ahmedabad, Gujarat. Study found that perceived information, perceived usefulness, perceived enjoyment; security and privacy are the five dominant factors which influence consumer perceptions on online purchasing. **Aimol (2014)** found that saving of time, convenient shopping, information in detail related to products and easy comparison of prices were the main factors influencing online shopping behavior of consumers. **Singh (2014)** examined the attitude of consumers who used Flipkart for shopping online. It was found that younger generation consumers in age group of 18-25 years were more interested in shopping online. Consumers were satisfied with shopping online from Flipkart and interested in buying apparel online that included men and women clothing range along with accessories and electronics. Also, the users preferred shopping online on a weekly basis, during discounts and festive seasons. The success of an online retail business depends on the popularity, branding, image, unique and fair policies.

Shahzad (2015) revealed that demographic factors like age, gender, income and education influence the consumer behavior significantly. Author further concluded that higher the age, lesser is the intent to shop online. The results indicate that higher income groups are less attracted towards online shopping. Education was directly related to the online shopping behavior and the consumers with better education were more inclined towards shopping online. The design of the website is the major influencing factor for the consumers to shop online. **Malhotra & Chauhan, (2015)** found that consumer's online buying experiences, perception of product, safety related to online payment and customer service have a substantial influence on the buying behaviour of consumers while shopping online. **Ganapathi (2015)** investigated the factors and found that convenience, security, website features and times saving were

positive and significant influence on the purchase decision of consumers. **Jayasubramanium (2015)** concluded that consumer's reviews or word of mouth (WOM) played an important role in affecting the consumer behavior while shopping online. Majority of the consumers were satisfied with online shopping experiences. **Anitha (2015**) concluded that the factors such as convenience, choice of product selection, better prices, ability to find more personalized gifts, trust, home page and fun, played an important role in consumer preference towards online shopping.

OBJECTIVES OF THE STUDY

• To know the awareness of consumer towards online shopping.

• To examine the factors which motivate the consumer towards online shopping?

• To know the problems faced by consumer during online shopping.

METHODOLOGY

The methodological aspect includes selection of study area, sample size, sources and collection of data and statistical tools for analysing the data. In light of the stated objective, present study has been undertaken on a sample of 300 beneficiaries taken from district Kangra of Himachal Pradesh. Primary data has been carried out with the help of opinion survey conducted through a questionnaire on consumer behaviour towards online shopping. The collected data has been analysed with the help of mean, standard deviation, and percentage method.

CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING: AN EMPIRICAL PROBE

Socio- Economic Profile of the Respondents

Socio-economic profile is the vital factor which identifies the different consumer on the basis of some parameters like their gender, age, consumer's occupation etc. The detail descriptions of these factors have been given by following table.

Table: Socio-Economic Profile of the Respondents (N=300)

SN	Profile of the Respondents	Category	No. of Respondents	Percentage (%)
1	Gender Wise Distribution	Male	130	43.33
		Female	170	56.67
2	Age Wise Distribution	Up to 20 Years	80	26.67
		20-30 Years	220	73.33
		30-40 Years	0	0
		Above 40	0	0
3	Major Occupation	Self Employed	0	0
		Employed	20	6.67
		Student	280	93.33
		Retired	0	0

Source:-Field Survey Data

As it is evident from the table that out of 300 respondents, 56.67% were female whereas 43.33% were male. So it can be inferenced that female prefer online shopping as it is more convenient, anywhere–anytime, and easy to access. It was observed that model age group of the sample respondents was 20-30 years (73.33%). The reason behind this was that in this age group respondents have access to mobile phones, changing their life style, fashion, etc. whereas the respondents below 20 years have little knowledge about products, sites, companies, brands and also less access to mobile phones. Table also reveals that 93.33% respondents were students followed by employed (6.67%).

Time Spending on Surfing the Internet Browser

Table: Respondents on the basis of time spending on surfing the internet browsing

SN	Hours	No. of Respondents	Percentage (%)
1	0-5 hrs.	270	90
2	6-10 hrs.	30	10
3	11-15 hrs.	0	0
4	16-20 hrs.	0	0
5	More than 20 hrs.	0	0
	Total	**300**	**100**

Source:-Field Survey Data.

The table depicts that 90% of respondents spends up to five hours time on internet surfing while selecting the products for online shopping. Only 10 % were found who use to spend maximum 6-10 hours on internet for making online shopping. So it can be concluded that most of the respondents are using internet for getting the products and Internet is causing to influence the consumer behaviour towards online shopping.

Place where Respondents use to do Online Shopping

Table: Classification of the respondents on the basis of their access to internet

SN	Access Point	No. of respondents	Percentage (%)
1	Home	100	33.33
2	Office/college	90	30
3	Cyber café	30	10
4	Others	80	26.67
	Total	**300**	**100**

Source:-Field Survey Data.

Table depicts that 33.33% of the respondents do online shopping by setting at home as anywhere and anytime feature has make it possible and convenient. 30% respondents were doing online shopping while setting at office or college by the students. Now the access to cyber café has decline significantly as now people have their own mobile phone and cheapest internet availability.

Factors Which Motivates Respondents

Table: Classification of the respondents on the basis of their main motivation for buying through online shopping

Sr. No	Motivation for on line buying	No. of respondents	Percentage (%)
1	Save time	60	20
2	Easy of purchase through online	160	53.33
3	Avoided hassles of shopping in store	20	6.67
4	Price	40	13.33
5	Superior selection/availability	20	6.67
	Total	**300**	**100**

Source:-Field Survey Data.

From the table it is clear that 53.33% respondents were motivated to do online shopping from easy way of purchasing online factor followed by time saving factor (20%) and Price (13.33) factor. So it can be concluded that online shopping has become an important platform for the consumer's to do shopping by sitting at home.

Consumer Opinion towards Online Shopping on Different Statements

Table: Consumer Opinion towards Online Shopping on Different Statements Based on 5-Points Likert Scale (Total frequencies and percentage, N=300)

SN	Particular	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
		Frequencies	%	Frequencies	%	Frequencies	%	Frequencies	%	Frequencies	%
1	Is buying goods and services online easy to do?	110	36.67	110	36.67	30	10	50	16.67	0	0
2	I have ability to do online shopping	60	20	160	53.33	20	6.67	40	13.33	20	6.67
3	I find online stores trustworthy	30	10	90	30	100	33.33	80	26.67	0	0
4	Purchasing goods fits very well with my lifestyles	60	20	120	40	80	26.67	40	13.33	0	0
5	Online shopping is a good idea	20	6.67	230	76.67	20	6.67	30	10	0	0
6	Shopping online saves time	130	43.33	150	50	10	3.33	10	3.33	0	0
7	Online shopping is risky	0	0	130	43.33	90	30	50	16.67	30	10
8	Online shopping is as secure as traditional shopping	10	3.33	120	40	80	26.67	80	26.67	10	3.33
9	Selection of goods available on company's website is broad	50	16.67	170	56.67	60	20	20	6.67	0	0
10	Hesitation to give my credit card information	100	33.33	100	33.33	50	16.6	30	10	20	6.67

Source: Field Survey Data

The table depicts the consumer's opinion towards online shopping based on different statements. It was observed that 36.67% respondents were strongly agree, and agree who stated that buying goods and services online is easy and convenient. 53.33% respondents strongly agreed that they were capable to do online shopping. Average (33.33%) respondents reported that online stores were trustworthy for online shopping. 50% respondents were agree on the statement that online shopping save the time of respondents because consumers

no need to visit the physical shop and market. Whenever they need any product they can order while setting at home and office. But 43.33% respondents were agreeing on the statement that online shopping is risky. It is because respondents cannot physically touch, test, try and see the products. So once when order is placed there is a chance of getting wrong product. When the opinion regarding broad category of products was sought, 56.67% were agree, 20% were neutral and 16.67% respondents were found to be strongly agree.

CONCLUSIONS

Online shopping has become popular among the young generation as 73.33% of the respondents mostly students (93.33%) in the age group of 20-30 years found to be doing online shopping. Survey depicted that when a consumer decided to purchase online he or she is affected by multiple factors namely convenient, time saving price effective, and broad categories availability. The ease of purchasing through online (53.33%) factor was found to be popular among consumers. Consumers can compare prices in online stores, review all feedbacks (eWOM) and rating about product before making the final selection of product and decision. 90% consumers spend their 0-5 hour's time on surfing the internet to purchase online. So it is concluded that online shopping is getting popularity among the consumers because many factors like anywhere anytime, convenient, time saving, cost effective, etc are significantly motivating them. Now consumers no need to visit the markets and shops physically. But still some of the factors are there which are becoming hindrances in online shopping. It is because consumers cannot physically touch, test, try and see the products so once when order is placed there is a chance of getting wrong product.

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