CUSTOMERS' PERCEPTION TOWARDS ONLINE SHOPPING

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ABSTRACT

Online Shopping play a great importance in the modern business environment. Online shopping has opened the door of opportunity and advantage to the firms. Nowadays, the rapid development of the Internet and its effect on daily life has introduced a new consumer profile which is referred to as the 'online consumer'. Such consumers are affected by different factors and they have different purchasing habits with respect to traditional consumers. This paper analyzed the different issue of online shopping. The research aims to provide theoretical contribution in understanding the present status of online shopping. The Study Discuss the consumers, Perception online shopping. Paper also identifies the problems face by the consumers when they want to accept internet shopping. Present paper is a expressive study based on the detailed review of earlier pertinent studies related to the various concepts of online shopping to discover the concept of online shopping. Solitude and safety risk emerges regularly as a reason for being cautious about internet shopping. The originality of our paper stems from highlighting a future research agenda for consumers' online purchase intentions.

Keywords: consumer, Perception, Consumer Perception, Purchase intention, online shopping, Online Security.

Introduction:

Customer: Entity that receives or consumes products (goods or services) and has the ability to choose between different products and suppliers.

Perception: Perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world.

Customer Perception: Customer Perception is the process, by which an individual selects, organizes and interprets information about a product or service offered by different marketers.

Online Shopping: 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.

The growing use of Internet in India provides a developing prospect for online shopping. If E-marketers know the factors affecting online Indian behavior, and the relationships between these factors and the type of online buyers, then they can further develop their marketing strategies to convert potential customers into active ones, while retaining existing online customers.

Internet is changing the way consumers shop and buy 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.

Companies also use the Internet to convey, communicate and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store.

In addition to the tremendous potential of the E-commerce market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers. Although most of the revenue of online transactions comes from business-to-business commerce, the practitioners of business-to-consumer commerce should not lose confidence. It has been more than a decade since business-to-consumer E-commerce first evolved.

The Internet has developed into a new distribution channel and online transaction are rapidly increasing. This has created a need to understand how the consumers perceive online purchasing.

Price, Trust and Convenience were identified as important factors. The internet has created a paradigm shift of the traditional way people shop. A consumer is no longer bound to opening at specific times or specific location. So he can become active at virtually any time any place and purchase the products or services.

The internet is relatively a new medium for communication and the information exchange that is present in everyday life. The number of internet user is constantly increasing which also signifies that online purchasing is increasing. The internet is considered a mass medium that provides the consumers with purchase characteristics as no other medium. Certain characteristics are making it more convenient for the consumer compared to the traditional way of shopping, Such as the ability to any time view and purchase products ,visualize the

needs with products and discuss products with other consumers.

Using the internet to shop online has increased due to the rapid development of the technologies surrounding the Internet, a company that is interested in selling products from its web site will constantly has to search for an edge in the fierce competition. Since there are so many potential consumers, it is of the up most importance to be able to understand what the consumer wants and needs. One of the primary reasons to use the internet is combined with searching for products and finding the information about them.

The Internet, as a mean for both firms and individuals to conduct business, is nowadays one of the most widely used non-store formats. According to Magee (2003), the growth in the number of online shoppers is greater than the growth in Internet users, indicating that more Internet users are becoming comfortable to shop online. Furthermore, not only does the number of adopters grow, but also the volume of their purchases is proportionally increased . The two most commonly cited reasons for online shopping have been convenience and price. The capability of purchasing without leaving your place is of great interest to many consumers. Moreover, the use of Internet tools for price searching and comparison provides an additional advantage in consumers' final decision, as they can purchase their desired products in the lowest available price . On the contrary, privacy and security have been the great concerns , resulting many people to browse the Internet for informational matters than for buying online .

Few Facts about Online Shopping

The figures from IAMAI show that the internet users in India will grow to 200 million by 2010. Around 25% of regular shoppers in India are in the 18-25 age groups, and 46% are in the 26-35 year range.

☐ Indian online matrimonial sector is worth around $230 million

☐ Worldwide E-commerce is only growing at the rate of 28%, since India being a younger market, the growth of e-commerce is expected at 51% in the coming years.

☐ In line with global trends finally India has also started shopping online these days. As per the study by IAMAI online shopping in India has rose from $11 million in 1999-2000 to $522 million in 2007 and it is expected to rise above $700 million by end March 2010.

Objectives of Study

• To study the online shopping behavior of customers

- To study the demographic variables (age, gender, income etc.) that can affect the online shopping behavior of shoppers.

Literature Review

Hoque, Ali, & Mahfuz, (2015). Consumer attitudes toward online shopping usually been determined by two factors; one is trust, and another is perceived benefits. Therefore, trust and perceived benefits seem to be the critical conjectures of consumer behavior toward online shopping

Bikramjit Rishi (2010) in their study on Online shopping is an innovative option of distribution available in the hands of marketers. It is innovative and creative because marketers can experiment with it in form, content, visibility and availability. In India online shopping is considered as a relevant alternative channel for retailing and it is now an important part of the retail experience. This research study is an empirical study to find out the motivators and decisional influencers of online shopping.

Research methodology

The study is descriptive in nature. The research approach to collect the data is survey and the analysis is based on primary data. The sampling plan for the study decides the work area that is the population which has to be surveyed. Sample Size200 respondents from Indore region. Sampling technique on Probability Convenient Sampling Technique The tools For Data Collection Both Primary and Secondary Data were used for data collection. Primary Data was collected by conducting a survey on 200 respondents of Indore region who will be asked questions through a self designed questionnaire to know their perception regarding online shopping**.** Secondary Data was taken from magazines, newspapers, related websites and journal For Data Analysis Statistical tools such as t-test, one way ANOVA was applied.

H01: There is no significant difference between the respondents of different gender towards the factors which restrict them to purchase online.

H1: There is significant difference between the respondents of different gender towards the factors which restrict them to purchase online.

T-Test

Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean
TOTRESFR	Male	94	32.20	7.009	.723
	Female	106	32.24	6.266	.609

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
TOTRESFR	Equal variances assumed	.613	.434	-.036	198	.971	-.03	.939	-1.885	1.817
	Equal variances not assumed			-.036	187.931	.972	-.03	.945	-1.898	1.831

Interpretation:

The F value as per the above table is .613 which is significant at .434 , which is higher than .05. It implies that null hypothesis is accepted (not rejected) . Therefore we can conclude that there is no significant difference between respondents of different gender towards the factors which restrict them to purchase online.

H02: There is no significant difference between the respondents of different gender towards their past experience from online shopping.

H2: There is significant difference between the respondents of different gender towards their past experience from online shopping.

T-Test

Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean
TOTPEXP	Male	94	31.09	5.775	.596
	Female	106	29.12	5.770	.560

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
TOTPEXP	Equal variances assumed	.000	.996	2.400	198	.017	1.96	.818	.350	3.575
	Equal variances not assumed			2.400	195.110	.017	1.96	.818	.350	3.575

Interpretation:

The F value as per the above table is .000 which is significant at .996, which is higher than .05. It implies that null hypothesis is accepted (not rejected) . Therefore we can conclude that there is no significant difference between respondents of different gender towards their past experience from online shopping.

H03: There is no significant difference between the respondents of different gender towards the problem faced while purchasing online.

H3: There is significant difference between the respondents of different gender towards the problem faced while purchasing online.

T-Test

Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean
TOTPRBFC	Male	94	13.01	14.318	1.477
	Female	106	17.47	14.385	1.397

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
TOTPRBFC	Equal variances assumed	.305	.581	-2.194	198	.029	-4.46	2.034	-8.471	-.451
	Equal variances not assumed			-2.194	195.365	.029	-4.46	2.033	-8.471	-.452

Interpretation:

The F value as per the above table is .305 which is significant at .581 , which is more than .05. It implies that null hypothesis is accepted (not rejected). Therefore we can conclude that there is no significant difference between respondents of different gender towards the problem faced while purchasing online.

H04: There is no significant difference among the respondents of different age group towards their past experience from online shopping.

H4 :here is significant difference among the respondents of different age group towards their past experience from online shopping.

One-way

Descriptives

TOTPEXP

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
15-25	90	29.21	5.795	.611	28.00	30.42	16	39
25-35	64	30.73	6.014	.752	29.23	32.24	17	40
35-45	35	31.34	5.785	.978	29.36	33.33	20	40
45 and Above	11	28.73	4.606	1.389	25.63	31.82	23	37
Total	200	30.05	5.841	.413	29.23	30.86	16	40

ANOVA

TOTPEXP

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	171.054	3	57.018	1.689	.171
Within Groups	6617.541	196	33.763		
Total	6788.595	199			

Interpretation:

The F value as per the above table is 1.689 which is significant at .171, which is higher than .05. It implies that null hypothesis is accepted (not rejected) . Therefore we can conclude that there is no significant difference among respondents of different age groups towards their past experience from online shopping.

H05 there is no significant difference among the respondents of different income groups towards their past experience from online shopping.

H5 There is significant difference among the respondents of different income groups towards their past experience from online shopping.

One-way

Descriptives

TOTPEXP

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
less than 10000	49	28.55	5.813	.830	26.88	30.22	16	38
10000-20000	9	31.33	6.576	2.192	26.28	36.39	24	38
20000-30000	45	30.40	5.404	.806	28.78	32.02	22	40
30000-40000	54	30.61	6.036	.821	28.96	32.26	17	40
40000 and above	43	30.40	5.880	.897	28.59	32.21	19	39
Total	200	30.05	5.841	.413	29.23	30.86	16	40

ANOVA

TOTPEXP

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	152.560	4	38.140	1.121	.348
Within Groups	6636.035	195	34.031		
Total	6788.595	199			

Interpretation:

The F value as per the above table is 1.121 which is significant at .348 , which is higher than

.05. It implies that null hypothesis is accepted (not rejected) . Therefore we can conclude that there is no significant difference among respondents of different income groups towards their past experience from online shopping.

H06: There is no significant difference among the respondents of different income groups towards the factors which restrict them to purchase online.

H6 :here is significant difference among the respondents of different income groups towards the factors which restrict them to purchase online.

One-way

Descriptives

TOTRESFR

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
less than 10000	49	34.49	5.424	.775	32.93	36.05	26	50
10000-20000	9	33.89	6.112	2.037	29.19	38.59	26	46
20000-30000	45	33.47	6.040	.900	31.65	35.28	18	45
30000-40000	54	32.17	6.895	.938	30.28	34.05	20	45
40000 and above	43	28.05	6.473	.987	26.05	30.04	16	41
Total	200	32.22	6.609	.467	31.30	33.14	16	50

ANOVA

TOTRESFR

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1096.579	4	274.145	7.038	.000
Within Groups	7595.741	195	38.953		
Total	8692.320	199			

Interpretation:

The f value as per the above table is 7.038 which is significant at .000 , which is less than .05. It implies that null hypothesis is rejected. Therefore we can conclude that there is a significant difference among respondents of different income group towards the factors which restrict them to purchase online.

H07: There is no significant difference among the respondents of different age groups towards the factors which restrict them to purchase online.

H7: There is significant difference among the respondents of different age groups towards the factors which restrict them to purchase online.

One-way

Descriptives

TOTRESFR

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
15-25	90	34.01	5.988	.631	32.76	35.27	18	50
25-35	64	30.38	7.245	.906	28.57	32.18	16	45
35-45	35	31.14	6.731	1.138	28.83	33.45	17	45
45 and Above	11	31.73	3.228	.973	29.56	33.90	27	36
Total	200	32.22	6.609	.467	31.30	33.14	16	50

ANOVA

TOTRESFR

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	549.864	3	183.288	4.412	.005
Within Groups	8142.456	196	41.543		
Total	8692.320	199			

Interpretation:

The f value as per the above table is 4.412 which is significant at .005 , which is less than .05. It implies that null hypothesis is rejected. Therefore we can conclude that there is significant difference among respondents of different age group towards the factors which restrict them to purchase online.

H08 :here is no significant difference among the respondents of different age group towards the problem faced while purchasing online.

H8: There is significant difference among the respondents of different age group towards the problem faced while purchasing online.

One-way

Descriptives

TOTPRBFC

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
15-25	90	18.56	13.934	1.469	15.64	21.47	0	36
25-35	64	12.78	14.589	1.824	9.14	16.43	0	36
35-45	35	14.60	14.849	2.510	9.50	19.70	0	36
45 and Above	11	6.91	12.037	3.629	-1.18	15.00	0	31
Total	200	15.38	14.490	1.025	13.35	17.40	0	36

ANOVA

TOTPRBFC

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2150.406	3	716.802	3.545	.016
Within Groups	39634.469	196	202.217		
Total	41784.875	199			

Interpretation:

The F value per the above table is 3.545 which is significant at .016, which is less than .05. It implies that null hypothesis is rejected. Therefore we can conclude that there is significant difference among respondents of different age group towards the problem faced while purchasing online.

H09: There is no significant difference among the respondents of different income group towards the problem faced while purchasing online.

H9: There is significant difference among the respondents of different income group towards the problem faced while purchasing online.

One-way

Descriptives

TOTPRBFC

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
less than 10000	49	22.55	12.944	1.849	18.83	26.27	0	36
10000-20000	9	13.89	13.374	4.458	3.61	24.17	0	29
20000-30000	45	12.18	14.699	2.191	7.76	16.59	0	36
30000-40000	54	16.63	14.332	1.950	12.72	20.54	0	36
40000 and above	43	9.28	13.123	2.001	5.24	13.32	0	36
Total	200	15.38	14.490	1.025	13.35	17.40	0	36

ANOVA

TOTPRBFC

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4686.042	4	1171.511	6.158	.000
Within Groups	37098.833	195	190.250		
Total	41784.875	199			

Interpretation:

The F value as per the above table is 6.158 which is significant at .000, which is less than .05. It implies that null hypothesis is rejected. Therefore we can conclude that there is significant difference among respondents of different income group towards the problem faced while purchasing online.

RESULTS

Comparison of past experience from online shopping on the basis of gender, age and monthly income.

- There is no significant difference between respondents of different gender towards their past experience from online shopping.
- There is no significant difference among respondents of different age groups towards their past experience from online shopping.
- that there is no significant difference among respondents of different income groups towards their past experience from online shopping.

1. Comparison of factors which restrict from purchasing online on the basis of gender, age and monthly income.
   - There is no significant difference between respondents of different gender towards the factors which restrict them to purchase online.
   - There is significant difference among respondents of different age group towards the factors which restrict them to purchase online.
   - There is significant difference among respondents of different income group towards the factors which restrict them to purchase online.

   Comparison of problems faced while purchasing online on the basis of gender, age and monthly income.

- There is no significant difference between respondents of different gender towards the problem faced while purchasing online.
- There is significant difference among respondents of different age group towards the problem faced while purchasing online.
- There is significant difference among respondents of different income group towards the problem faced while purchasing online.

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