

An Analysis of Consumers Behaviour towards Online Shopping using Mobile Applications

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Abstract

Internet, as everyone can see now, a biggest revolution on the earth that has brought changes to almost all the fields where a human can reach. The revolution which has brought the world too close that actualized virtual communicating with a person residing on earths another edge is on the finger now. The use of internet which have changed the shape and face of business is easing the customers and the sellers in a very convenient way. has changed the traditional process of purchase by a vast. The result of such convenience is increase and speed business activities. Online shopping has now become the lifestyle of the people. The rural population in India also using it in a very large amount. The Indian population is now well connected and used to online business. Hence the scope of business in India is develop by a huge amount. The activities like agricultural marketing, purchase of raw material, etc are also being practiced by the mean now days. In this way, the increase in online commerce have now reached to a greater height and creating new opportunities for business. This study aims to know the behavior of consumers who do the online shopping based on apps.

Keywords: Online shopping, e-commerce, buyer's behavior, purchase decision.

Introduction and Research Methodology

Introduction E-commerce in India has emerged as one of the option for various problems related to the country's economy. It has helped in creating many opportunities for employment and also has a role in infrastructure development of the country. This e-commerce or major part of it called as online shopping have changed the traditional and classical system of transaction in business and opened new doors for new ways of transacting. The development in the field of technology has gifted the internet technology and in effect the ecommerce or online shopping have been developed a part. Online shopping in urban areas and developed geographies can be welcomed easily but the use of same structure in rural and semi-urban geography leads to a great wonder. Having covered a major part of population Indian rural and semi-urban part has also showed very good signs in online shopping. And the result of this is before us. The Indian E-commerce market has developed by multiplications and the economy is increased many folds. The intention of this study

is to find out regarding the same. How customers behavior from rural or semi-urban customer works in e-commerce is the prime question to study under this effort.

Objectives of the Study

- To study the online shopping market in India.
- To study various factors that influences the online shopping through Apps.
- To study customers behaviour towards online shopping with the help of Apps.
- To study whether online shopping creates unnecessary needs for product.

Hypotheses

H1 Cash on delivery is one of the features which attract more customers towards online shopping with the help of apps.

H2 Variety and ease of comparison is one of the reasons for attracting customers towards online shopping with the help of apps.

H3 Misuse of banking and personal details is major threat for online shopping through app.

H4 Online shopping boosts external stimuli to create unnecessary needs.

Significance of the Study

The business in any country needs to develop a day by day, which ultimately results in economic growth of that particular country. Same is regarding India. Indian business is also increasing in a very rapid way and one of the reasons for this speed is internet and e commerce which is bringing ease to business activity. Having a major part covered by rural population, India still manages to have a good share of online business in the world. Hence this study is important to know what the semi-urban population of the country thinks and feels about online shopping and e-business.

Research Method

The survey method is used for this specific work. The behavior of the said sample is studied with the help of a survey which is carried out with help of a questionnaire. The behavior of customer is studied and described in this research, hence it can also be called as descriptive research

Tools of Data Collection

Primary Data: primary data is collected from the said sample with the help of a structured questionnaire. Though the secondary data is used, major findings have been drafted from primary and secondary data both.

Secondary Data: The secondary data is collected by the articles, research papers, books and internet. The use of secondary data is made for creating a platform for the research and to shape the process of this research.

Questionnaire

A systematic questionnaire is prepared to collect the related primary data. This questionnaire is divided in to two parts wise; personal information and study related information.

Sampling

Data collection for this work is done on the base of stratified random sampling. Then the samples are selected on the base of age groups. Youth are the major parts of the population which uses internet hence the data is collected by the respondents of the age group between 21 to 35 FROM CHENNAI. For choosing particular respondents the youths who uses internet and known about the online shopping have been selected.

Tools and Techniques of Data Analysis

The data gathered by the questionnaire is analyzed and interpreted with the help of various quantitative techniques like average, percentage, etc. The hypotheses are tested with the help of chi square technique. Consumer Behavior & Online Shopping

The study of consumer behavior is a tough still necessary task if someone wants to sustain in the market. The business today have become customer oriented and have reached to the doors of customers. This customization of business needs a deep and correct study of the customers. Hence marketing and business have realized the great value of knowing their customers or studying the customer behavior. The marketers are also studying this phenomenon as Nair (2010)¹explains that the marketers are studying and found that a huge change have been occurred in the customer attitudes from few years back. To explain the consumer behavior, he further adds it is the study of how an individual decides on how to utilize and spent his or her resources on various items which are to be consumed. To explain the dynamism of consumer behavior Peter, Jerry and Olson (2002)²writes the thinking of a particular individual, feeling of a particular individual, actions an individual takes, targeted groups and a constantly changing society makes it dynamic.

One more question arises when someone wants to study the behavior of a particular customer and that is what influences a customer to take a buying action. Kotler, Keller, Koshy and Jha (2009)¹ stresses on the cultural, social and personnel factors which can influence a behavior more. According to them these are the major factors which can shape and influence a customer's mind towards a particular product. Blackwell, Miniard and Engel (2005)² also describe various factors which can affect and influence the behavior of a customer. They have divided these affecting factors in to two different dimensions as customer reelected factors and organizational influences. In customers related factors they emphasize the role of culture, personality, life style, income, attitude, motivation, feelings, knowledge, civilization, family values and family, available resources, opinions of related people, past experience with the product where organizational influences they have given place for Brand, advertising, promotions, price, service, convenience, packaging, product features, word of mouth, retail display, quality, store ambience, loyalty programs.

Literature Review

Wang, Liu & Cheng⁹ (2008) in their research called Study on the Influencing Factors of Online Shopping have explained various factors which can influence on online shopping negatively and positively. According to this study, traditional shopping which may also called store shops can be influenced by traffic conditions, shops credibility, promotion, service quality, shopping environment, background and experience, etc. Whereas the major factors which can influence a customer in online shopping are web site visibility, online shops credibility, information comparison, payment privacy and security, interface, education level and experience of the customers, etc. One of the major factors, consumer's cognition, is also discussed here. According to the this the habits of traditional shopping like touching, seeing and feeling the actual product before purchase is one of the major influencing factor for store shopping. A comprehensive description of risk perception of the customers is also given this research. One of the main restrictive forces for online shopping is greater risk perception of the customer regarding online shopping. Inability of touch or feel before purchase, distrust of websites, fear of being deceived and financial insecurity are the major reasons of this risk perception. Thus this research has explored the major reasons of risk perception in online shopping Lim & Ting¹⁰ (2012) have tried to analyze the online behavior of the customers with the help of gratification theory. It has been noted that the intention of the customers to shop online is determined by the attitude of them. The attitude of the customers is depends on the Entertainment gratification and Information Gratification in online shopping. According to the research it was

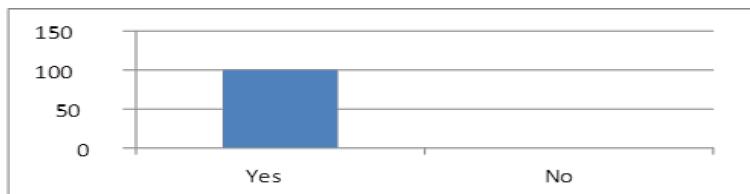
concluded that the EG and IG creates favourable environment for the online research in the mind of customers. At the other hand Web irritation can be the negative aspect for creating unfavourable mind of the customer regarding online shopping. In this way, the gratification theory shows how one can use these factors to create a favourable environment for online purchase.

In this way various efforts have been taken to analyze and study the behavior of online shoppers and many reasons have been found for the same.

Data Analysis and Interpretation

Awareness of Online Shopping

Yes	No
100	0



As the respondents selected on the bases that they should aware of online shopping, all the respondents are aware of online shopping.

Awareness about online shopping with the help of Apps

Yes	No
100	0



It can be seen from the graph that all the respondents have heard or they are aware about the applications of online shopping and its use.

Respondents ever Shop Online

Yes	No
78	22
78%	22%

Respondents Shop online



It can be seen with the help of graph that the 78% of the respondents have shopping online.

Respondents Who used Apps for Shopping Online

Yes	No
78	0
100%	0%

online Shopping by App

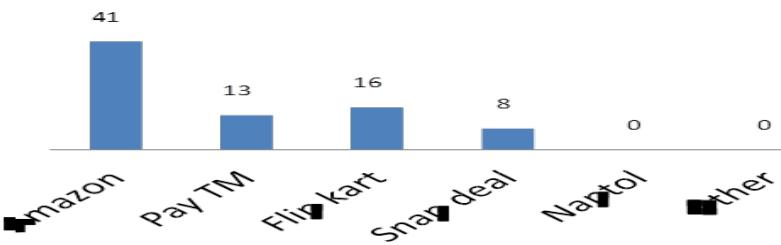


It can be seen that among respondents who have had shopping online, all of them have used any online shopping app for the purpose.

Apps used by Respondents

Amazon	Pay TM	Flip kart	Snap deal	Naptol	Other
41	13	16	8	0	0
52.56%	16.66%	20.50%	10.25%	0%	0%

Apps used for online purchase



According to the table and graph it can be seen that 52.56% of the respondents have used Amazon for online shopping. Whereas 16.66, 20.5 and 10.25 percent of the respondents have used Pay Tm, Flip Kart and Snap Deal respectively. Naptol is one of the Apps which are not in use yet among the respondents.

Products type being Shop Online

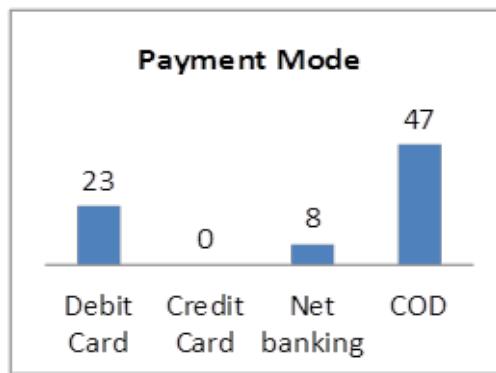
Clothing	Electronics	Sports	Grocery	All Above
14	7	4	3	50
17.94%	8.97%	5.12%	3.84%	64.10%



By seeing above table it can be said that the major category of product which is being purchased on online shopping Apps is clothing. Apart from which electronics, sports and grocery is also being purchased by Apps. 50 mean 64. 10% of the respondents are used to purchase all types of products.

Payment mode Used

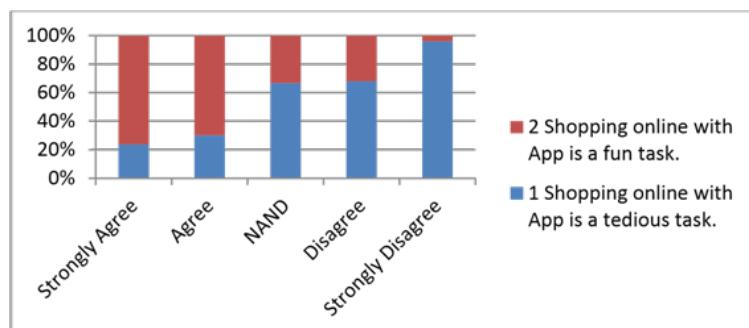
Debit Card	Credit Card	Net banking	COD
23	0	8	47
29.48%	0%	10.25%	60.25%



Cash on delivery is one of the most used payment mode as 60.25 % of the respondents use it followed by debit card (29.48%) and net banking (10.25%). Credit cards are not being used for online purchase in selected respondents.

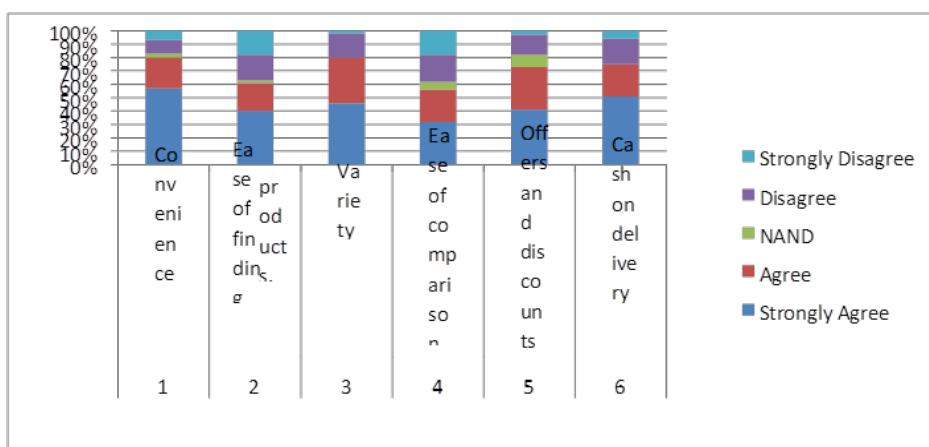
Behaviour towards shopping online with the help of App

No.	Statement	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree
1	Shopping online with App is a tedious task.	21	3	2	51	23
2	Shopping online with App is a fun task.	67	7	1	24	1



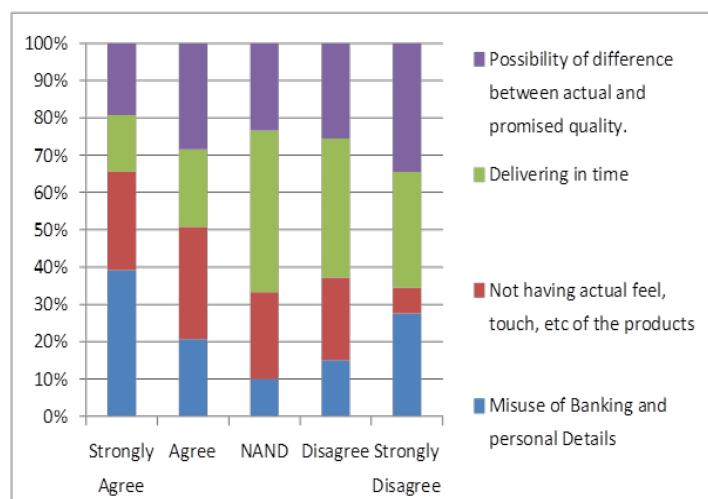
Reasons for Preferring Online Shopping with the Help of App

No.	Statement	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree
1	Convenience	57	23	3	10	7
2	Ease of finding products.	40	21	2	19	18
3	Variety	46	34	0	18	2
4	Ease of comparison	32	24	6	20	18
5	Offers and discounts	41	32	9	15	3
6	Cash on delivery	51	24	0	19	6

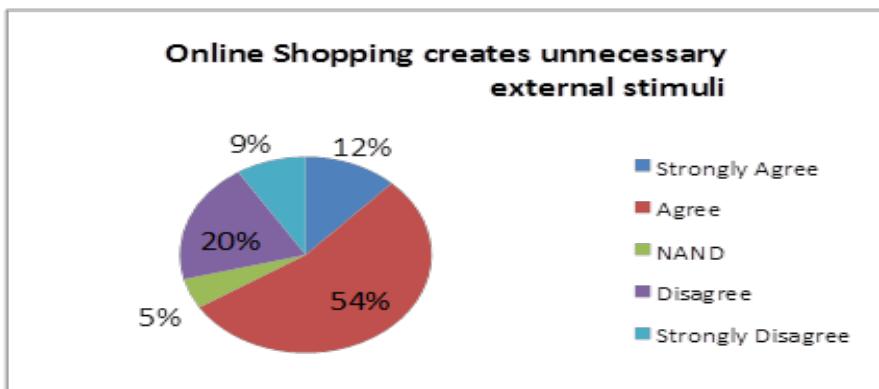


Probable risks in online shopping with the help of App

No.	Statement	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree
1	Misuse of Banking and personal Details	49	27	3	13	8
2	Not having actual feel, touch, etc of the products	33	39	7	19	2
3	Delivering in time	19	27	13	32	9
4	Possibility of difference between actual and promised quality.	24	37	7	22	10



At the time of surfing on online shopping, external stimuli create unnecessary needs



When it was asked whether online shopping creates external need stimuli a majority of 54% of the respondents were agree to the statement and 12% were strongly agree to it. The respondents who are disagreeing or strongly disagree with this statement are 20% and 9% respectively. And 5% of the respondents were neither agree to statement nor disagree.

Hypotheses Testing

Cash on delivery is one of the features which attract more customers towards online shopping with the help of apps.

Statement	Freq.	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree	Total
Cash on delivery	fo	51	24	0	19	6	100
	fe	20	20	20	20	20	

- $\chi^2 = 78.7$
- Df = 04
- Significant level at 0.05 = 9.488
- Significant level at 0.01 = 13.277

Calculated value of χ^2 is 78.7 which marginally exceeds on both the level of significant hence The hypothesis is accepted.

Variety and ease of comparison is one of the reasons for attracting customers towards online shopping with the help of apps.

Statement	Freq.	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree	Total
Variety	fo	46	34	0	18	2	100
	fe	20	20	20	20	20	
Ease of comparison	fo	32	24	6	20	18	100
	fe	20	20	20	20	20	

- $\chi^2 = 98$
- Df = 04
- Significant level at 0.05 = 9.488
- Significant level at 0.01 = 13.277

Calculated value of χ^2 is 98 which marginally exceeds on both the level of significant hence The hypothesis is accepted.

Misuse of banking and personal details is major threat for online shopping through app

Statement	Freq.	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree	Total
Misuse of Banking and personal Details	fo	49	27	3	13	8	100
	fe	20	20	20	20	20	

- $\chi^2 = 68.6$
- Df = 04
- Significant level at 0.05 = 9.488
- Significant level at 0.01 = 13.277

Calculated value of χ^2 is 68.6 which marginally exceeds on both the level of significant hence The hypothesis is accepted.

Online shopping boosts external stimuli to create unnecessary needs

Statement	Freq.	Strongly Agree	Agree	NAND	Disagree	Strongly Disagree	Total
At the time of surfing on online shopping, external stimuli create	fo	12	54	5	20	9	100
	fe	20	20	20	20	20	

- $x^2 = 77.8$
- Df = 04
- Significant level at 0.05 = 9.488
- Significant level at 0.01 = 13.277

Calculated value of X^2 is 77.8 which marginally exceeds on both the level of significant hence The hypothesis is accepted.

Major Findings & Conclusions

After studying the all the facts and theories, following findings were drawn;

- It was found that the gender, age differences, income and educational level has correlation with the online shopping behavior. According to these aspects the behavior of a particular individual can be different.
- Factors are different in both type of purchases as regarded online and on store purchase. In on-store purchase actual feel, touch, etc. of a products can be positive factor for purchase which is not available in online purchase.
- The attitude of the customers depends on the Entertainment gratification and Information Gratification in online shopping. The EG and IG creates favourable environment for the online research in the mind of customers. At the other hand Web irritation can be the negative aspect for creating unfavourable mind of the customer regarding online shopping.
- 24x7 convenience is one of the major features which attract online shopping.
- Majority of respondents who shop online uses online shopping Apps.
- Amazon, Flip kart and Pay TM are the most used Apps in the sample area.
- Cash on Delivery is very famous and most used mode of payment followed by debit cards. Credit cards are not yet in use for the purpose in the sample area.
- Variety and ease of comparison are major reason for favourability for online shopping.
- Misuse of banking and personal details are the major fears faced by the customers regarding online shopping.
- The concern for security is one of the major negative aspects for online shopping.
- Online Shopping boosts external stimuli for purchase decision.

According to the above findings it can be concluded that online shopping business in India is increasing a day by day. The main reasons for increased business is ease of access, comparison, cash on delivery, variety, are the reasons which saves time and creates convenience for customers. Fear for misuse of information, fear for money loss, fear for not getting promised products are some of the reasons for not using online shopping in India. Though the online business is developing, it is not developed as the possibility because of above explained reasons. If a proper action taken to reduce above fears and proper legal provisions are made, the number of customers can be increased at a lot. Finally one can say that everyone likes to save time, money and efforts but not on the cost of gullied.

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