

A STUDY ON CUSTOMERS' ATTITUDE TOWARDS E-TAILING IN CHENNAI CITY

JENIFER ANGELEN. S

Reg No: 20121191012006

Research Scholar, Department of Commerce,
Manonmaniam Sundaranar University, Tirunelveli, Tamil Nadu, India.

Dr. M. MOHAMED SIDDIK

Assistant Professor, PG and Research Department of Commerce,
Sadakathullah Appa College (Autonomous), Tirunelveli, Tamilnadu, India.
mohsi25@sadakath.ac.in

ABSTRACT

This research has been undertaken to study about the attitude of the E-tailing customer to which extent he/she has been benefitted in the process of E-tailing. To examine the barriers of E-tailing and also to find out the factors which influence the E-tailing customers to purchase online. To identify the successful E-tailing websites to which the customers are attached to in the process of E-tailing. This study also aims to cover the present scenarios of e-tailing opportunities and challenges and the future trends etc.

Keywords : E-tailing, Websites, trends

INTRODUCTION

E-tailing is the sale of goods online. Electronic retailing may also be referred to as Internet retailing. The word E-tail has its root in the word 'retail'. Here the letter E stands for 'electronic' since the shopping process happens through the electronic media (Internet). E-tailing can be divided into two sub categories Business to Consumer (B2C) and Business to Business (B2B) E-Retailing. E-tailing has expanded rapidly over the years and it has influenced many of the consumers to purchase consistently. Due to the on-going COVID-19 pandemic situation, customer's inclination towards online shopping is growing since consumers are less likely to prefer shopping at brick and mortar shops and physical shops are not functioning at their full capacity. Hence pandemic has accelerated the growth in online sales.

OBJECTIVES OF THE STUDY

1. To know about the demographic profile of the E-tailing customer
2. To understand about the E-tailing customer to which extent he/ she has benefitted in the process of E-tailing

- To analyze the problems faced by the E-tailing customer while purchasing online

RESEARCH METHODOLOGY

In the course of this undertaking, the author would actively search relevant information on key factors of E-tailing and the hurdles faced by the customers while purchasing online is collected from both primary and secondary sources. Primary data would come from a survey that will be distributed to respondents residing in Chennai. Secondary data on the other hand, would be sources from journals, articles, websites and books related to the E-tailing and the successful E-tailing websites. The use of the survey provides the author an indicative tool to gauge how respondents perceive the concept of the E-tailing and how they are benefitted from it, the factors that encourages them to purchase online as well as what are the main things that they are looking for in a website. The responses from the survey are essential input as the author aims to identify the beneficial factor which induces the customers to purchase online.

SAMPLING PROCEDURE

The sample of 120 respondents were selected random in Chennai city and the data was collected through the interview schedule. A simple random sampling was adopted in choosing the respondents. Chennai is selected as the study area by the researcher.

REVIEW OF LITERATURE

Morne (2014) in the topic “Factors Affecting e-Tailing Website Effectiveness: An Indian Perspective” has mentioned that the Indian Retail Market is witnessing a revolution. The growth of internet has enabled the new retail format of the virtual retailer to emerge and forced the existing retailers to consider e-tailing model of retailing as well. This study has captured the important factors affecting the success and effectiveness of e-tailing sites to propose a unifying framework that could eventually guide research in this area and prove beneficial for e-tailers and e-marketers as well.

Alan D. Smith (2013) in the topic “E- Personalization and its tactical and beneficial relationship to E-tailing” has pointed out that the numerous advancements in electronic-personalization communication have generated both benefits and challenges as online retailers try to regain competitive advantages in the current global recession. Through appropriate multivariate analyses and data-reduction techniques, the basic elements e-personalization, namely online purchasing behaviors, quality assurance of customer service, and the promotion of customization services, were found to be conceptually and statistically related to retailer benefits of e-personalization”.

ANALYSIS AND INTERPRETATION OF DATA

Table 1.1 Age of the E-tailing customer

S.No	Age	Number of respondents	Percentage
------	-----	-----------------------	------------

1	Below 20	19	15.83
2	21-30 years	47	39.17
3	31-40 years	33	27.50
4	41-50 years	12	10
5	Above 50 years	9	7.5
	Total	120	100

Source: Primary data

The table 1.1 portrays that 15.83% of the E-tailing customer in the study area is below 20 years, 39.17% of the E-tailing customer is in the age group of 21-30 years, 27.50% of the E-tailing customer belong to the age group of 31-40years, 10% of the E-tailing customer belong to the age group of 41-50 years and 7.5% of the E-tailing customer is above50 years. Thus it is concluded that most of the E-tailing customer is in the age group of 21-30 years.

Table 1.2 Nature of the E-tailing customer

S.No	Nature	Number of respondents	Percentage
1	Pursuing education	30	25
2	Business people	27	22.5
3	Professionals	32	26.66
4	Retired	8	6.67
5	Home makers	23	19.17
6	Others	-	-
	Total	120	100

Source : Primary data

It is observed from the above table that professionals are more in number compared to other category of E- tailing customers. Table 1.2 shows that 25% of the E-tailing customers pursue education, 22.5% of the E-tailing customers are business people, 26.66% of the E-tailing customers are professionals, 6.67% who purchase online are retired and 19.17% of the E-tailing customers are homemakers. Thus it is observed from the above table that the professionals are more in number in case E-tailing customer in the study area.

BENEFICIAL FACTORS IN E-TAILING

The beneficial factors influencing the customers for E-tailing are innumerable in number. Even though the variables influencing the customers are too many, the present study confines itself to 21 variables. The beneficial factors that influences to opt for E-tailing in the study area are discussed in this section, by applying factor analysis. Factor Analysis is a good way of resolving the confusion and identifying important variables.

The technique of factor analysis is used to reduce the number of variables into smaller and manageable number by combining related ones into factors. 'Principal Component Analysis'

method is used to extract factors in Eigen Value of one or more. In order to assign variables 'Rotated Factor Matrix' is used. In order to find out the appropriateness of this analysis Kaiser Meyer Olkin (KMO) and Bartlett's Test of Sphericity are used and the results are shown below.

KMO AND BARTLETT'S TEST

Description	Value
KMO Measures of sampling adequacy	.399
Bartlett's test of Sphericity	
Approximate Chi-square value	392.927
Difference	210
Significance	.000

The KMO value is very high (0.399). Similarly, the Bartlett's test rejects the null hypothesis i.e., the variables are not related as the approximate chi-square value is 392.927 at 210 degrees of freedom which is significant at 1 per cent level of significance. Thus factor analysis may be considered as an appropriate technique.

The results of Principal Component Analysis to extract the number of variables in the next table.

PRINCIPAL COMPONENTS ANALYSIS

Components	Extraction Sums of Squared Loading			Rotated Sums of Squared Loading		
	Total	Percentage of Variance	Cumulative Percentage	Total	Percentage of variance	Cumulative Percentage
1	5.850	20.583	20.583	3.269	11.502	11.502
2	2.809	9.884	30.467	2.630	9.253	20.756
3	1.998	7.028	37.495	2.106	7.411	28.167
4	1.823	6.414	43.909	2.462	8.661	36.827
5	1.752	6.164	50.073	2.421	8.517	45.345
6	1.558	5.481	55.554	1.803	6.344	51.689

It is shown from the above table that six factors can be extracted together which account for 55.554 percent of the total 21 variables. Hence 21 variables are summated to six factors by losing nearly 44 percent of data.

The following table presents the Rotated Component Matrix table by using Varimax Method which is used to assign factors which have higher loadings.

Table 1.3 Factor Analysis - Beneficial factors influencing E- tailing

Beneficial factors	F1	F2	F3	F4	F5	F6
Better deal for products	.785	.127	.119	-.101	.102	.038
Lots of choices	.746	.204	.095	.022	.189	.002
Knowledge about varied products	.635	.064	.241	.053	.054	.086
Globalized products and services	.566	.233	-.015	.084	.126	.309
Better quality products and services	.421	.230	.088	-.251	.210	.363
Website information about the products offered	.404	.316	.083	.013	.219	.057
Pleasant purchase environment	- .103	.685	.080	-.131	.214	.453
Easy access- No physical location	.165	.684	.187	.010	.089	-.132
Less hassle	.213	.553	.071	-.010	-.101	-.080
Access to stores located remotely	.226	.494	.061	-.280	.241	.105
Flexible time	.209	.398	.762	-.028	.169	-.049
Time saving	.191	.402	.754	-.037	.154	-.045
Quick decision making	- .137	.023	.583	.037	.126	.155
Choice at finger tips	.232	-.293	.539	-.173	.147	.220
Reduced cost	.119	.056	-.074	.849	.214	.109
Easier comparison of prices	.095	-.081	.194	.836	.210	.038
Choice of preferred payment gateway	- .204	-.011	-.052	.820	.432	-.006
Customer protection regulation	.071	-.044	.072	.210	.808	-.127
Privacy	.288	.069	-.103	.125	.529	.248
Easy interaction	- .136	-.148	-.041	.260	.513	.223
Customers control sales process	.172	-.116	.209	-.052	.156	.449

Source : Primary data

The above table 1.3 clearly shows that in the first column the variables namely, 'better deal for products', 'lots of choices', 'knowledge about varied products', 'globalised products and services', 'better quality products and services' and 'website information about the product offered' in the field have higher loadings of 0.811, 0.757, 0.702, 0.702, 0.521 and 0.507 respectively and it can be suggested that factor one is the combination of these six factors and have the variance of 17.961 percent and it can be named as '**Product factors**'

From the second column it can be seen that the variables of 'easy access- no physical location', 'pleasant purchase environment', 'less hassle' and 'access to stores located remotely' in the field have higher loadings of 0.825, 0.770, 0.658 and 0.598 respectively and it can be suggested that factor two is the combination of these four factors and have the variance of

14.578 percent and it can be called as ‘**Convenience factors**’.

The third column shows that the factors that ‘flexible time’, ‘time saving’, ‘quick decision making’ and ‘choice at finger tips’ in the field have higher loadings of 0.838, 0.677, 0.552 and 0.493 respectively and it can be suggested that factor three is the combination of these four factors and have the variance of 12.323 percent and it can be named as ‘**Duration factors**’

The fourth column shows that the factors ‘reduced cost 0.868’, ‘Easier comparison of prices 0.629’, ‘choice of preferred payment gateway 0.524’ have high loadings and are summated and named as ‘**Cost factors**’.

The fifth column shows that the factors ‘customer protection regulation 0.820’, ‘privacy 0.562’, ‘easy interaction 0.44’ have high loadings and are summated and named as ‘**Safety factors**’.

The sixth column shows that the factor ‘customers control sales process’ have higher loadings if 0.839 with one factor and are summated and named as ‘**Inducing factor**’.

Thus 21 factors are reduced into six variables and are given different names by using factor analysis. Thus ‘product factors’, ‘convenience factors’, ‘duration factors’, ‘cost factors’, ‘safety factors’, ‘inducing factor’ have been identified as the beneficial factors for the customers in the course of E-tailing.

Table 1.4 Problems faced during E-tailing

S. No	Problems	Garrett mean score	Rank
1	Payment and security concerns	12.15	I
2	Fulfillment problems	11.60	II
3	Lack of sensory appreciation of product	11.01	III
4	Lack of sales advice and personal service	10.70	IV
5	Lack of social environment	10.02	V
6	Technological issues	9.99	VI
7	Difficulty in returning the goods	9.52	VII
8	Unreliability of service	9.03	VIII
9	Internet connection failures	8.96	IX
10	Difficulty in finding websites	8.57	X

Source : Primary data

These problems are identified by the researcher as the problems which are faced by the E-tailing customer while purchasing online. Table 1.4 shows the Garrett ranking analysis on various problems faced by the E-tailing customers while shopping online. It shows that payment and security concerns is found to be the most important measure and which is followed by the problems such as fulfillment problems, lack of sensory appreciation of product, lack

of sales advice and personal service, lack of social environment, technological issues, difficulty in returning the goods, unreliability of service, internet connection failures, difficulty in finding websites.

FINDINGS

- Most of the E-tailing customers in the study area is around 21 - 30 years
- Professionals are more in number compared to other nature of E-tailing customers
- 'Product factors', 'Convenience factors', 'Duration factors', 'Cost factors', 'Safety factors', 'Inducing factor' have been identified as the beneficial factors for the customers in the course of E-tailing
- Payment and security concerns is found to be the main problem faced by the E-tailing customer in the study area.

SUGGESTIONS

- Young people are more interested in E-tailing and so the products can be advertised in the pages which is accessed more by the E-tailing customers
- The beneficial factors which are listed out must be adopted by every E-tailer to bring out their marketing Successful

CONCLUSION

The researcher feels that the study has reached the purpose for which it is carried out. As the study is novel one, an attempt has been made to explore the beneficial factor to the customer and to fulfill the objectives of the study. This study would be of great importance for the people who sell online and earn money out of it. The success and growth are no longer away for the E- Marketing industry in Chennai city.

REFERENCES

1. <https://www.semanticscholar.org/paper/Factors-Affecting-e-Tailing-Website-Effectiveness%3A-Sharma-Singhal/c399af61e83319eeb8b09f2f0d911a815babba3a>
2. https://www.tandfonline.com/doi/abs/10.1300/J396v27n02_06