



FACTORS INFLUENCING CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING IN BERHAMPUR – A CASE STUDY

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Abstract

With the rapid global growth in electronic commerce (e-commerce), businesses are attempting to gain a competitive advantage by using e-commerce to interact with customers. These growing and diverse Internet populations mean that people having diverse tastes and purposes are now going to the Web for information and to buy products and services. Thus, the impact of these online shopping environments on consumer response necessitates a critical understanding for marketing planning.

This study endeavours to understand major factors influencing customer satisfaction in online shopping. The existing literature was reviewed to discover reasons that would influence customers positively or negatively towards shopping online. Surveys were conducted by distributing questionnaires to gather data for this research. It has become the most efficient way to offer valuable information to the customers like discounts, promotions, new and existing products as per the customer requirements. The objective of this paper is to analyze customer satisfaction level towards online shopping. This paper is descriptive in nature, and data has been collected through various primary and secondary sources.

From the findings, it was discovered that respondents use internet to purchase products through online because they believe it is convenience to them and the term convenient includes elements such as time saving, information availability, opening time, and ease of use, websites navigation, less shopping stress, less expensive and shopping fun. Majority of the respondents are satisfied on availing online shopping services. In contrast, along with respondents' mind-sets, online payment security, personal privacy and trust, unclear warranties and returns policies and lack of personal customer service are the foremost barriers of online shopping.

Keywords: *E-Commerce, Online shopping, Internet, Customer Satisfaction.*

Introduction

Online shopping plays a vital role in our lives. Nowadays, online shopping is a fast growing phenomenon. Growing numbers of consumers shop online to purchase goods and services, gather product information. There are various benefits of online shopping which encourage people to participate in online transaction. Those benefits are the global reach of the internet, whereby consumers can buy goods and services with a wide range of categories anywhere, any time and at any location.

Many of the people don't have a time to go to shopping & choose the product. In fast running world they like to purchase all the things at their door steps within short time. Besides, online sellers deliver the goods to the buyer's home, and customers can order as many items as they can afford. Moreover, it is important for the retailers to ensure that the customers have a good shopping experience that meets up to their requirements during their purchasing period. Thus, that the seller can expect the customer to visit their site again in the future, as well as attract new or potential customers. Customer satisfaction with respect to online shopping is the extent to which customer's perception of the online experience confirms their expectation. If expectations are met, customers achieve a high degree of satisfaction which influences their online shopping attitudes, intentions and decisions positively.

Review of Literature

According to Lin (2011), product quality has improved customer's satisfaction in internet shopping at a higher level. Moreover a customized online product has been offering consistent quality and provides better product depth and length and ensures 24x7 customer care for product availability to their customers. Hence, these sorts of e-tailor product related characteristics can develop, sustain and improve customers trust in internet shopping.

According to Weisberg (2011), it was found out that customer has attractiveness towards purchasing online increases when they had higher goodwill towards the website. The higher degree of e-trust among customers makes brings in positive advice to prospective customers. E-trust is the core for long-term association between online companies and customers and improves the level of trust. Online repurchase decision is based on higher level of e-trust and trustworthy.

According to Hui and Kejin (2009), it was identified that factors affect individuals' online purchase intention was empirically tested using data collected from a survey of online consumers in Shanghai. The findings of this study showed that perceived



usefulness, compatibility and trust positively affect consumers' attitude. The results also revealed that attitude positively affects consumer's purchase intention.

According to Jiang, Chen and Wang (2008), it was determined the relationship between knowledge and trust in consumers' online shopping behavior. The relationship between knowledge, trust in online shopping, and the intention to go shopping online. Based on the responses, the study revealed that knowledge is positively associated with trust and online shopping activities. People who know more about online shopping tend to trust and are more willing to shop online.

Furthermore, in consistent with Gay et al. (2007), Yun and Good (2007), Lee and Lin (2005), Rajamma et al. (2007), Kim and Kim (2004), Ramus and Nielsen (2005), Ladson and Fraunholz (2005), Kramarae and Kramer (1995), Welch (1995), Rathmell et al. (1998), Johnstone (1999), Singh (2004), Smith & Chaffey (2002), and Canavan et al. (2007),: consumer satisfaction and purchase decision on online shopping depends on few more issues. These are: e-store image, delivery and customer services, service quality and purchase behaviour, personalisation, motivations for online purchase, trust, reliability, privacy, transaction and cost, incentive programmes, web-site design, online interactivity, merchandise motivation, assurance, convenience (or Hassle Reduction), pragmatic motivation, responsiveness, consumer risk assessment etc

Objectives of the Study

The present study seeks to achieve the following objectives:

1. To find out the consumer preferences towards various online shopping companies.
2. To find out level of customer satisfaction towards different online shopping companies.
3. To investigate major factor affecting the satisfaction level of online shoppers.

Research Methodology

The nature of this research is descriptive and the goal of this research is to explore the consumer's satisfaction towards online shopping and to measure how these factors are extensive.

Sources of data: This research paper is based on Primary data and secondary data. Primary data was collected through well designed questionnaires from the shoppers of Berhampur. Secondary data was collected from various website, journals, magazines which focused on various aspects of customer satisfaction towards online shopping.

Universe of the study: For the purpose of the study, the universe consists of some online shopping customers of Flipkart, Amazon, Snapdeal, E bay, Home shop 18 and others at District Ganjam (Odisha).

Sample size: A total of 180 respondents were included in survey. The study is limited within Berhampur city. Questionnaire for collection of data from target respondents has been used. The study was conducted among the respondents who had previous online shopping experience in any retail segment (web store).

Analysis of Data and Results

The result of analysis and interpretation of empirical data based on the questionnaire of 180 respondents. The primary data was collected by the way of questionnaires from various socio-economic people of Berhampur of Ganjam district, Odisha.

Preference of online shopping sites

The following table 1 shows that the consumers preference upon various online shopping websites.

Table 1 Online Companies Preferred Respondents

Online shopping Companies	Yes		No	
	Respondents	Percentage	Respondents	Percentage
Flipkart	32	28.32	9	13.43
Amazon	36	31.86	8	11.94
Snapdeal	17	15.04	12	17.91
E bay	8	7.08	13	19.40
Home shop 18	15	13.28	11	16.42
Others	5	4.42	14	20.90
Total	113	100.00	67	100.00

The above table indicates the preference of various online shopping companies based on 180 respondents. From this table- 1 it is seen that majority of the respondents i.e 36 use Amazon for their online shopping. Whereas, that 32 of the respondents



prefer flipkart followed by snapdeal 17, Home shop 18 15 and E bay 8. Only 5 respondents prefer other online shopping companies.

Satisfaction Level

Products and services should have the ability to offer value satisfaction to the consumer. The satisfaction may be both real and psychological. However, the satisfaction level varies from one service to another service and from one shopping website to another website. More importantly, the satisfaction level of customers also varies from time to time. Accordingly, the sample was asked to express precisely their level of satisfaction measured on three parameters, satisfied, averagely satisfied and not satisfied and their responses are tabulated in Table 2.

Table 2 Customer Satisfaction With Respect To Facilities and Services Rendered

Online shopping Companies	Level of Satisfaction			Total
	Satisfied	Averagely Satisfied	Not satisfied	
Flipkart	18	10	6	34
Amazon	22	10	6	38
Snapdeal	17	11	6	34
E bay	10	9	8	27
Home shop 18	11	9	7	27
Others	5	6	9	20
Total	83	55	39	180

Table 2 shows that majority of the respondents i.e 22 expressed their satisfaction with the services provided by the Amazon online shopping company followed by 10 respondents averagely satisfied and only 6 respondents views was not satisfied. Whereas, 18 respondents are satisfied on flipkart company while availing services followed by 10 and 6 respondents responses was averagely satisfied and not satisfied. 17 respondents are satisfied on snapdeal online shopping company due to various reasons followed by 11 respondents averagely satisfied and 6 respondents' views was not satisfied. Similarly, 11 respondents are satisfied on Homeshop 18 followed by 9 and 7 respondents responses was averagely satisfied and not satisfied. 10 respondents are satisfied on E bay online shopping website followed by 9 respondents averagely satisfied and 8 respondents' views was not satisfied. Whereas, only 5 respondents are satisfied on other shopping websites followed by 6 and 9 respondents responses was averagely satisfied and not satisfied.

Factors Influencing Customer Satisfaction towards Online Companies

Many factors can influence upon customers while availing services. Table 3 describes the various factors influencing on online shoppers decision towards buying of goods and services.

Table 3 Factors Influencing Customer Satisfaction towards Online Companies

Satisfaction attributes	Online Shopping Companies						Total
	Flipkart	Amazon	Snapdeal	E bay	Home shop 18	Others	
Information Availability	5	6	5	4	4	3	27
E- Service Quality	4	6	4	3	3	2	22
Best Offers	6	8	6	4	5	4	33
Ease of use	3	3	3	3	3	3	18
Time Saving	5	6	5	4	5	4	29
Trust	5	6	5	4	4	3	27
Online security	4	5	4	4	4	3	24
Total	32	40	32	26	28	22	180

The above table indicates the factors influencing on customer satisfaction while availing various services from different online shopping websites based on 180 respondents. Above table indicates that majority respondent i.e. 8 respondents are highly satisfied on "best offers" offered by Amazon online shopping company followed by Flipkart, snapdeal, Home shop 18 and others. 6 respondents are satisfied on latest information regarding products availability in amazon shopping websites followed by flipkart and snapdeal 5 respondents each. 4 respondent's views were positive in E bay and home shop 18. Whereas only 3 respondents are satisfied on this service attribute on availing other online shopping companies.



Time saving, trust and E service quality are other important factors which can affect consumer behavior and decision making independently while making online shopping. The study also reveals that the online security and easy access is also most influencing factors while availing services.

Findings of the Study

Online customers are highly influenced by price / discounts / best offers and are followed by Information availability, trust, E service quality and so on. Amazon is identified as the most preferred online company followed by Flipkart and Snapdeal. Majority of the respondents purchase online from these online companies as compared to others.

Suggestions

1. The online companies should ensure that the qualities of the products delivered by the sellers are monitored periodically.
2. The companies should focus in providing discount offers and also increasing the variety of brands available to retain loyal customers.
3. The online companies should make sure that the promotional offers reach customers through effective online media.
4. Consumer were also encountered some problems like mostly need products are out of stock but images can view, they feel what in stock that only shown to sell.

Conclusion

The study evaluates the satisfaction level of respondents on the various parameters towards buying online products. This research explicitly indicates that online shopping should give more importance on best offers, security factor, trust and information availability. Customers review or evaluation, actively communicates with buyers and find out the reason why the customers are not satisfied, and give reasonable explanation. In this competition era all the online seller should have to concentrate on the customer's satisfaction to retain the existing customers and have to offer new scheme day by day to attract the new customers.

Limitation of the Study

1. Study was confined to the Berhampur only. So the finding may not be generalized in a broader perspective. In making more generalize, reliable and significant conclusions, a study employing larger samples from all city and all section of customers are needed.
2. Some of the respondents did not read the questionnaire carefully and as a result, they may have been marked some answer incorrectly.

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