

A Study on Consumer Buying Behaviour towards Online Shopping in Bangalore

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Abstract: Today's world is based on information and technology and internet has been proved to be the most powerful media for exchange of thoughts and knowing about world easily. Due to the easy access of internet facilities and busy schedule of people in Bangalore, they are making use of online shopping as it is convenient for them in many ways. Online shopping is a process of buying goods and services over the internet. With the help of World Wide Web online retailers can sell their products to people who purchases online. Consumers sitting at one place can buy a huge variety of items from online. Online shopping has grown to the huge extent over the years throughout the world. This research is undertaken to know the reasons for online shopping, to analyze the risk involved in online shopping and also to understand the consumer attitude towards online shopping and their satisfaction. Survey is conducted through a self constructed questionnaire of 120 respondents from Bangalore. Random sampling technique is used to select the respondents and they belong to different age group, students, professionals, business people, homemakers etc. Data gathered are analyzed and interpreted with the help of simple percentage, table, graph and charts. The findings of this study has provided that due to easy access of internet facilities and as it is more convenient for shopping online compared to conventional shopping people in Bangalore are moving towards online shopping. However, inability to touch & feel the products, phishing scams. Deceptions are the most disliking factors for online shoppers and satisfaction level of the online shoppers are not upto the mark. The study recommended that if the business people come up with creative strategies to overcome disliking factors they can gain competitive advantage and can provide complete satisfaction to customers and retain online shoppers.

Keywords: - Consumers, Online Shopping, Disliking Factors, Convenient, Internet

I. INTRODUCTION

Due to the advancement in the field of information and technology, the concept of online shopping is gaining importance day-by-day. Bangalore a capital city of Karnataka is growing at the fastest rate in the field of online shopping as it is easy solution for busy life. Today life is occupied with lot of activities. There is little or no time for a person to physically visit a store to make purchases, this has made a person to seek alternative ways of shopping. Now people prefer to buy things online, pay bills using credit or debit card, want things at their door steps at a discounted and competitive price. Especially youngsters in Bangalore are experimenting with new ways of shopping that have led to the popularity and growth of online shopping in Bangalore.

Online shopping is a retail format in which the retailer and customer communicate with each other through an interactive electronic network. Consumers sitting at one place can buy a huge variety of items from online.

Consumer behavior is dynamic and interacting in nature. The three components such as cognition, affect and behavior of individuals alone or in groups keeps on changing. There is a continuous interplay and interaction between the three components themselves and with the environment. This impacts consumption pattern and behavior and it keeps on evolving and it is highly dynamic. The study of consumer behavior deals with understanding consumption patterns and behavior of consumers. Online shopping behavior is affected by determinants such as age, customer experience, net connectivity, transportation, reliable delivery system, perception, attitude, learning and decision making, education level of consumers. The research is undertaken keeping in view buying behavior of common people of Bangalore towards online shopping. Computer knowledge places vital role in this matter.

Factors influencing the growth of online shopping in Bangalore:

1. **Access:** A single online store can reach any potential customer with an internet connection.
2. **Easy & comfort:** All required information is available on the internet for the customer.
3. **Search option:** This option enhance the buying experience of customer. It is convenient to find items according to the needs of the customers.
4. **User friendly:** The execution of transactions happens online so their if though disconnect between the desire purchase & the ability to purchase.
5. Offers variety of products, low price, easy for comparison of product feature, better offers, saves time & energy, easy online payments, flexible time.

Most of the people residing in Bangalore are migrated from other parts of the country. As Bangalore city is called as silicon city & IT, BT city people come here in search of their livelihood & settles here. So, online shopping is more used by such kind of people in Bangalore as it avoids visiting physical stores in busy schedules

Various Challenges involved in online shopping:

1. Shopping is still a touch –feel-see-hear experience in Bangalore
2. Mode of payment related issues: there is always a possibility of misuse of the card details
3. Technical issues: Technical problems like security & confidentiality of information, speed of internet, disconnection of internet during transaction, lack of navigation standards, lack of computer knowledge & awareness about benefits of online shopping.

However, business should struggle to retain customers due to lack of face to face communication.

II. REVIEW OF LITERATURE

Huseynov and Yildirim (2014):- Emphasized that the lack of physical interaction tends to be the critical impediment in online retail sales followed by the privacy of individual information and security of financial transactions over the internet.

Demangeot and Broderick (2010):- Their research revealed that perceived ease of use does not affect the behavioral pattern in this case rather influenced by security and privacy issues. No relationship is built between the customer and the online shopping in the presence of perceived online risk.

Hoque, Ali and Mahfuz (2015):- Consumer attitudes toward online shopping usually been determined by 2 factors: one is trust, and another is perceived benefits. Therefore, trust and perceived benefits seem to be the critical conjectures of consumer behavior toward online shopping.

III. RESEARCH METHODOLOGY

It is the specific procedures or techniques used to identify select, process and analyze information about topic.

3.1 Objectives of the Study:

1. To study the reasons for online shopping
2. To analyze the risk involved in online shopping
3. To understand consumer attitude towards online shopping and their satisfaction.

3.2. Statement of the problem:

Bangalore is one of the fastest growing cities when compared to the other places in the country. Bangalore has high internet penetration, but still not in par with the global market in terms of utilization of internet for online shopping purpose.

3.3 Sources of information:

Primary sources: - The first hand information is collected from the respondents directly through self constructed questionnaire and through personal interaction.

Secondary Sources: - Secondary source of information was gathered from published documents, websites, reference books, journals.

Sample unit:-For studying consumer buying behavior towards online shopping samples were randomly selected from Bangalore city.

Sample size: - 120 respondents were selected from Bangalore city of different age group and profession.

Statistical tools: - Data gathered from respondents are analyzed and interpreted with the help of simple percentage, table, graph and charts.

3.4 Limitations of the study:-

1. Information is gathered only from urban population
2. Variables identified in this study may not be sufficient
3. Time constraint for the detail study.

IV. DATA ANALYSIS AND INTREPRETATION

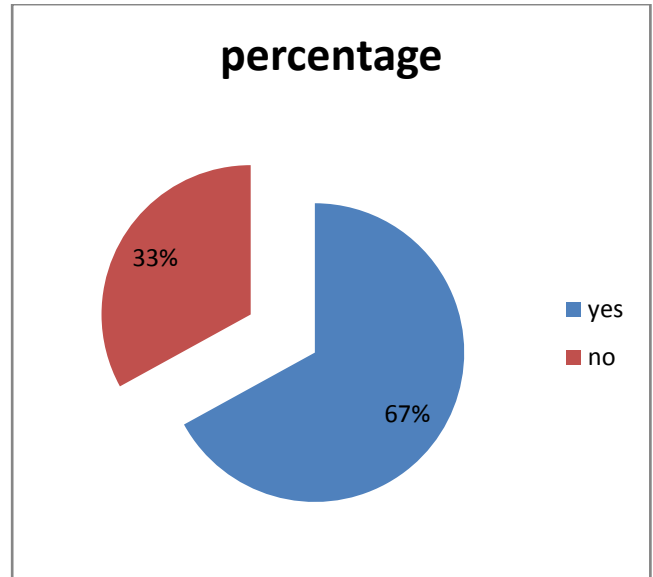
1. Do you have internet access?

Particulars	No .of Respondents	Percentage
Yes	80	67%

No	40	33%
Total	120	100%

Analysis:-

From the above table we can analyze that 67% of respondents have internet access and 33% does not have internet access.



Interpretation:-

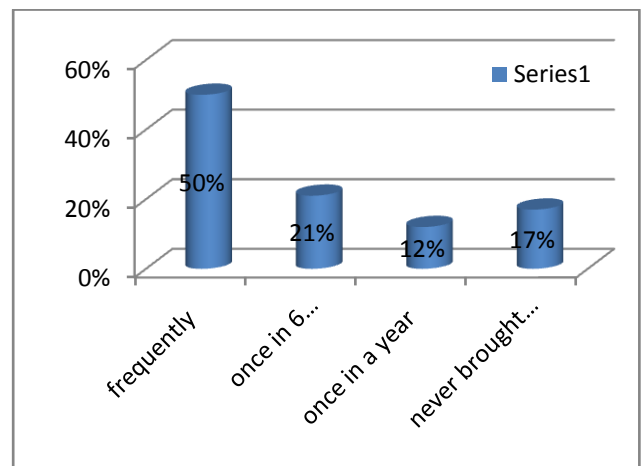
From the above chart we can infer that most of the respondents in Bangalore have got access to internet.

2. How oftently you are going for online shopping?

Particulars	No .of Respondents	Percentage
Frequently	60	50%
Once in 6 months	25	21%
Once in a year	15	12%
Never bought online	20	17%
Total	120	100%

Analysis:-

From the above we can study that 50% of the people are going for online shopping frequently and 17% of them have never purchased through online and 12% go for online shopping once in a year.



Interpretation:-

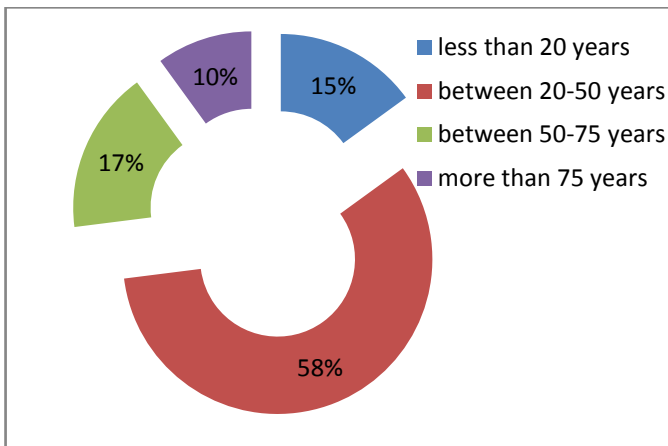
From the above chart we can interpret that most of the people are going for online shopping on regular basis and few of them have never experienced online shopping.

3. Age wise distribution of customers going for online shopping?

Particulars	No .of Respondents	Percentage
Less than 20 years	18	15%
Between 20-50 years	70	58%
Between 50-75 years	20	17%
More than 75 years	12	10%
Total	120	100%

Analysis: -

From the above table it is clear that 58% of people belonging to the age group 20-50 are the online shoppers.17% of online shoppers belongs to age group 50-75 and 10% of them belongs to the age group more than 75 years.



Interpretation:

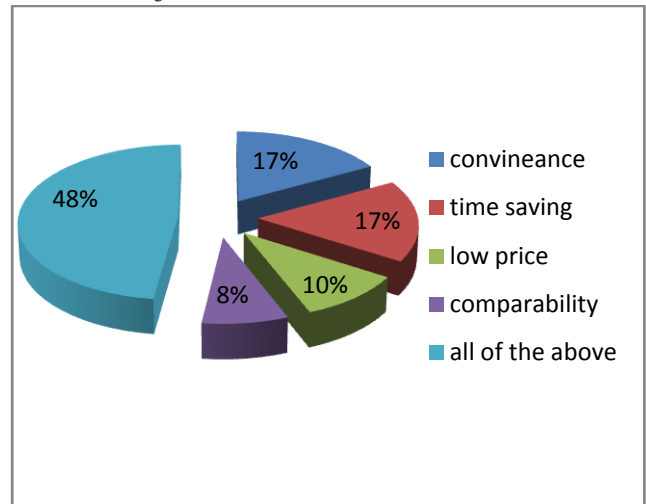
We can infer from the above chart that people belonging to age group 20-50 years are mainly using online for their shopping and less percentage of customers in the age group more than 75years are using online shopping.

4. What are the important reasons for online shopping?

Particulars	No .of Respondents	Percentage
Convenience	20	17%
Time saving	20	17%
Low price	12	10%
Comparability	10	8%
All of the above	58	48%
Total	120	100%

Analysis:-

From the above table we can analyze that 17% of the consumer agree that convenience and time saving are the reason they go for online shopping. 10% and 8% of them say that low price for product easy comparability are the reasons for online shopping and 48% of them agree that all the factors are considered for online shopping.



Interpretation:-

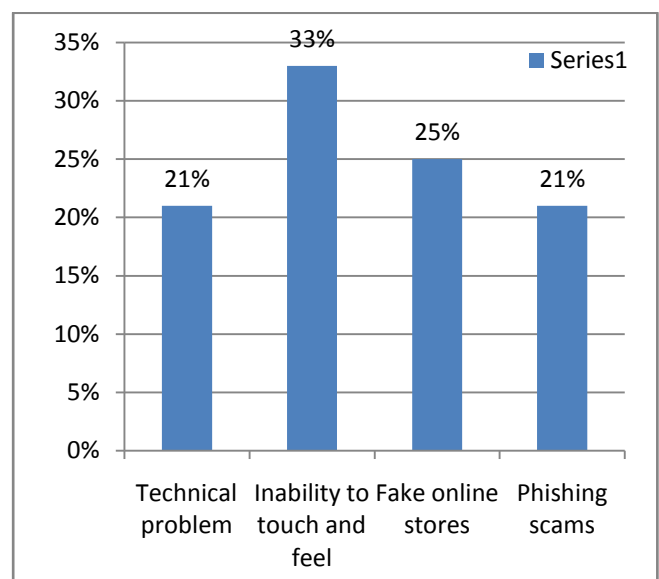
we can interpret from the above chart that majority of the people agree that they go for online shopping for all factors such as convenience, time saving, low price and comparability.

5. What is the main disliking factor and risk involved in online shopping?

Particulars	No. of Respondents	Percentage
Technical problem	25	21%
Inability to touch and feel	40	33%
Fake online stores	30	25%
Phishing scams	25	21%
Total	120	100%

Analysis:-

From the above table we can study that 33% of the people say that inability to touch and feel the product in online shopping is one of the disliking factors, 21% go with technical problems, 25% say that more risk is towards fake online stores and 21% agree that phishing scam is the major risk involved in online shopping.



Interpretation:-

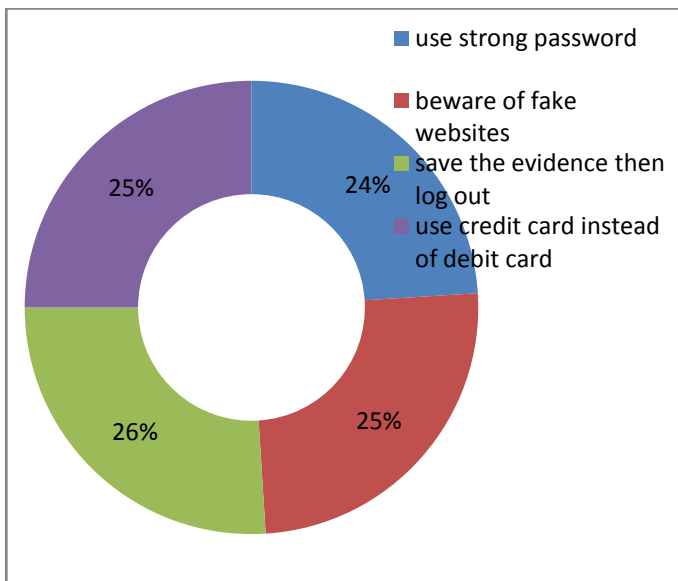
We can infer from the above chart that majority of the customer say that inability to touch and feel the product is one of the major disliking factor and all other respondents agree that the technical problem, fake online stores, phishing scams are the risk involved in online shopping.

6. Which of the following measures you are using to reduce risk in online shopping?

Particulars	No .of Respondents	Percentage
Use strong password	29	24%
Beware of fake website	30	25%
Save the evidence, then log out	31	26%
Use credit card instead of debit card	30	25%
Total	120	100%

Analysis:-

We can analyze from the above table that 30% of online shoppers are saving evidence and their beware of fake websites and where as 29% and 30% of them are using strong password and Credit Cards.



Interpretation:

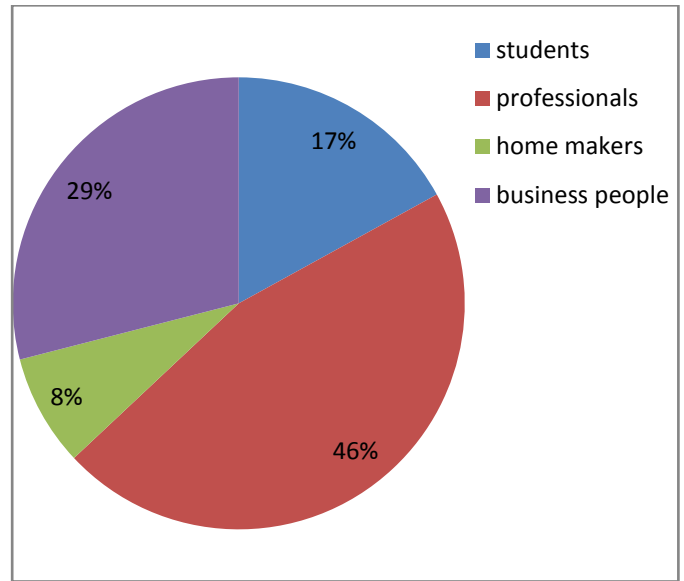
It is clear from the above graph that online shoppers are using different measures in order to overcome risk involved in online shopping.

7. Which category of people is going for online shopping?

Particulars	No .of Respondents	Percentage
Students	20	17%
Professionals	55	46%
Home makers	10	8%
Business people	35	29%
Total	120	100%

Analysis:

From the above table we can analyze that 46% of consumer going for online shopping are professionals, 29% are business people and 17% are students and only 8% are home makers going for online shopping.



Interpretation:-

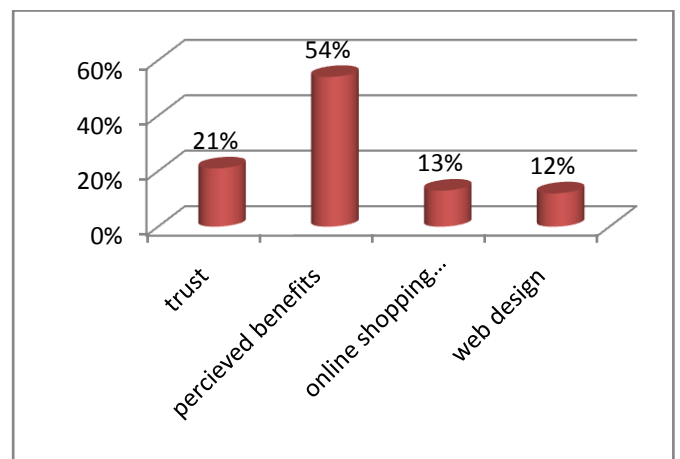
We can infer from the above chart that major online shoppers are professionals and only less percentage of home makers are using online for shopping.

8. What factors motivates you to buy products online?

Particulars	No. of Respondents	Percentage
Trust	25	21%
Perceived benefits	65	54%
Online shopping experience	16	13%
Web design	14	12%
Total	120	100%

Analysis:-

We can study from the above table that 54% of the online shoppers agree that perceived benefit is the factor that motivates them to buy product online, 21% say it is trust and 13% agree it is for online shopping experience and 12% say that web design motivates them to go for online shopping.



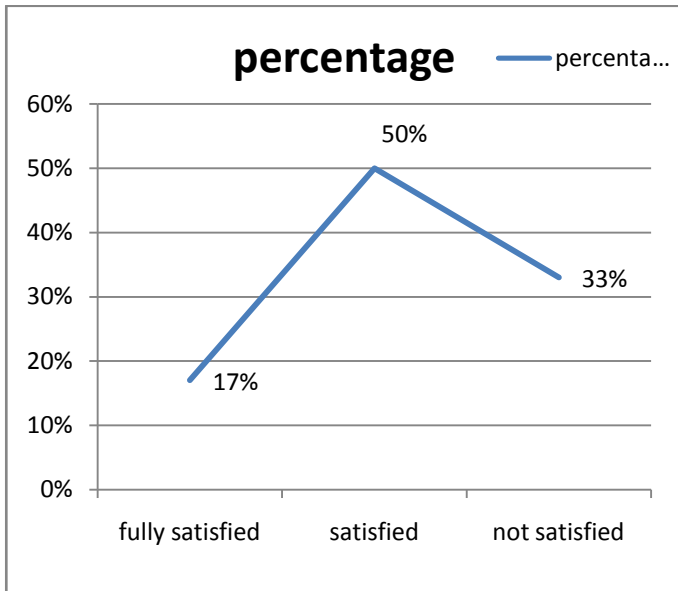
Interpretation:- we can interpret from the above chart that benefits derived from online shopping is considered to be one of the major motivational factor for online shopping

9. Are you satisfied with online shopping?

Particulars	No .of Respondents	Percentage
Fully satisfied	20	17%
Satisfied	60	50%
Not satisfied	40	33%
Total	120	100%

Analysis:-

From the above table we can study that 50% of the online shoppers are satisfied using online shopping, 17% are fully satisfied and 33% of them are not satisfied with online shopping.



Interpretation:-

We can infer from the above graph that most of the online shoppers are satisfied and some of them are not satisfied with online shopping.

4.1 Findings:-

- Most of the consumers in Bangalore has got internet access
- Only 50% of the customers are frequently going for online shopping
- People belonging to age group 20-50 years are mainly using online for their shopping.
- Majority of customers say that inability to touch and feel product is one of the major disliking factor.
- According to respondents technical problems, fake online stores and phishing scams are the major risk involved in online shopping.
- Major online shoppers are professionals and youngsters.
- Perceived benefits is considered to be one of the motivational factor for online shopping
- Customers have not got complete satisfaction through online shopping

- In Bangalore shopping is still considered to be a family outing and people do not feel the lack of time while going out for shopping with family and friends
- Many people in Bangalore do not have plastic card or net banking facility to make payments. To go for cash on delivery they lack in computer knowledge and mobile applications.

4.2 Suggestions:-

- Business people should come up with creative strategies to overcome disliking factors
- Awareness to be created among customers about benefits of E-Commerce
- Business should choose social network for advertisement like Face book & twitter give enough opportunity to the consumers who can 'Like' or 'follow' a favorite retailer and get discounts or tips on deals.
- Online retailers should take proper measures to avoid risk involved in online shopping
 - And they should gain customer confidence.
- Business to survive and grow in increasing globalization should have adequate presence and participation in the cyber world.
- Company's should design and develop varieties of products to attract and retain online shoppers and to provide complete satisfaction.
- People should also get updated with the computer knowledge and mobile application as the entire world is changing towards digitalization.
- Online retailers can provide free look-in-period of one week, where purchaser can feel the product and pay only if he is satisfied or else it can be returned back.

CONCLUSION

Day-by-Day percentage of online customers is increasing as they are finding it convenient than conventional shopping, but yet businesses struggle to retain customers due to lack of face-to-face communication, lack of knowledge, inability to touch and feel the product and due to various risk involved in online shopping. If the business people come up with innovative strategies to overcome all these risk and disliking factors, no doubt in future days Bangaloreans may be in par with global market in using online for shopping and they are willing to adopt and recommend online shopping for others .

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