



PREFERENCES AND PERCEIVED RISK OF VIRTUAL SHOPPING AMONG FEMALE STUDENTS IN KNC COLLEGE AT CUDDALORE

Dr. R. Krishnakumar* **Mumtaj. M. P****

**Assistant Professor in Commerce, PG & Research Department of Commerce, St. Joseph's College of Arts and Science (Autonomous), Cuddalore .*

***Research Scholar, PG & Research Department of Commerce, St. Joseph's College of Arts and Science (Autonomous), Cuddalore .*

Abstract

Virtual shopping is a purchasing or buying goods and services through online by using of internet or web services. Preference is a rank based on the consumer prefer, and satisfaction towards the purchasing of goods and services. Perceived risk is a risk when a consumer purchasing new product or services. The statement of problem in this study is The Female - college student should accept to purchase through online and they select specified online store for purchase and analyse the perceived risk (reference to product/ service and online transaction). Objectives of this study are analysing the preference of buyer and perceived risk of Female student in KNC College at Cuddalore towards virtual shopping. Majority of respondents are comparing the other online store before they purchase in online. Majority of respondents are satisfied with time risk while in virtual shopping.

Keywords: Preference, Perceived Risk, Virtual Shopping.

Introduction

Virtual shopping is a purchasing or buying goods and services through online by using of internet or web services.

Preference is a rank based on the consumer prefer, and satisfaction towards the purchasing of goods and services. The consumer purchasing level should be uncertainty when their purchase is worthy.

Perceived risk is a risk when a consumer purchasing new product or services. It should be high when a consumer purchases the expensive goods and it is less when the information is collected about the product before it purchase.

Perceived risk considered six types, they are (a) Functional risk: It refers that the fear of consumer about the delivery of product or service. (b) Social risk: It refers that the reduction of person's status in society when the goods and service are purchase or using. (c) Financial risk: It refers that the consumers fear about the tax or monetary resources. (d) Physical risk: It is purchasing for perceived by potential consumer (books, magazines). (e) Time risk: It refer to the time of purchasing and deliver the product or service with in particular time. (f) Psychological risk: It refers that the confusion of consumers that their choice is right when the product or service are purchase.

Statement of problem

Online stores are provides different services and different types of product with different quantities. Internet creates many business opportunities. There is heavy competition among online stores.

The Female student in KNC College at Cuddalore should accept to purchase through online and they select specified online store for purchase and analyze the perceived risk (reference to product/ service and online transaction). Analyzing of preference of female college students towards virtual shopping, it should be a perceived risk.

The decision making factors is affect the preference of the female college students. The retention of consumer and creating loyalty among consumer are the focus among virtual shopping with intension they offer different facilities and adopt various promotion measure to satisfy while know of the consumer preference towards virtual shopping.

Review of Literature

Lindstrom, (2001) – purchasing of goods and services are best in traditional markets than online market. The consumer can purchase the goods with their preference and taste and they can able to touch and feel the products, and they can purchase and exchange on the spot.

Magee (2003) – the consumers who are using internet, they only prefer shopping through online and comfortable to them to make shopping in online by using internet.



Ryan (2004) – the marketing standard of internet is credibility by gaining. The approaches are strongly claimed self-regulation, and analyzing other views and ambiguity of offline about the roles of institution.

Wong and Sculli (2005) – the consumers are purchase the goods and services in online by the attraction of many offers and high intension of consumer. The consumer had decided for purchase in internet and chooses from alternatives easily.

Alam and Yasim (2010) – the consumers are purchase the goods and services with their satisfaction. The factors which are influence in customer’s satisfaction for their purchase are design of websites, varieties of product are available, and delivery time and process should be perfect.

Xia and Monroe (2009) – consumers are save their money to purchase specific product, when price promotion is occurs in online shopping. The consumers are attracted by the price offers and the qualities of product are available in online shopping.

Ko et al – the consumers perceived risk is the one of the loss, when the consumer purchase through online there should be unfavorable outcomes arise, and uncertainty feeling of individuals about negative outcomes.

Scope of the study:

This study covers the extents the perceived risk and preference of female student in KNC College at Cuddalore regarding various dimension rendered by the online stores.

In this heavy competitive state, it is important and challenging the task for virtual shopping to attract the consumers to sustain and to promote their business through internet.

Hence the present study aims at bringing out the various aspects concerned with perceived risk and consumer preference of college students which would surely serve a purpose for the virtual shopping to work out their service quality.

Objectives of the study:

- Analyzing the preference of buyer and perceived risk of Female student in KNC College at Cuddalore towards virtual shopping.

Hypothesis: Ho: There is no significant difference between age and the satisfaction of perceived risk.

Methodology:

Primary data collected through questionnaires administered to a sample of 150 female students selected from KNC College at Cuddalore, the questionnaire was pre- designed. **Secondary data** used for the study are inclusive of the data collected internet, magazines, journals.

Sample design: A Survey was conducted from college students in Cuddalore, in order to measure the consumer preference and perceived risk towards virtual shopping with reference to Female college students. Using **Random Sampling** the samples were selected for this analysis.

Sample size: The sample size of this analysis is selected from sampling unit. The sample size is 150 female students selected from KNC College at Cuddalore,

Data Analyses and Interpretation

Ho: There is no significant difference between age and the satisfaction of perceived risk.

Age and Satisfaction of Respondents – Cross Tabulation

Age/ Option	Financial Risk	Functional Risk	Social Risk	Physical Risk	Time Risks	Psychological Risks	Total
18 Years	9	1	3	2	20	0	35
19 Years	11	1	1	0	32	0	45
20 Years	6	12	8	5	11	1	43
above 20 Years	1	4	3	3	15	1	27
Total	27	18	15	10	78	2	150



Chi- Square Test:

O _i	E _i	(O _i - E _i) ²	(O _i -E _i) ² /E _i
9	6.3	7.29	1.1571
11	8.1	8.41	1.0383
6	7.74	3.0276	0.3912
1	4.86	14.8996	3.0658
1	4.2	10.24	2.4381
1	5.4	19.36	3.5852
12	5.16	46.7856	9.067
4	3.24	0.5776	0.1783
3	3.5	0.25	0.0714
1	4.5	12.25	2.7222
8	4.3	13.69	3.1837
3	2.7	0.09	0.0333
2	2.333	0.1111	0.0476
0	3	9	3
5	2.8667	4.551	1.5875
3	1.8	1.44	0.8
20	18.2	3.24	0.178
32	23.4	73.96	3.1607
11	22.36	129.0496	5.7714
15	14.04	0.9216	0.0656
0	0.0467	0.0022	0.0471
0	0.6	0.36	0.6
1	0.5733	0.6713	1.1709
1	0.36	0.4096	1.1378
TOTAL			44.4982

$$\chi^2 = \sum_i \frac{(O_i - E_i)^2}{E_i} \sim \chi^2 (r-1)(c-1) \text{ d.f}$$

Degree of Freedom = (r-1) (c-1) = (4-1) (6-1) = (3) (5) = 15

Level of Significant: 5%

Table value = 24.996

Calculated value = 44.4982

Inference

In the Chi Square test, the calculated value is 44.4982 and the table value is 24.996. Then The Calculated value is greater than the Table value, so the Null Hypothesis is rejected. Therefore, the result is there is a significant difference between age and the satisfaction of perceived risk. The respondents who prefer virtual shopping are satisfied with time risk in one of the perceived risk.



Findings

- The Respondents is take for this survey on 18 years of age is 23 % of respondent, 19 years of age is 30% of respondent, 20 years of age is 29% of respondent, and above 20 years of age is 18% of respondent.
- Majority of Respondent are prefer Amazon (63%) to select for purchase the product.
- Majority of the Respondent 60% of respondent are prefer electronic items, 25% of respondent are prefer clothes, 15% of respondent are prefer books to purchase on online.
- Majority of respondent (97%) are satisfied to purchase through online.
- Majority of respondent are preferred Cash on delivery (90%) than Installment (3%), and E- commerce transaction (7%) to payment for their purchase.
- Majority of respondent (85%) are having good opinion about the performance on their online store.
- Majority of respondents (91%) are comparing the other online store before they purchase in online.
- 92% of respondents are satisfied with after sales service towards virtual shopping.
- 53% of respondents are satisfied, 46% Of respondents are highly satisfied, 1% of respondent are neutral with the expected promotional factors towards virtual shopping.
- The survey was found that 69% of respondents are said well, 30% of respondents are said very well, 1% of respondents are said neutral; on decide to purchase the product on particular store.
- 72% of respondents are highly satisfied, 25% of respondents are satisfied, 3% of respondents are neutral, towards factors providing in online store.
- 15% of respondents are affect by financial risk,23% of respondents are affect by functional risk, 19% of respondents are affect by social risk, 23% of respondents are affect by physical risk, 11% of respondents are affect by time risk, 9% of respondents are affect by psychological risk in perceived risk while in purchasing through online.
- 18% of respondents are satisfied with financial risk, 12% of respondents are satisfied with functional risk, 10% of respondents are satisfied with social risk, 7% of respondents are satisfied with physical risk, 52% of respondents are satisfied with time risk, 1% of respondents are satisfied with psychological risk.

Suggestion

An effective way of Virtual Shopping is to protect the websites. The Consumers get opportunities to access the credibility provide by E-company. The consumers prefer the quality and price of product, and performance of delivery product by the e-company. Virtual shopping is reduced their risk for purchasing. The Consumer should be aware of Virtual shopping and they should know about the risk facing while in shopping. The Virtual shopping is developed their security and maintain the privacy that has to be taken.

Conclusion

This analysis refers that the preference and risk for purchase in the virtual shopping by the consumers, they decide the product for purchase. They prefer to accept virtual shopping for their purchases, as they perceived. The preference of product is a virtual shopping, different product should available in virtual and they should comfortable to purchase the product in virtual shopping based on their preferences and secure with risk in virtual shopping with the help of internet.

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