



A STUDY ON CONSUMER PERCEPTION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO ERNAKULAM DISTRICT

Mrs. K. Latha* Mrs.Sreeja Kumar*

*Assistant Professors, Department of Commerce, SCMS School of Technology and Management, Cochin.

Abstract

With the development of modern technology, people's way of life is changing day by day. These changes have also affected the way of shopping. Since the emergence of the World Wide Web, merchants have sought to sell their products to people who surf the Internet. Shoppers can visit web stores from the comfort of their homes and shop sitting in front of the computer. Now a days, online shopping has become popular among people as they are comfortable in using internet. Online shopping has becoming a trend and that is why it is necessary to make a study on online shopping usage and perception. The main aim of this research is to study the perception of the customers towards online shopping and also discuss the status of Online Shopping in India. For this purpose, with help of convenient sampling method 100 respondents were selected and the data was collected through structured questionnaire. On the basis of data analysis it is found that most of the customers were perceived that online shopping to be a better option than manual shopping and most of the customers were satisfied with their online shopping transactions. Customers are accessing their net at their home and office.

The study indicate that most of the customers are having experience of online shopping. Customer believed that online shopping is better option than manual shopping as it is economical and provide faster delivery of products and services. On the other hand, some of the customers are facing problems like payment option, service delay, home delivery charges, return of bad / wrong product, confusing sites and ineffective customer service. According to customers, most alarming barriers for online shopping are that they are unable to verify product personally and make secured payment.

Key words: E-Commerce, Online shopping, Status and Growth, Customer Perception.

Electronic commerce, commonly known as e-commerce, refers to the buying and selling of products or services over electronic systems such as the internet and other computer networks. Internet is the rapidest growing media during the past decade. Online shopping is a rapidly growing e-commerce area. Online stores are usually available 24 hours a day, and many consumers have internet access both at work and at home.

India's e-commerce market will grow at a 30% compound annual growth rate for gross merchandise value to be worth \$200 billion by 2026, according to investment bank Morgan Stanley. In a report titled India's Digital Leap–The Multi Trillion Dollar Opportunity, Morgan Stanley said this growth in e-commerce will help in market penetration upto 12% in the next nine years, versus 2% of today. An increasing number of internet users, all new to e-commerce, will help lead this growth, the report said.

India had 60 million online shoppers in 2016, which is 14% of the internet user base of the country. This will rise to over 50% by 2026, the report said. In India, online shopping began in the first decade of 21st century. In last few years consumers are very interested to do online shopping through various websites and mobile apps. They have mixed reactions towards online shopping. In this era consumers prefer online shopping rather offline shopping. There are many corporations like flipkart, Amazon, which provide online shopping and large variety of products. There are so many issues in online shopping pertaining to convenience, privacy, security, satisfaction, quality etc. An online shop evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or shopping center; the process is called business-to-consumer (B2C) online shopping. In the case where a business buys from another business, the process is called business-to-business (B2B) online shopping. Online shopping is beneficial because of convenience, more choice, quick access, 24 hours availability etc. But there are also some limitations of online shopping such as fake websites, information leakage risk, risk of not getting product, purchasing without physical examining of product etc. These affect the perception of consumer towards online shopping.

In Kerala ,there is an increasing demand for products like Shoes and Other Footwear, Flower gift and cakes, Books and Magazines, Cameras and Optics, Kitchen and Home Appliances and Electronics, Laptops and Computer, Memory Cards, Pen Drives and HDD, Mobile Phones and Accessories, Watches, Photo prints, Movies and Music, Fitness and Sports, Cosmetics and Health, Perfumes, Jewellery, Baby Products and kids toys, Travel, air fresheners, bathroom cleaners, batteries, dishwashing detergents, disinfectants, floor cleaners and furniture cleaners.



Review of Literature

The comprehensive literature demonstrates that consumer perception towards online shopping. To justify the need of present study, following literature has been studied.

Vikash and Vinod Kumar (August 2017) In this study, consumer's perception and preference towards online shopping has been studied. The primary data for this research has been collected through a survey of 100 consumers of Kurukshetra by using questionnaire. This study used factor analysis to provide evidence that consumer perception toward online shopping had strong relationship based on consumers demographic. The results of the study supported that the customers perceive online shopping with positive frame of mind and show that the emergence of various factors pertaining to online shopping.

Kanupriya , Rita, & Anupreet kaur (2016) conducted a study and found that a successful web store is not just a good looking website with dynamic technical features, listed in many search engines. This study aims to establish a preliminary assessment, evaluation and understanding of the characteristics of online shopping. An effort has been made to investigate online consumer behaviour, which in turn provides E-marketers with a constructional framework for fine-tuning their E-businesses'

Marketing Conference (2013) The findings of this case study suggest that global companies could find high potential market where internet users are growing high among the population. In addition, findings also suggest that consumers in Malaysia have intentions to purchase from the online if the market is more convenient and secure. Such opportunities for global companies are prevalent while domestic companies facing difficulties in setting up online business. Therefore, global companies could achieve competitiveness through early entering advantage into Malaysian market.

Objectives of the Study

The broad objective of the study is to examine the Consumer Perception towards online shopping in Ernakulam District: An Empirical Study.

1. To study the status of e-market or online market in India.
2. To evaluate the perception of customers towards online shopping in Ernakulam District.
3. To identify the problems faced by online customers.

Methodology of the Study

The present study is exclusively based on Primary and secondary data. The primary data has been collected through structure questionnaire and the secondary data was collected from various issues and annual reports on e-markets and Indian economy reports, News Papers, Journals, Magazine and Books etc. The scope of this study is limited. The questionnaire has been collected between April to June 2017. The study areas include Paravur, Aluva, Kunnathunad and Muvattupuzha.

Results and Discussions

Best Indian Online Shopping Websites: Here is real average for each ranked site (last Updated 17th September 2017)

Table No.1

Ranks	Name of Online Seller	Best Products
I	Amazon	Books, CDS and Electronics Products
II	Flipkart	Mobile phones & mobile accessories, laptops, computer accessories, cameras, movies, music, televisions, refrigerators, air-conditioners, washing-machines, Clothing, Footwear's
III	Snapdeal	Restaurants, spas, travel to online products
IV	Paytm,	Home Decor, Clothing, Laptops to Mobile
V	Jabong.Com	Apparel to Home needs

Source: indiafreestuff.in



Table No.2: Customers Perception on Online Shopping

Factors	Frequency	Percentage (%)
Knowing About Online Shopping		
Advertisements	52	52%
News Papers	26	26%
Friends and Relatives	14	14%
Existing Customers	08	08%
Total	100	100
Frequency of Purchase through Online		
Occasionally	23	23%
Frequently	51	51%
Once in a Month	26	26%
Total	100	100
Purchase of Product through Online		
General Products	20	20%
Electrical & Electronics	40	40%
Sports	04	04%
Medical	06	06%
Personal items	30	30%
Total	100	100

Source: Primary Data

From the table 2, it can be inferred that a majority, that is 54 per cent of the customers know about the online shopping through advertisements, followed by 26 per cent who came to know about online shopping through news papers, 14 per cent of them know about online buying through friends and relatives and least number of customers to know the online shopping through existing customers. In the context of frequency of purchase of products through online result reveals that 51 per cent of them buy the products through online more frequently, followed by 26 per cent of them buy the products through online once in a month and 23 per cent of them buy the products on occasionally.

In the context of major products, it has been found that 40 per cent of the respondents are mostly buying the electrical and electronics products through online shopping, and 4 per cent of them buy the sports equipment through online shopping. This is because customers feel that instead of buying the products manually it is better to buy the products through online as it is more affordable and easy.

Table No.3: Perception of Customers Online Shopping Factors

Perception	Mean Score	Rank
Better option for online shopping	3.92	III
Satisfaction with online shopping	4.15	II
Security net connectivity for online shopping	3.21	V
Online shopping is more economy	4.39	I
Satisfy with delivery of products through online shopping	3.78	IV

Source: Primary Data, Note: Weighted Mean Score Method

From the table 3, According to weighted mean score method, it is inferred that most of them prefer online shopping as it is more economical and gives maximum that satisfaction to customers. Customers feel that it is a better option to buy the products online and gives least importance to factors like quick delivery of products Online security issue is the major constraint for customers to buy the products through online.

Challenges and Issues of Online Shopping in India

From customers perspective: Even though online shopping is growing rapidly with the increase in number of internet users but there is a huge potential that has to be captured by the online shopping customers considering what all challenges are faced by the Customers in study areas.

1. **Lack of Awareness:** Though internet users are increasing, still people are not aware about e-retail and the product they sell.



2. **Payment option:** It varies for rural and urban customers. Customers in the metros are provided with an option of cash on delivery while advance payment is required for non-metro customers or rural area customers. Customers have a fear that whether they will receive the product or not if advance payment is done.
3. **Reliability:** Majority of the customers have a fear of reliability as to whether the product displayed will be the same or not.
4. **Delivery delay:** It is mainly because of the logistics issues like either the companies have outsourced Logistics Company that does not consider the cruciality of on-time delivery or the online buyer is located in a small city/ rural area.
5. **Service delay:** What is claimed is not provided. Mostly there is a delay in the service provided for the goods purchased online due to small service team that is concentrated in big cities only like metro.
6. **Home Delivery charges:** Free home delivery option can be availed by customers residing in key/ metro cities.

Findings and Conclusion

1. It is observed that majority of the people purchase from online shoppers such as amazon and flipkart in india.
2. It is identified that more than half of the respondents to know about the online shopping through advertisements.
3. Education influences the online purchase and about 51% of the customers buy products on the basis of their education.
4. It is identified that 40 per cent of the respondents are mostly buying the electrical and electronics products through online shopping.
5. It is found that the major problems encountered by online buyers are lack of awareness, lack of payment option and delivery delay in rural areas.
6. According to weighted mean score method, it is inferred that most of them consider online shopping to be more economical when compared to manual purchase of products.

E-commerce is one of the biggest things that have taken the business by a storm. It is creating an entirely new economy, which has a huge potential and is fundamentally changing the way businesses are done. It is believed that electronic commerce will become a huge industry in the coming years and online shopping is now becoming a significant part of the consumer's daily life to meet their never ending requirements in a convenient way.

The study indicates that most of the customers have online shopping experience. Customers believed that online shopping is a better option when compared to manual shopping as it is more economical and easy to access. On the other hand, most of the customers are facing problems like payment option, service delay, and home delivery charges, return of bad / wrong product, confusing sites and ineffective customer service. According to the study, the most alarming barriers of online shopping is that they are unable to verified personally and there is no payment security.

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