

A STUDY ON ONLINE SHOPPING BEHAVIOUR

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ABSTRACT:

On-line shopping is a recent phenomenon in the field of E-Business and is definitely going to be the future of shopping in the world. Most of the companies are running their on-line portals to sell their products/services on-line. Though online shopping is very common outside India, its growth in Indian Market, which is a large and strategic consumer market, is still not in line with the global market. The potential growth of on-line shopping has triggered the idea of conducting a study on on-line shopping in India. Recent research has shown an interest in investigating consumer motivations that affect the online shopping behavior. It is yet to understand what factors influence online shopping decision process.

Keywords: Online Shopping, Online shopping behavior, Online shopping Decisions.

INTRODUCTION

Online Shopping Behavior

Online shopping is a form of electronic commerce which allows consumers to directly purchase products or services from seller over the internet using web browser. Online shopping is a fast growing phenomenon. Growing numbers of consumers shop online to purchase goods and services, gather product information or even browse for enjoyment. Online shopping environments are therefore playing an increasing role in the overall relationship between marketers and their consumers

Consumers can shop from any place and need not physically visit the shops / outlets for shopping purposes. Therefore, even if customer is staying in remote area, he / she can easily shop through internet. However, here consumers can visit any number of sites to reach at final choice. Hence, online shopping provides unlimited choices to the consumers in nut shell. The customer can shop any day of the year on any time of the day. This also helps in consumers' time and energy saving. More over due to unlimited choice and less excess time, consumers can easily search for the desired things and can easily compare the products / items. Therefore, the present research is made to study the factors affecting online shopping behavior.

This study first provides a theoretical and conceptual background that illustrates the online consumer behavior process. Then we identify some basic factors that drive consumers to

decide to buy or not to buy through online channel. Finally, we draw managerial implications of how online sellers can use this knowledge to improve their online stores to be more attractive and get more online shoppers.

RESEARCH OBJECTIVE

What are the main factors, which concerns the on-line consumers to shop online on the Internet? & how these factors influence the consumers, when shopping online?

RESEARCH METHODOLOGY

Our research regarding Consumer's attitude towards online shopping is a descriptive research because we just want to draw a picture of our topic as what are the factors that influence consumers to online shopping.

THEORETICAL BACKGROUND

Consumer Decision-making Process

The process of making decision are very similar whether the consumer is offline or online. But one some major differences are shopping environment and marketing communication. According to traditional consumer decision model, Consumer purchase decision typically starts with need awareness, then information search, alternative evaluations, deciding to purchase and finally, post-purchasing behavior.

In terms of online communication, when customers see banner ads or online promotion, these advertisements may attract customers' attention and stimulate their interesting particular products. Before they decide to purchase, they will need additional information to help them out. If they do not have enough information, they will search through online channels, e.g., online catalogs, websites, or search engines . When customers have enough information, they will need to compare those choices of products or services. In the search stage, they might look for the product reviews or customer comments. They will find out which brand or company offers them the best fit to their expectation. During this stage, well-organized web site structure and the attractive design are important things to persuade consumers to be interested in buying product and service. Moreover, the information sources' nature may influence buyer behavior. The most useful characteristic of internet is that it supports the pre-purchase stage as it helps customers compare different options. During the purchasing stage, product assortment, sale services and information quality seem to be the most important point to help consumers decide what product they should select, or what seller they should buy from. Post-purchase behavior will become more important after their online purchase. Consumers sometimes have a problem or concern about the product, or they might want to change or return the product that they have bought. Thus, return and exchange services become more important at this stage.

All five stages described above are affected by external factors of risks and trusts. The search process is a significant component of customer's online shopping behavior.

Influences of Online Shopping Decision Motivations that lead consumer to buy online

There are many reasons why people shop online. For examples, consumers can buy anything at anytime without going to the store; they can find the same product at a lower price by comparing different websites at the same time; they sometime want to avoid pressure when having a face-to-face interaction with salespeople; they can avoid in store traffic jam, etc. These factors can be summarized into four categories—convenience, information, available products and services, and cost and time efficiency.

Convenience: Empirical research shows that convenient of the internet is one of the impacts on consumers' willingness to buy online. Online shopping is available for customers around the clock comparing to traditional store as it is open 24 hours a day, 7 days a week. Consumers not only look for products, but also for online services. Some companies have online customer services available 24 hours. Therefore, even after business hours, customers can ask questions; get necessary support or assistance, which has provided convenience to consumers.

Information: The internet has made the data accessing easier. Given customers rarely have a chance to touch and feel product and service online before they make decision, online sellers normally provide more product information that customers can use when making a purchase. Customers put the weight on the information that meets their information needs. In addition to get information from its website, consumers can also benefit from products' reviews by other customers. They can read those reviews before they make a decision.

Available products and services: E-commerce has made a transaction easier than it was and online stores offer consumers benefits by providing more variety of products and services

that they can choose from. Consumers can find all kinds of products which might be available only online from all over the world. Most companies have their own websites to offer products or services online, no matter whether they already have their front store or not. Many traditional retailers sells certain products only available online to reduce their retailing costs or to offer customers with more choices of sizes, colors, or features. Moreover, online shopping sometimes offer good payment plans and options for customers. Customers can decide their payment date and amount in their own preference and convenience.

Cost and time efficiency: Because online shopping customers are often offered a better deal, they can get the same product as they buy at store at a lower price. Since online stores offer customers with variety of products and services. it gives customers more chances to compare price from different websites and find the products with lower prices than buying from local retailing stores. Some websites, EBay for example, offer customers auction or best offer

option, so they can make a good deal for their product. It also makes shopping a real game of chance and treasure hunt and makes shopping a fun and entertainment. Again, since online shopping can be anywhere and anytime, it make consumers' life easier because they do not have to stuck in the traffic, look for parking spot, wait in checkout lines or be in crowd in store. As such, customers often find shop from the website that is offering convenience can reduce their psychological costs.

Factors that Impede Consumers from online Shopping

Major reason that impede consumers from online shopping include unsecured payment, slow shipping, unwanted product, spam or virus, bothersome emails and technology problem. Business should be aware of such major problems which lead to dissatisfaction in online shopping.

Security: Since the payment modes in online shopping are most likely made with credit card, so customers sometime pay attention to seller's information in order to protect themselves. Customers tend to buy product and service from the seller who they trust, or brand that they are familiar with. Online trust is one of the most critical issues that affect the success or failure of online retailers. Security seems to be a big concern that prevents customers from shopping online.

Intangibility of online product: Some products are less likely to be purchased online because of the intangible nature of the online products. . For example, customers are less likely to buy clothes and footwear's through online mode because they have no chance to try or examine actual product. Customers viewing a product on computer screen can show a different effect than actually seeing it in the store. In sum, customers cannot see, hear, feel, touch, smell, or try the product that they want when using online channel. Some people think the product information provided in website is not enough to make a decision. Online shoppers will be disappointed if the product information does not meet their expectation.

Social contact: While some customers likely to be free from salesperson pressure, many online shopping would feel difficult to make a choice and thus get frustrated if there is no experienced salesperson's professional assistance. Moreover, some customers are highly socially connected and rely on other peoples' opinions when making purchase decision tend. There are also consumers who sometimes shop at traditional store because they want to fulfill their entertainment and social needs which are limited by online stores.

Dissatisfaction with online shopping: Customers' past online shopping experience often affect their future purchase decision. In online shopping, for example, they may get unwanted product or low quality products, product does match what is described or expected. The product may be fragile, wrong, or not working. Some online sellers may not agree to refund those products even though it is not what the customer wanted. Delivery is another thing that

affects online purchasing decision. Slow or late shipping, for instance, makes customer walk away from online shopping.

CONCLUSION

Online retailers need to ensure that the online shopping process in their websites is designed to be as easy, simple and convenient as possible for online consumers to shop online. With easy to use and user friendly websites, this will encourage buyers to make a purchase decision that may more likely return for repeat purchases. In addition, online retailers also need to ensure that they provide an efficient delivery service to their consumers.

In addition, there is also a need for online retailers to develop a comprehensive privacy policy for their customers on the disclosure of personal information in order to lessen their concerns for privacy. The policy should clearly state that the information collected would be kept confidential and not shared or passed on to another party without their consent.

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