

A STUDY ON IMPACT OF ONLINE SHOPPING ON CONSUMER BUYING BEHAVIOUR IN KOCHI

Dissertation submitted to St. Teresa's College (Autonomous) Ernakulam,

Affiliated to Mahatma Gandhi University in partial completion of

PGDM – BUSINESS ANALYTICS

Submitted by

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ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM

COLLEGE WITH POTENTIAL FOR EXCELLENCE

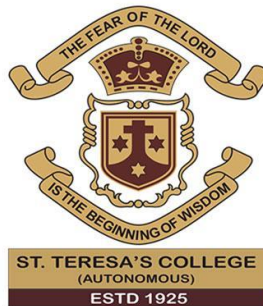
Nationally Re-Accredited At 'A++' Level (Fourth Cycle)

Affiliated to Mahatma Gandhi University Kottayam-686560

December 2022



**ST. TERESA'S COLLEGE (AUTONOMOUS),
ERNAKULAM**



CERTIFICATE

This is to certify that the dissertation entitled "**A STUDY ON IMPACT OF ONLINE SHOPPING ON CONSUMER BUYING BEHAVIOUR IN KOCHI**" is a bonafide record of the project work carried out by **ARDHRA C R** (Reg: SM21PGDM005) final year student of **PGDM - Business Analytics** under my supervision and guidance during the academic year 2021-2023. The project report represents the work of the candidate and is hereby approved for submission.

Ms. PARVATHY P S

Countersigned

Principal

DECLARATION

I hereby declare that the project entitled “**A STUDY ON IMPACT OF ONLINE SHOPPING ON CONSUMER BUYING BEHAVIOUR IN KOCHI**” submitted to St. Teresa’s College (Autonomous), Ernakulam, is a record of an original work done by me under the guidance of **Ms. Parvathy P S, St. Teresa’s College, Ernakulam**, and this project work is submitted in the partial fulfilment of the requirement of the award of the Degree of **PGDM-Business Analytics**. The result embodied in this project report has not been submitted to any other University or Institute for the award of any Degree or Diploma.

ARDHRA C R

Place: Ernakulam

Date:

ACKNOWLEDGEMENT

An undertaking of work life - this is never an outcome of a single person; rather it bears the imprints of some people who directly or indirectly helped me in completing the present study. I would be failing in my duties if I don't say a word of thanks to all those who made my training period educative and pleasurable one.

First of all, I thank almighty God for his mercy and love which kept me in good health and sound mind and helped me to complete the project work successfully, and gave me strength and inspiration for making this project work a great success.

I express my sincere gratitude to our Director **Rev. Sr. Emeline CSST**. I thank **Dr. Alphonsa Vijaya Joseph**, Principal, St. Teresa's College (Autonomous), Ernakulam for her valuable support and encouragement.

I am grateful to **Mrs. Megha Mary Michael**, Head of the Department of Management Studies, and all other members of the faculty of the Department for all the support and help given to me in the preparation of this project. I must also thank my faculty guide **Ms. Parvathy P S**, St. Teresa's College, Ernakulam, for her continuous support, mellow criticism, and able directional guidance during the project.

Finally, I would like to thank all lecturers, friends, and my family for their kind support and all who have directly or indirectly helped me in preparing this project report. And at last, I am thankful to all divine light and my parents, who kept my motivation and zest for knowledge always high through the tides of time.

ARDHRA C R

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CHAPTER -1
INTRODUCTION

1.1 OVERVIEW

Online shopping and online shopping Stores is probably one of the oldest terms used to describe what we have all been doing over these years. Then again, in ancient times, the terms that would have been used would be trading or bartering and probably even market. However, the internet has opened up to a wider and more exciting market to the new generation of consumers. Online shopping is the kind of sale that is done with the help of internet. The growth and spread of internet with an extraordinary pace over the last few decades have resulted in the emergence of online shopping or purchasing of products and services. This study will focus on the impact of online shopping on consumer buying behaviour. The new technology has completely changed the traditional way of doing online shopping business. Online shopping has become new type of retail shopping. Online shopping strengthens their sale based on financial resources by developing their own e-product and service to suit changing needs of the customer. The main objective of this study is to analyse the buying behaviour of consumers towards online shopping. The advancement in the technology paved new ways of delivering the shopped goods to the customers through effective delivery system. Online shopping has become a common shopping method over since the internet has professed to take over.

Online shopping is a form of electronic commerce where by consumers directly buy goods or services from a seller over the internet without an arbitrator service. Online shopping became more popular among people. A lot of people prefer online shopping to normal shopping these days. Online shopping is easy and convenient for people to pick-up the product they want using internet. Everything is available at the click of a button. Online shopping makes shopping easy and hence life become easy too. There are various reasons for customers to shift their buying patterns towards online retail shop. The facility of comparing your product with competitive products on the basis of price, colour, size and quality is one of the biggest benefits of online shopping. Online shopping provides many choices to customer than the traditional shopping and retail stores.

The easy availability of internet services has greatly contributed towards the growth of online shopping nowadays. It saves a lot of time and enable them to avoid crowd. During the corona virus pandemic online shopping was a blessing to many. Through online shopping people were able to remain safe and still purchase necessities.

During the pandemic many businesses also realised the potential of online commerce and has started selling online. For people with disabilities who earlier had to depend on others for their

needs could now do so from the comfort of their homes. Certain products are considerably cheaper and allow customers to purchase product from anywhere anytime in the world. By shopping online customers are able to compare prices effortlessly. Many large retailers display their products and suggest links and will refer their customers to similar products, which again adds to the variety of products available there. The process of buying products through an online store has become rather refined. Business provides customer care by answering their queries sending email after purchase and follow up after the post purchase. Consumer can also visit websites if they have any clarification with the usage of the product or performance. Impact of Technology on online shopping has brought a revolution in shopping industry as a whole. Online Shopping is booking delivery of a new and traditional sale products and service to the customer through electronic channels.

Before the launch of smart phones, internet was used only on desktop or laptop, which are fixed at a particular place. Therefore, to use internet one must sit in front of these. Due to technological advancement of smart phones and tablet, anyone can easily access the internet with the help of these devices, it becomes more suitable to surf internet anywhere anytime. Also, people find it more convenient to spend time shopping online. Because of popularity and easy access of net on smart phones, various companies also launch their products through virtual stores. Traditional shopping has some limitations such as fix timing for customers to spend in market, if product is not selected at one shop, then it is time consuming to search it various shops in the market. But in online shopping lots of varieties are available at a single click. Also, consumer cannot shop product late night after office hours in the traditional shopping system. But online shopping provides customers 24-hour facility to shop. Also, if a person travels to one place to other he can utilize that time to shop.

Introduction of 4 G technology made the speed of internet faster, which made faster availability of net surfing. Now consumer can select various shopping sites at a particular time. Before 4 G speed the transaction in banking services was slow and somehow interrupted. Which caused failure of transactions, therefore consumer hesitates to purchase online. Now a day's online banking is more secured and safer therefore consumer feel secured and safe in online transactions.

1.2 STATEMENT OF PROBLEM

For a business to survive, they need to understand the dynamic nature of market and at the same time identify and satisfy the customer needs. Firms need to understand their customers to become more successful. This study aims to understand buying behaviour of consumers towards online shopping and to analyse the level of satisfaction of consumers towards online shopping. Studying the impact of online shopping can lead to businesses properly utilising such opportunities. This way they can come ahead of their competition.

1.3 LITERATURE REVIEW

Online shopping indicates electronic commerce to buy products or services directly from the seller through the Internet. Internet-based or Click and Order business model has replaced the traditional Brick and Mortar business model. More people than before are using the web to shop for a wide variety of items, from house to shoes to airplane tickets. Now people have multiple options to choose their products and services while they are shopping through an online platform.

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) also revealed that perceived ease of use does not affect the behavioural pattern in this case rather influenced by security and privacy issues.

Jarvenpaa and Todd (1997) proposed a model of attitude, behaviour, and shopping intention towards Internet shopping in general. The design includes several indicators classified into four broad categories like product value, quality services offered through the website, the shopping experience, and the risk perception of the online shopping.

Chang, Cheung, and Lai (2005) studied categories of variables, which drive online shopping activity. In their study, they divided the features into three broad categories. Perceived characteristics of the web sale channel are the first one which includes risk, online shopping experiences, advantage, service 13 quality, trust. The second category is a website and product features which are risk reduction measures, site features, and product characteristics; and the last group is consumer characteristics. Various types of features, demographic variables, consumer shopping orientations, consumer innovativeness and psychological variables, computer, Internet knowledge, and usages drives consumer characteristics.

Koufaris (2002) identified that both shopping enjoyment and perceived usefulness (website) strongly predict the intention to re-purchase over online.

On the contrary, **Lee and Lin (2005)** found shopping enjoyment can increase the intent of new customers but does not influence customers to return. In fact, the web store which utilizes value-added mechanisms in the search engine and providing customers a challenging experience may increase customers shopping enjoyment.

1.4 SIGNIFICANCE OF THE STUDY

Online shopping is a virtual shopping that enables consumers to shop across multiple market places on a 24x7 basis through the internet. Online shopping gained momentum due to a variety of reasons like convenience, availability of products at consumers doorsteps, gift vouchers, discount, and low price, variety of products, etc. Many people around the world prefer to shop online and buy products from several brands and companies that they cannot find or are not available for purchase in their home countries. Nowadays, with the help of the new technology and the support of the internet, people from all around the world started to purchase items online by simply sitting in their homes. Purchasing items and products through the Web is a very easy task to do. It is now playing a very important role in everybody's life especially elderly people, as well as people with a very busy life schedule. It provides a very comfortable service for its customers, by being able to save the item in the personal shopping bag, and buy it later on.

1.5 SCOPE OF THE STUDY

The study is conducted among young customers who are in the age group of 15 to 45 years in Kochi city. A self-structured questionnaire was designed for data collection from a sample of 151 respondents to study how their buying behaviour is towards online shopping and to study the attributes that influence customer's intention to buy online. The study was conducted during the period from August to November.

1.6 OBJECTIVES OF THE STUDY

- To understand the impact of online shopping on consumer buying behaviour.
- To observe influences on consumer buying behaviour and how it affects their decision making.
- To understand the acceptance of online shopping among consumers.
- To study awareness of online shopping among the people in Kochi city.

1.7 RESEARCH METHODOLOGY

The study made use of the primary data collection method for collecting data from online surveys. Questionnaires were designed and disseminated to respondents over their social medias to be filled in by them. The source of secondary data is journals, articles, research papers, online sites and websites of online and offline education website. The sample size for this research is one hundred and fifty-one users who were selected purely based on convenience and support the purpose of the study. The sample area is selected as Kochi city and data is collected through the close-ended questionnaire through the mail. For the analysis of data, chi-square test is used to compare the dependency in various hypothesis framed for achieving the objectives of the study and used descriptive statistics. SPSS and Excel research tools have been used to analyse the data.

1.8 STATISTICAL PACKAGES

SPSS SOFTWARE

SPSS is a widely used program for statistical analysis in social science. It is also used by market researchers, health researchers, survey companies, government, education researchers, marketing organizations, data miners, and others. In addition to statistical analysis, data management (case selection, file reshaping, creating derived data) and data documentation (a metadata dictionary is stored in the datafile) are features of the base software. SPSS datasets have a two-dimensional table structure, where the rows typically represent cases (such as individuals or households) and the columns represent measurements (such as age, sex, or household income). The graphical user interface has two views which can be toggled by clicking on one of the two tabs in the bottom left of the SPSS Statistics window. The 'Data View' shows a spreadsheet view of the cases (rows) and variables (columns). The 'Variable View' displays the metadata dictionary where each row represents a variable and shows the

variable name, variable label, value label(s), print width, measurement type, and a variety of other characteristics. Cells in both views can be manually edited, defining the file structure and allowing data entry without using command syntax. This may be sufficient for small datasets. Larger datasets such as statistical surveys are more often created in data entry software, or entered during computer-assisted personal interviewing, by scanning and using optical character recognition and optical mark recognition software, or by direct capture from online questionnaires. These datasets are then read into SPSS.

M S EXCEL

In Excel, charts are used to make a graphical representation of any set of data. A chart is a visual representation of the data, in which the data is represented by symbols such as bars in a bar chart or lines in a line chart. Excel provides you with many chart types and you can choose one that suits your data or you can use the excel recommended charts option to view charts customized to your data and select one of those. However, if your data analysis results can be visualized as charts that highlight the notable points in the data, the audience can quickly grasp. It also leaves a good impact on your presentation style.

1.9 LIMITATIONS OF THE STUDY

The study is subjected to some limitations. The study has been done only in the Kochi city. Findings of the survey are based on the assumption that the respondents have given correct information. Some of the respondents were reluctant to answer. Time was another constraint. More descriptive statistical analysis methods such as the factor analysis aren't employed since the nature of the study was confined to the validation of relationships among different variables.

CHAPTER-2
INDUSTRY AND COMPANY PROFILE

2.1 INDUSTRY PROFILE

E-Commerce is the sales channel of the future. The characteristics of the global electronic market constitute a unique opportunity for companies to more efficiently reach existing and potential customers by replacing traditional retail stores with web-based business. There are two forms of E-Commerce, one is business to business and another is business to consumer. The Business to consumer is also called online shopping. Online shopping indicates electronic commerce to buy products or services directly from the seller through the Internet. Internet-based or Click and Order business model has replaced the traditional Brick and Mortar business model. More people than before are using the web to shop for a wide variety of items, from house to shoes to airplane tickets. Now people have multiple options to choose their products and services while they are shopping through an online platform. Online shopping has unique characteristics.

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. No relationship is built between the customer and the online shop in the presence of perceived online risk even if a customer spent hours on the Internet.

E-commerce in India

The Indian e-commerce industry has been on an upward growth trajectory. After a surge in digital adoption during COVID-19, the Indian e-commerce market is estimated to be worth over \$55 Bn in Gross Merchandise Value in 2021. By 2030, it is expected to have an annual gross merchandise value of \$350 bn. Further, as of 2021, more than 348 Mn users were conducting online transactions, and nearly 140 Mn were shopping online. Young demography, increasing internet and smartphone penetration, and relatively better economic performance are some key drivers of this sector. With 830 Mn users, India is currently the 2nd largest internet market. In 2021, digital wallets were the leading payment method for e-commerce transactions with a share of 45.4%

Close to 100 per cent of pin codes in India have seen e-commerce adoption. More than 60 per cent of transactions and orders in India come from tier two cities and smaller towns. The e-commerce trend is gaining major popularity even in tier-2 and tier-3 cities as they now make up nearly half of all shoppers and contribute three of every five orders for leading e-retail platforms. The average selling price (ASP) in tier-2 and smaller towns is only marginally lower

than in tier-1/metro cities. Electronics and apparel make up nearly 70 per cent of the e-commerce market, when evaluated against transaction value. Other new upcoming categories within e-commerce include ed-tech, hyperlocal and food-tech; E-Commerce funding in India grew by ~600% YoY in 2021.

2.2 COMPANY PROFILE

Major online shopping sites in India

Amazon - Amazon is the biggest and the oldest online shopping site all around the world. Amazon was established in the year 1994 by Jeff Bezos and Co-founder Mackenzie Scott. The headquarters of Amazon is in Seattle, Washington, in the U.S. The area served by Amazon is worldwide. In the Initial time of the company, they focused on online bookselling. In 2013 Amazon started its functioning in India as 'Amazon India' by launching its websites as Amazon.in. The company established its first headquarters in Bangalore, Karnataka. From the beginning time of its business, Amazon provided a wide range of products and services. On the first day of business in India, Amazon received more than 10000 orders. And currently, Amazon receives more than 1,50,000 orders per day which makes it the highest-earning e-commerce site in India and all over the world.

Flipkart - Flipkart is the first India-based E-Commerce platform founded by two Indian entrepreneurs, brother Sachin Bansal and Binny Bansal. The company was established 14 years ago in 2007. Like Amazon, during its initial time, Flipkart was developed for selling books online. Still, with time Flipkart enlarged its range of products by including Electronic Appliances, Cosmetics, groceries, Fashion, Daily lifestyle, and much more range of products. Flipkart has a net worth of Rupees 2.84 lakh crores with a revenue of Rupees 43,615 crores in 2020 in India. Flipkart is one of the biggest names in e-commerce sites.

Myntra - Myntra was established in 2007, having Mukesh Bansal as the Founder alongside Ashutosh Lawania and Vineet Saxena as co-founder of the company. The more likely Myntra is acknowledged as e-commerce site which deals in fashion products and personalized gift items from the initial stage. More than 500 Indian and international brands, starting from Nike, Adidas, Promote Mango, Nykaa, etc. are selling their products on Myntra. Making customers

aware of such varieties of products, demands a very effective marketing strategy and for this, Myntra has worked very effectively and efficiently.

Nykaa - Nykaa was established in the online shopping market in 2012 but was available for its customers in 2013. Nykaa is also an India-based E-Commerce site dealing in Unisex fashion and beauty products. Nykaa is the first Indian E-Commerce start-up kickoff by Indian female entrepreneur Falguni Nayar. In the initial time of the business, Nykaa was only selling Women Oriented beauty and fashion products. Still, in the year 2018, Nykaa also introduced men's grooming and fashion products. During this diversification period of the company into the fashion market, Nykaa also launched their own Design Studio, 'Nykaa Fashion'.

Meesho - Meesho, India's largest resale platform, was founded in 2015. Meesho app essentially connects manufacturers to resellers. Manufacturers list their commodities on the Meesho shopping app, which allows merchants to choose from any of their products and sell them to customers using social networks like WhatsApp, Facebook, and Instagram. Clothing, accessories, furniture, culinary utensils, and cosmetics producers are among the suppliers who list their products on Meesho. The Bangalore-based start-up aspires to build an environment where anybody can establish a business with no financial investment. Along with having over 2 million resellers, the company also boasts of having more than 20,000 Meesho suppliers from more than 500 towns to its name. Meesho works on a commission of about 10-15%, and sellers may earn money with Meesho by introducing a gross margin to every transaction.

Ajio - Ajio is also an India-based E-commerce Initiative started by Reliance Retail digital in 2016. Ajio has a headquarter in Mumbai, India. The company is the most rapidly growing E-Commerce site dealing in lifestyle products. Ajio provides its products in more than 200 countries all around the world, especially in India. Ajio.com also has its privately-owned product label named 'Ajio'. Many head-turning styled products related to fashion and lifestyle like Sunglasses, wallets, Watches, Clothing, etc. are available on the site. Ajio also extended its product range to international brands like Nike, Puma, Superdry, Skechers, and many more.

Paytm - In recent years Paytm has become a famous and earn a name under good cheap online shopping sites in India. Paytm is an India's largest mobile platform for recharges, payments, shopping, bus / train / flight / movies tickets and more. Paytm has started with mobile recharge, tv recharge mobile app and now it has turn into the Indian Alibaba. It has one of the best user interface and easy to use online mobile shopping which claim as one of the best online shopping

websites in India. Paytm offers huge cashback and discounts that makes it not the same as other local shopping websites in India which makes it one of the good and very cheap online shopping websites in India. Once in a while such cashback has a major effect and huge savings from customer point of view.

Snapdeal - Snapdeal is one of the most trusted India-based E-Commerce sites. It was established in 2010 by two friends, Kunal Bahi post graduated from the Wharton School and Rohit Bansal post graduated from Indian Institute of Technology, Delhi. During the initial time of the business, Snapdeal was working as a daily need online platform, but in 2011, they changed their business strategy to an Online Shopping site. The initial investment for the company's establishment was done by Nexus Ventures Partner and Indo U.S. Ventures Partners in 2011 of 12 million U.S. dollars, adding to a second investment in the same year of 45 million U.S. dollars by the Bessemer Venture Partners and many other Co-investors. Likewise, there were several investments done in different years during the ups and downs of the company.

Netmeds - With a famous tagline 'India ki pharmacy', Netmeds is a well know E-Pharmacy site where we can order prescription medicine, can take consultation from the doctor online, and also can book laboratory tests online. Netmeds was founded in the year 2015 by one of the most reliable pharmacy brand Dadha & company. Netmeds also provides various health care and comfort products.

Firstcry.com - It is India's one of the most trusted brands in kid's fashion, accessories, Baby food, and much more products. Firstcry was founded in the year 2010 by Span Maheswari and Prashant Jadhav. In the initial time when FirstCry was launched, it was based on selling kid's products directly from there several warehouses to all over India. But after some time, the marketing strategy gets a modification, when they merge local retailers in their platform and availed them the opportunity of selling their products on Firstcry.com.

CHAPTER – 3
DATA ANALYSIS AND INTERPRETATION

3.1 DESCRIPTIVE ANALYSIS

3.1.1 GENDER WISE CLASSIFICATION OF RESPONDENTS

Gender	Respondents	Percentage
Male	79	52.32
Female	72	47.68
Grand total	151	100

Table .3.1

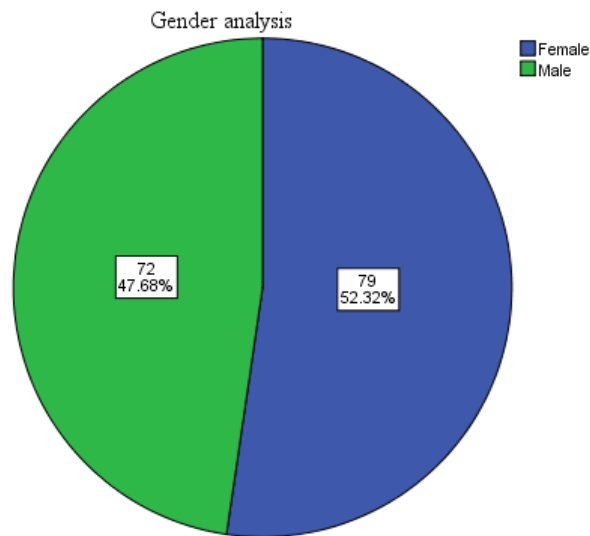


Fig 3.1

INTERPRETATION

From the above table and figure, we can analyse that 48.68% of the respondents are male and 52.32% of the respondents are female. The survey was conducted within Kochi city.

3.1.2 AGE WISE CLASSIFICATION OF RESPONDENTS

Age group	Respondents	Percentage
15-25	138	91.39
26-35	12	7.95
36-45	1	0.66
Grand total	151	100

Table 3.2

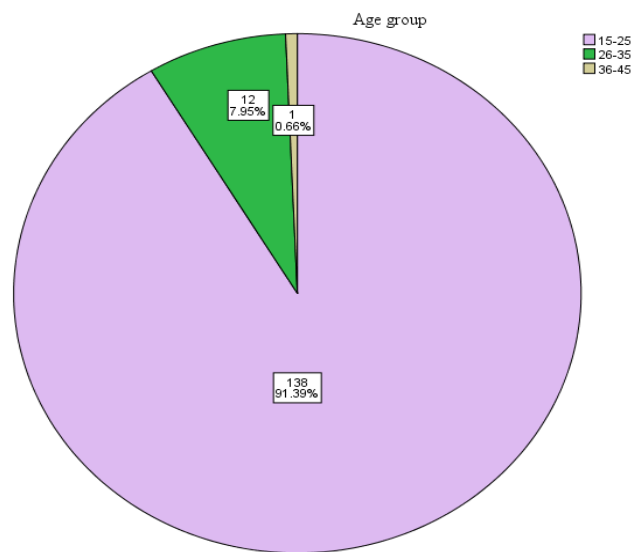


Fig 3.2

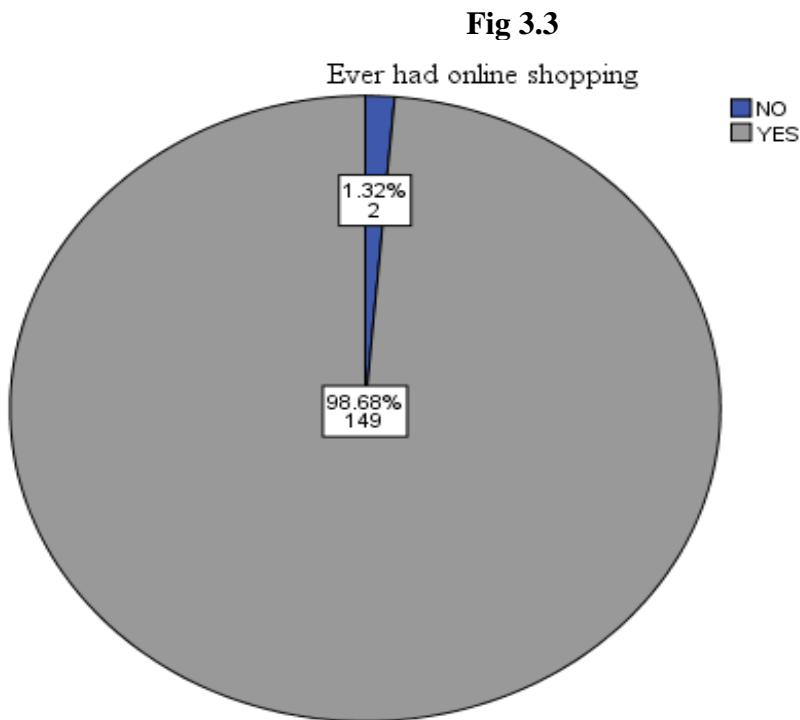
INTERPRETATION

From the above table and figure, it is clear that in this survey we have 138 respondents in the age group of 15 - 25 which has a percentage of 91.39% which is the highest respondents. In the age group of 26-35 it is 7.95% and in the age group of 36-45 have a percentage of 0.66%. It is evident from the survey that the young generation has actively participated in the research.

3.1.3 EVER HAD ONLINE SHOPPING

Particulars	Respondents	Percentage
No	2	1.3
Yes	149	98.7
Grand total	151	100

Table 3.3



INTERPRETATION

From the above diagram 98.7% of the respondents have done online shopping and only 1.3% have not shopped online.

3.1.4 ONLINE SHOPPING DONE IN THE LAST ONE YEAR

Particulars	Respondents	Percentage
Frequently	55	36.4
Never	2	1.3
Occasionally	83	55.0
Once	11	7.3
Grand total	151	100

Table 3.4

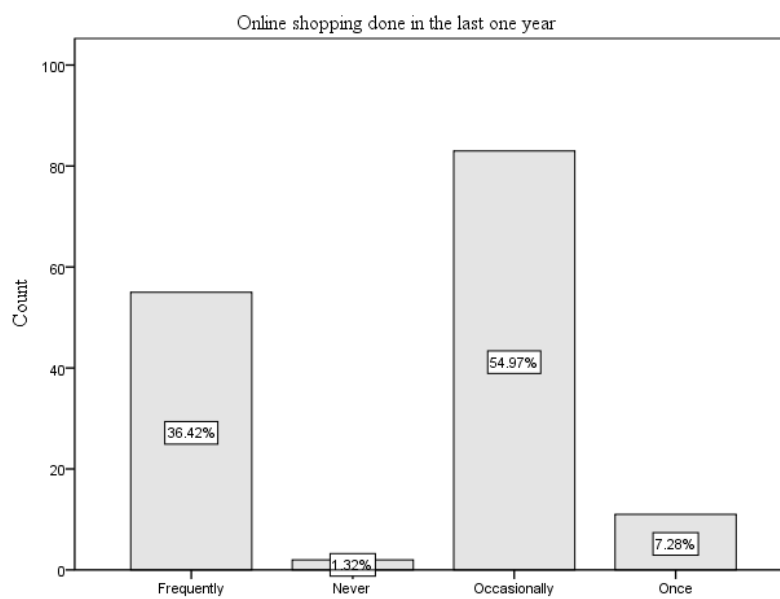


Fig 3.4

INTERPRETATION

From the above diagram 55% of the respondents have done online shopping occasionally during the last one year and 36.4% of the respondents have done online shopping most frequently in the last one year.

3.1.5 PROBLEM WHILE PURCHASING ONLINE

Particulars	Respondents	Percentage
No	69	45.7
Yes	82	54.3
Grand total	151	100

Table 3.5

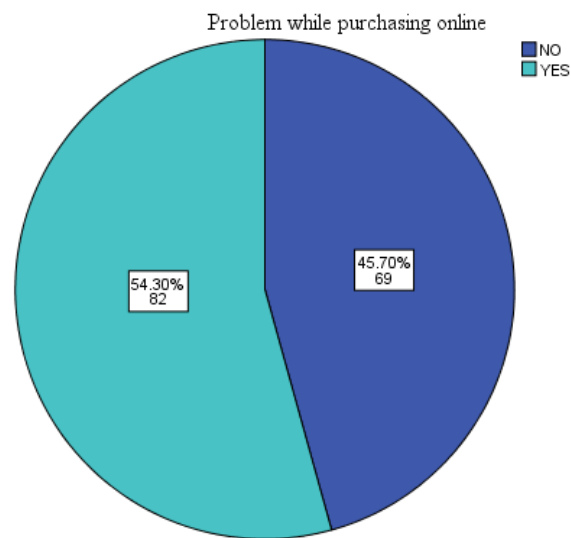


Fig 3.5

INTERPRETATION

This data shows whether the respondents have felt any problems shopping online. Here we can see that 45.7% of the respondents have not felt any problems while purchasing things online, while 54.3% of the respondents do have faced problems while shopping online.

3.1.6 MODE OF PAYMENT

Particulars	Respondents	Percentage
Cash on delivery	114	75.50
Credit card	6	3.97
Debit card	11	7.28
Mobile banking	20	13.25
Total	151	100

Table 3.6

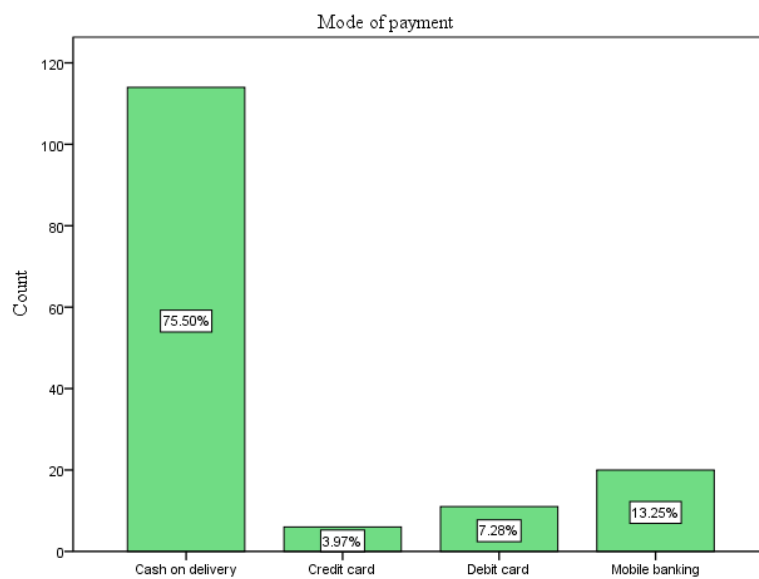


Fig 3.6

INTERPRETATION

The above table shows the mode of payment preferred by the respondents. It is visible that the most voted mode of payment is cash on delivery which accounts for 75.5% of the total population. Credit card, mobile banking and debit card are almost least preferred by the respondents.

3.1.7 ONLINE SHOPPING SATISFACTION LEVEL

Particulars	Respondents	Percentage
Highly dissatisfied	2	1.3
Dissatisfied	6	4.0
Neutral	48	31.8
Satisfied	69	45.7
Highly Satisfied	26	17.2
Grand total	151	100

Table 3.7

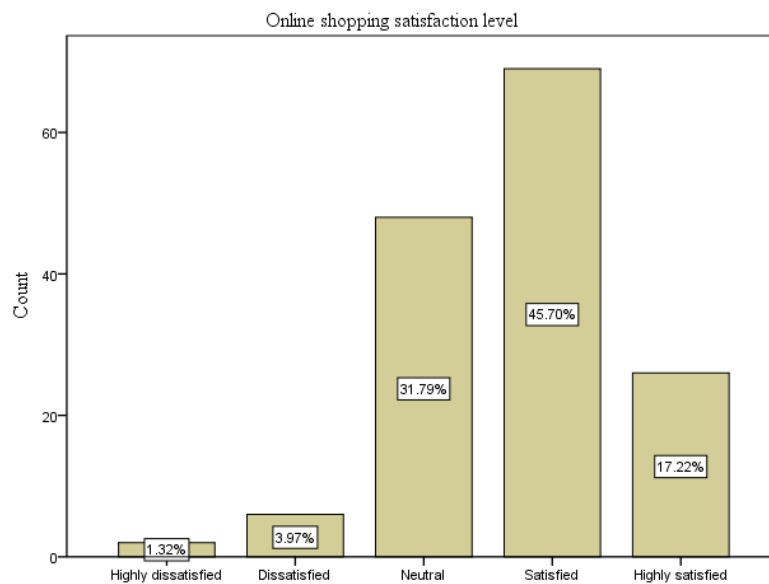


Fig 3.7

INTERPRETATION

This question was asked to analyse the satisfaction level of the respondents. It is seen that 45.7% of the respondents are satisfied with online shopping. 31.8% are having a neutral level of satisfaction. 1.3% of the respondents are highly dissatisfied with online shopping.

3.1.8 PREFERRED ONLINE SHOPPING SITE

Particulars	Respondents	Percentage
Amazon	45	29.80
Flipkart	82	54.30
Meesho	8	5.30
Myntra	15	9.93
Nykaa	1	0.7
Grand total	151	100

Table 3.8

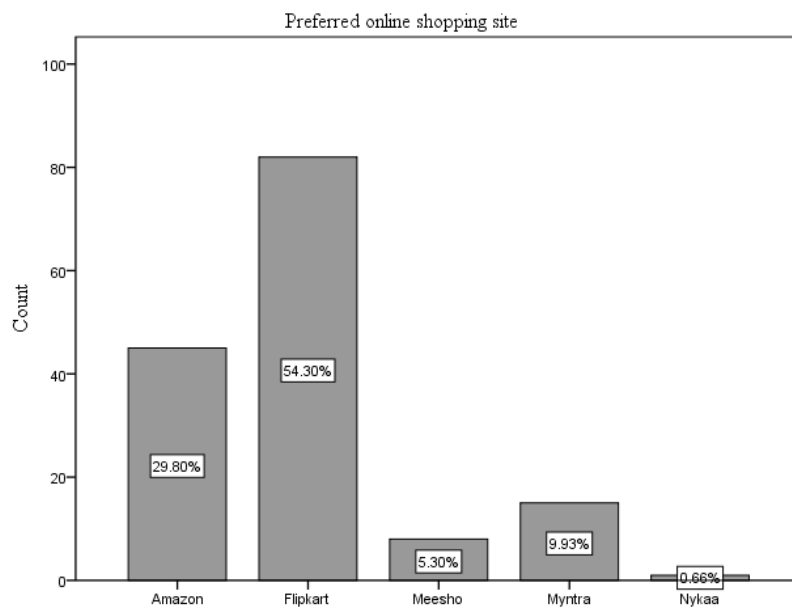


Fig 3.8

INTERPRETATION

This question was asked to analyse the preference of consumers towards the various online shopping sites. Flipkart is the most preferred online shopping site among the respondents.

3.1.9 PREFERRED MODE OF PURCHASE

Particulars	Respondents	Percentage
Either online or retail	57	37.75
Online	45	29.80
Retail shops	49	32.45
Grand total	151	100

Table 3.9

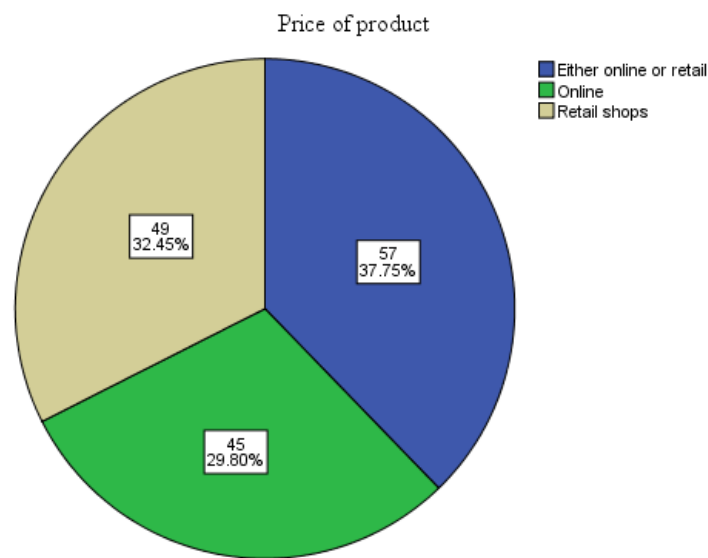


Fig 3.9

INTERPRETATION

This question was asked to find out whether the consumers would choose to buy from retail stores or internet if the prices are same in both. 37.7% of the respondents have chosen either online or retail. 32.45% had opted for retail shops over online shopping.

3.1.10 GOING TO RETAIL STORE FIRST BEFORE MAKING FINAL PURCHASE

Particulars	Respondents	Percentage
Yes	83	55
No	68	45
Grand total	151	100

Table 3.10

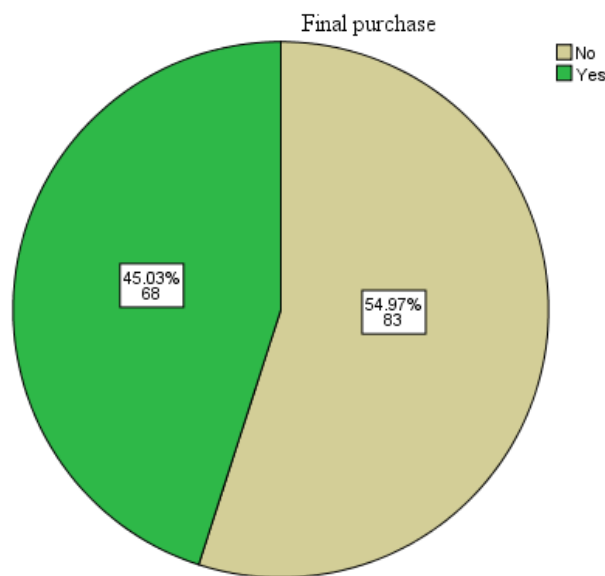


Fig 3.10

INTERPRETATION

This question was asked to judge the consciousness of consumer and approach related to the selection of various products offered online. It is visible that 55% of the respondents visit retail stores to see and check the actual price of the product before buying from an online store. Only 45% of the respondents do not bother to check for the prices in retail stores.

3.1.11 SECURITY AND PRIVACY

Particulars	Respondents	Percentage
<u>No</u>	<u>92</u>	<u>60.9</u>
<u>Yes</u>	<u>59</u>	<u>39.1</u>
<u>Grand total</u>	<u>151</u>	<u>100</u>

Table 3.11

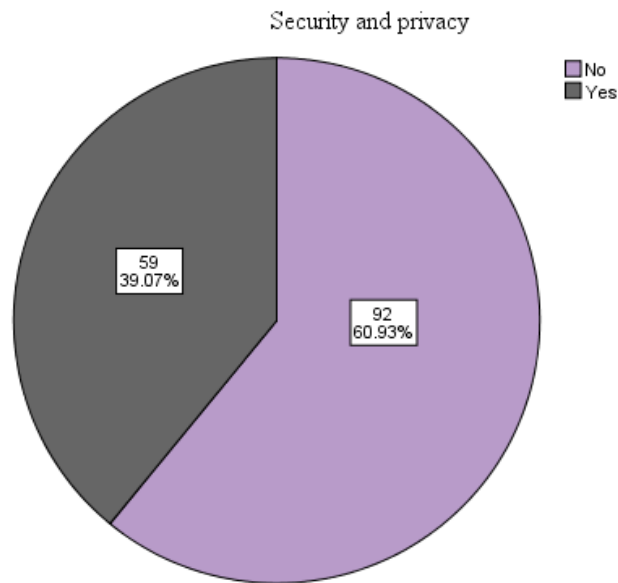


Fig 3.11

INTERPRETATION

39.1 % of the respondents have the opinion that their personal information may be compromised to the third party. 60.9% of the respondents does not feel that their personal information may be compromised to third party.

3.1.12 FEATURES REQUIRED FOR AN ONLINE SHOPPING SITE

Particulars	Respondents	Frequency
Credibility	15	9.9
Customer friendly	68	45.0
Design	15	9.9
Multiple payment gateways	34	22.5
Other	19	12.5
Grand total	151	100

Table 3.12

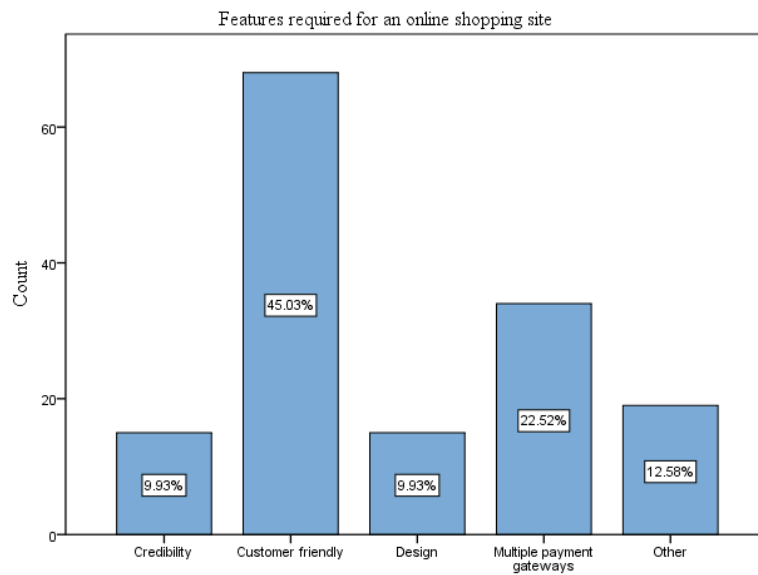


Fig 3.12

INTERPRETATION

The above data shows the preferences of the respondents towards various features required for an online shopping sites. 45% of the consumers want the online shopping sites to be customer friendly and 22.5% of the respondents have opted for multiple payment gateways.

3.1.13 MAIN BARRIERS THAT KEEP AWAY FROM ONLINE SHOPPING

Particulars	Respondents	Percentage
High shipping cost	23	15.23
Low trust level of online store/brand	45	29.80
None	34	22.52
Other security reasons	14	9.27
Safety of payment	27	17.88
Value added tax	8	5.30
Grand total	151	100

Table 3.13

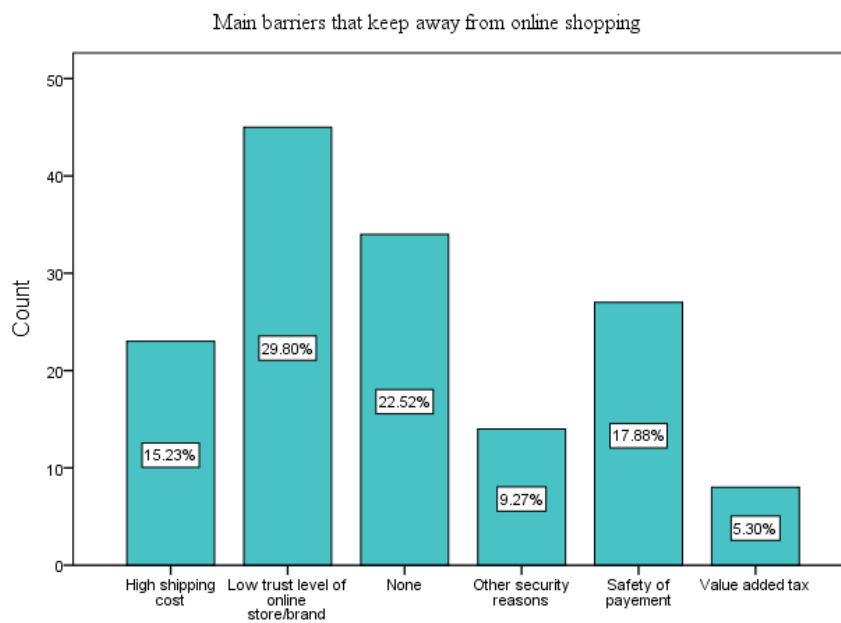


Fig 3.13

INTERPRETATION

In the questionnaire it was asked, what is the main barriers which keeps consumers away from online shopping. From the graph we can see that low trust level of online store/brand is the major barrier that keeps consumers away from purchasing online.

3.1.14 SEARCHING FOR THE PRODUCT DETAILS BEFORE AN ONLINE PURCHASE

Particulars	Respondents	Percentage
No	8	5.3
Yes	143	94.7
Grand total	151	100

Table 3.14

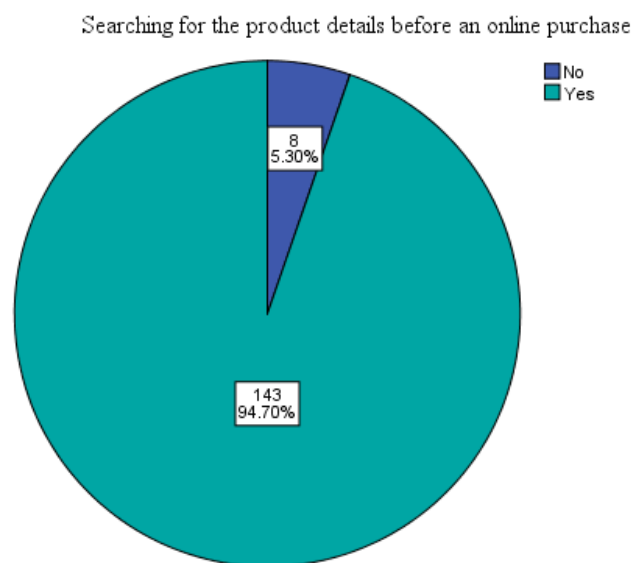


Fig 3. 14

INTERPRETATION

From the above graph it is clear that 94.7% of the respondents search for the product details before conducting the online purchase.

3.1.15 SATISFACTION WITH THE ONLINE SHOPPING

Particulars	Respondents	Percentage
Yes	131	86.75
No	20	13.25
Grand total	151	100

Table 3.15

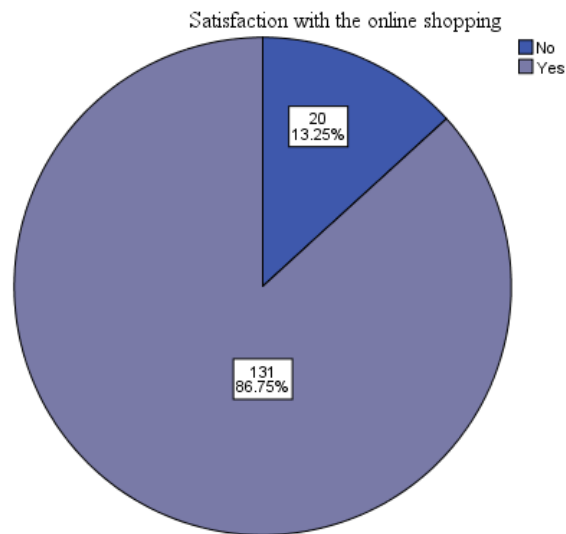


Fig 3.15

INTERPRETATION

This question was asked to find out whether the respondents are satisfied with the online shopping. It is analysed that 86.7% of the respondents are satisfied with online shopping. A negligible percentage of people that is only 13.25% of the respondents are not satisfied with shopping online.

3.1.16 RECOMMEND OTHERS TO USE ONLINE SHOPPING

Particulars	Respondents	Percentage
Yes	135	89.4
No	16	10.6
Grand total	151	100

Table 3.16

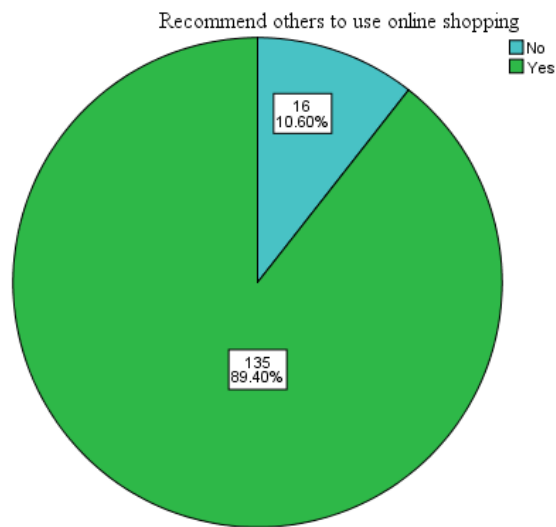


Fig 3.16

INTERPRETATION

The above data shows that 89.4% of the respondents would recommend online shopping to others. Only 10.6% of people would not recommend online shopping. This reveals that people have started accepting online shopping more than it used to be.

3.2 HYPOTHESIS TESTING

3.2.1 CHI SQUARE TEST: GENDER OF RESPONDENTS AND ONLINE SHOPPING

H_0 : There is no relationship between the gender of the respondents and online shopping

H_1 : There is a relationship between the gender of the respondents and online shopping

Gender		Ever had online shopping		Total
		NO	YES	
Female	Count	0	79	79
	Expected Count	1.0	78.0	79.0
Male	Count	2	70	72
	Expected Count	1.0	71.0	72.0
Total	Count	2	149	151
	Expected Count	2.0	149.0	151.0

Table 3.17

CHI SQUARE TABLE

		Value	df	P-value
Pearson square	Chi-	2.224 ^a	1	0.136

Table 3.18

INTERPRETATION

Here the p value 0.136 is greater than significance level $\alpha=0.05$. So there is no evidence to reject the null hypothesis. So we can conclude that there is no relationship between gender and online shopping. It means gender differences of the population does not affect the online shopping.

3.2.2 CHI SQUARE TEST: AGE GROUP AND SATISFACTION LEVEL OF CUSTOMERS TOWARDS ONLINE SHOPPING

H_0 : There is no relationship between age group and customer satisfaction towards online shopping.

H_1 : There is a relationship between the age group and customer satisfaction towards online shopping.

Age group		Satisfaction level with online shopping					Total
		1.0	2.0	3.0	4.0	5.0	
15-25	Count	2	6	44	65	21	138
	Expected Count	1.8	5.5	43.9	63.1	23.8	138.0
26-35	Count	0	0	4	4	4	12
	Expected Count	.2	.5	3.8	5.5	2.1	12.0
36-45	Count	0	0	0	0	1	1
	Expected Count	.0	.0	.3	.5	.2	1.0
Total	Count	2	6	48	69	26	151
	Expected Count	2.0	6.0	48.0	69.0	26.0	151.0

Table 3.19

CHI SQUARE TABLE

	Value	df	p- Value
Pearson Chi- Square	8.110 ^a	8	0.423

Table 3.20

INTERPRETATION

Here the p value 0.423 is greater than significance level $\alpha=0.05$. So there is no evidence to reject the null hypothesis. So, we can conclude that there is no relationship between age group and customer satisfaction towards online shopping. It means age group of the customers does not affect their satisfaction towards online shopping.

3.2.3 CHI SQUARE TEST: ONLINE SHOPPING FEATURES AND SATISFACTION LEVEL OF CUSTOMERS

H₀ : There is no relationship between online shopping features and customer satisfaction towards online shopping.

H₁ : There is a relationship between online shopping features and customer satisfaction towards online shopping.

Online shopping features		Satisfaction level		Total
		No	Yes	
Credibility	Count	4	11	15
	Expected Count	2.0	13.0	15.0
Customer friendly	Count	6	62	68
	Expected Count	9.0	59.0	68.0
Design	Count	2	13	15
	Expected Count	2.0	13.0	15.0
Multiple payment gateways	Count	2	32	34
	Expected Count	4.5	29.5	34.0
Other	Count	6	13	19
	Expected Count	2.5	16.5	19.0
Total	Count	20	131	151
	Expected Count	20.0	131.0	151.0

Table 3.21

CHI-SQUARE TABLE

	Value	df	p- value
Pearson Chi -square	10.671 ^a	4	0.031

Table 3.22

INTERPRETATION

Here the p value 0.031 is less than significance level $\alpha=0.05$, so we reject the null hypothesis. So, we can conclude that there is a relationship between the online shopping features and customer satisfaction towards online shopping. It means the features of online shopping may affect the satisfaction level of customers towards online shopping.

CHAPTER – 4

INFERENCES

SUMMARY OF FINDINGS

- Out of the sample population majority of the respondents had done the online shopping and only 1.3 % of the respondents have not done the online shopping.
- Majority of the respondents have done online shopping occasionally during the last one year.
- The study shows that 54.3 % of the respondents have felt the different types of problem while purchasing online.
- The study shows that 75.5% of the respondents prefer cash on delivery as the mode of payment while purchasing online.
- Only 17.2 % of the respondents are highly satisfied with online shopping.
- Flipkart is the most preferred online shopping site among the respondents.
- 37.7% of the respondents prefer their mode of purchase as either online or retail stores, if the product has same price in both places.
- 55% of the respondents visit retail stores to see and check the actual price of the product before buying from an online store.
- 60.9% of the respondents does not feel that their personal information may compromised to third party.
- The study shows that the customers prefer different types of features for the online shopping site they visit. Out of that 45% of the respondents want the online shopping sites to be customer friendly.
- The study shows that low trust level of online store/brand is the major barrier that keeps consumers away from purchasing online.
- 94.7% of the respondents search for the product details before conducting the online purchase.
- The study shows that 86.7% of the respondents are satisfied with online shopping. And they would recommend online shopping to others too.
- From the chi square test, we found that there is no relationship between the gender of respondents and online shopping. also, there is no relationship between the age group and customer satisfaction towards online shopping.
- Through chi square test, we found that there is a relationship between the online shopping features and customer satisfaction towards online shopping.

SUGGESTIONS

- Businesses should focus on the satisfaction of customers and eliminate or reduce all the problems faced by consumers.
- In a market like India where cash on delivery is the most preferred method of payment, providing cash on delivery option for potential buyers can increase level of trust in business.
- Alternatively, businesses can provide discounts for digital payments to boost contactless fully online transactions.
- Online shopping sites should provide different types of features to their customers so that it will increase the satisfaction level of customers towards online shopping.
- Businesses should make their websites more secure to prevent hacking and take steps to prevent fraud and other irregularities. This leads to better assurance among customers.

CONCLUSION

In today's scenario online shopping is becoming more popular than offline shopping. More people are shifting to online shopping and are very satisfied to shop online. Customers need different types of features for the online shopping site they visit. So that it will increase their satisfaction level towards purchasing products online. Spreading awareness about proper and safe online shopping practices could negate many rumours and fears about online shopping present. Large number of potential buyers could be so captured by assuring them that online shopping is safe and secure.

Despite all factors majority of people are satisfied with online shopping and would recommend others to use online shopping. Online shopping provides convenience and reduces physical efforts. It also saves time for many people. Online purchasing is here to stay and is only going upwards.

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