



## **A STUDY ON CONSUMER PERCEPTION REGARDING BENEFITS OF ONLINE SHOPPING – WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT**

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### **Abstract:**

Online shopping is the process whereby consumers directly buy goods or services from a seller in real-time, without an intermediary service, over the internet. It is a form of e-commerce. The product purchase or sale transaction is completed electronically and interactively through internet. “The consumer confidence to shop online has grown significantly in the last year and a half. About 8 million people were shopping online in 2012 and in the year 2014, it is expected to be 35 million. By 2016, online shopper base will grow almost three times to 100 million, and over 50 million new buyers will come from tier I and II cities”, India's e-tailing market is at a point of growth and will see rapid growth to become a \$15 billion market by 2016.

**Key Words:** Consumer Perception, Online Shopping & Global Phenomenon

### **1. Introduction:**

Online shopping has become increasingly popular, due to convenience (and often lower prices). Especially in the holiday season, online shopping saves an individual the hassle of searching several stores and then waiting in long queues to buy a particular item. Internet changes the way of the consumers shopping of goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Without doubt internet has influenced our lives deeply in which it plays an indispensable and irreplaceable role. Many experts are optimistic about the prospect of online business.

### **2. Statement of the Problem:**

The volume of trade conducted electronically has grown dramatically since the spread of the internet. A wide variety of commerce is conducted in this way spurring and drawing on innovations in electronic funds transfer (EFT), supply chain management, internet marketing, online transaction processing. Hence it is of considerable interest to know:

- ✓ How far online consumers are satisfied with the online purchases?

### **3. Objectives of the Study:**

A systematic study of the extent of information and communication technology employed by online shoppers and benefits of online shopping to the consumers and their satisfaction are to be studied to find answers to the questions raised. The present study is conducted with the following specific objectives:

- ✓ To determine the level of satisfaction of consumers due to online shopping.

### **4. Hypotheses of the Study:**

In tune with the objectives the following hypotheses are framed:

- ✓ Consumer satisfaction is not associated with demographic factors.

### **5. Methodology:**

Methodology consists of data, sampling and framework of analysis. For the purpose of the study both primary and secondary data are utilized. Primary data have been collected from online consumers by distributing questionnaire to them. Secondary data have been collected from journals, magazines, newspaper, books and websites. Convenience sampling method has been adopted for collecting primary data. The following statistical tools employed to analyze the data are simple percentage and Chi-square test.

### **6. Conceptual Framework:**

#### **Online Shopping:**

The purchase of products or services over the internet is called online shopping. Online shopping has become increasingly popular, due to convenience. Especially in the holiday season, online shopping saves an individual the hassle of searching several stores and then waiting in long queues to buy a particular item. A few popular online shopping web-sites are:

- ✓ flipkart
- ✓ amazon.in
- ✓ snapdeal.com
- ✓ jabong.com
- ✓ shopclues.com

- ✓ e-bay.com
- ✓ myntra.com
- ✓ paytm.com
- ✓ askmebazaar.com
- ✓ bigbasket.com

**Online Consumer:**

Individuals who buy products or services for personal use through internet are called online consumers. Electronic commerce allows the consumers to directly buy goods or services from a seller over the internet using a web browser.

**7. Profile of Online Consumers:**

In Coimbatore district 400 online consumers were taken for this study by adopting convenient sampling method. The demographic factors of online consumers include variables such as age, gender, marital status, educational qualification, occupation, type of family, number of members and monthly income. It is presented in table 1.1.

Table 1: Profile of Online Consumers

Particulars	Numbers	Percentage
<b>Age</b>		
Up to 20 years	90	22.50
20-30 years	237	59.30
Above 30 years	73	18.30
<b>Gender</b>		
Male	209	52.30
Female	191	47.80
<b>Marital Status</b>		
Unmarried	190	47.50
Married	210	52.50
<b>Educational Qualification</b>		
Up to H.Sc	42	10.50
Under Graduate	107	26.80
Post Graduate	168	42.00
Diploma	83	20.80
<b>Occupation</b>		
Student	42	10.50
Employed in public and private sector	172	43.00
Business	108	27.00
House wife	36	9.00
Professionals	42	10.50
<b>Type of family</b>		
Joint family	281	70.30
Nuclear family	119	29.20
<b>Number of members</b>		
Up to 3 members	126	31.50
3-6 members	173	43.30
Above 6 members	101	25.20
<b>Monthly income (Rs.)</b>		
Up to Rs.15000	95	23.80
Rs.15001 - Rs. 20000	167	41.80
Above Rs. 20000	138	34.80

Source: Primary data

N=400

**8. Association Between Demographic Factors and Consumer Satisfaction:**

To ascertain the association between demographic factors and level of satisfaction online shopping consumer chi-square test applied and the results are discussed under various heads.

Table 2: Demographic factors and consumer satisfaction

Demographic Factors	Calculated Chi-Square Value	Table Value @ 1% Level	Significant or Insignificant	Hypothesis Accepted or Rejected
Age	0.944	9.488	Not Significant	Accepted
Gender	2.190	5.991	Not Significant	Accepted
Marital Status	0.358	5.991	Not Significant	Accepted

Educational Qualification	7.606	12.592	Not Significant	Accepted
Occupation	4.913	15.507	Not Significant	Accepted
Type of Family	4.263	5.991	Not Significant	Accepted
Size of Family	11.091	9.488	Significant	Rejected
Monthly Income	2.255	9.488	Not Significant	Accepted

Primary Data

**9. Findings of the Study:**

Profile of online consumers discloses that:

- ✓ Majority of them (59.30%) are in the age group of 21-30 years
- ✓ Majority of them (52.30%) are male
- ✓ Most of them (52.50%) are married.
- ✓ Post graduates account for 28.90%.
- ✓ Most of them (43.00%) are employed in public and private sector.
- ✓ A large part of them (70.30%) are in joint family and most of them (43.30%) have three and six members in their family.
- ✓ A majority of them (41.80%) have monthly income between Rs.15001 and Rs. 20000.

**10. Chi-Square Test – Results:**

- ✓ Consumer satisfaction regarding online shopping was ascertained by constructing satisfaction index.
- ✓ There is no significant difference in the satisfaction index of online consumers classified on the basis age, gender, marital status, educational qualification, occupation, type of family, size of family and monthly income.
- ✓ Chi-square analysis reveals that there is significant association between satisfaction of online shopping and size of family.
- ✓ Chi-square analysis reveals that there is no significant association between satisfaction of online shopping and demographic factors such as age, gender, marital status, educational qualification, occupation, type of family and monthly income.

**11. Suggestions of the Study:**

- ✓ It is the need of the hour that consumers change their attitude so as to get the benefits of online shopping.
- ✓ Consumers should not only be cautious but also be aware of the procedure and problems of online shopping.
- ✓ Consumers shall not hesitate to initiate legal measures in case they are not provided with the assured services.
- ✓ Consumer associations shall come forward not only to identify the fraudulent e-entrepreneurs but shall also assist the online consumers in getting their grievances redressed.

**12. Conclusion:**

The study has brought out the benefits due to information and communication technology not only to the e-entrepreneurs but also to the online shopping consumers. Internet plays a pivotal role in the life of consumers. Combined effort may be taken by the government and non-governmental organizations to enhance the use of internet so that larger online shopping benefits may be reaped.

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