



FACTORS AFFECTING CUSTOMER SATISFACTION CONCERNING ONLINE AND OFFLINE PURCHASING MOBILE PHONES

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-----ABSTRACT-----

The aim of the study is to examine the Factors affecting customer satisfaction concerning online and offline purchasing mobile phones. Data collected from 600 sample using convenient and snowball sampling and data were analyzing ANOVA and t-test using SPSS 21 version. The study result revealed that Factors such as Availability of Variety and brands of mobile phones, Features of Products; Appreciation from viewers and After sales service values showed that there had no significant difference between the factors affecting customer satisfaction concerning online and offline purchasing mobile phones, where as factors such as Product Efficiency; Product packaging; Payment Options and Comfort ability showed significant differences in customer satisfaction concerning online and offline purchasing mobile phones.

KEYWORDS: *Discounts & offers, Convenience of the product, Product quality, Product variety, Customer service, Product Performance.* -----

1. INTRODUCTION

When a customer decides to purchase anything, the first question emerges: which mode of shopping they should use to meet their needs; there are both online and conventional brick-and-mortar stores accessible to satisfy their purchasing needs to please themselves. Companies have a significant issue in determining how they should target customers to sustain competitive advantages as a result of the plethora of options accessible to them. In industrialized nations such as the United States, making purchases on the internet has virtually become standard practice, particularly when purchasing fashion goods. When it comes to making purchases in numerous categories in a developing nation like India, most consumers still rely on traditional brick-and-mortar retailers. Even though internet shopping has grown more popular among the general public, particularly among teens and young adults, physical shopping continues to perform its online equivalent in terms of sheer numbers. In today's business environment, understanding and analysing customer behaviour is vitally essential for the success of any company, whether it operates online or offline. Consumers are the ones who drive the market. All the business activities are carried out keeping in mind the interests of consumers. Because of the rising prevalence of the internet, online shopping, which is a relatively new phenomenon in India, has gained traction in recent years, resulting in a consumer market that is spoilt for choice. Internet is helping the promotion of products through online advertisements. The healthy rivalry between online retailers and their brick-and-mortar counterparts has heralded the dawn of a new age in which customers may pick and choose the medium of buying to satisfy their shopping preferences. Some of the most significant distinctions between the two modes of purchasing include the methods used to obtain product information, the perception of risk, and the capacity of customers to access similar types of items based on their interests, among other things.

2. LITERATURE REVIEW

Degeratu et al. (2000) demonstrate that brand name is more essential online than in a conventional purchasing environment for some categories, although this may rely on the available attribute information. A virtual channel is separate from a physical channel (Wang et al., 2013). For instance, the lack of the actual product examination experience inside an internet channels (Alba et al. 1997).



Earlier research has shown that the things customers feel compelled to touch or try on are those that demand a physical presence or at the very least buy via an offline channel (Chiang and Dholskia, 2003; Lynch et al., 2001). According to Lenvin et al. (2003), the ability to physically inspect a product before to purchase is a driving reason behind the preference for offline purchasing for things such as apparel. However, textiles and apparel have seen the most acceptances in online shopping, and no part of the business has been untouched by the internet's impact on retail sales (Heinemann and Schwarzl, 2010). A virtual channel is separate from a physical channel (Wang et al., 2013). For instance, the lack of the actual product examination experience inside an internet channels (Alba et al. 1997). According to Chayapa (2011), the decision-making process is relatively similar whether the customer is offline or online, but the shopping environment and marketing communication are significant distinctions. Smith and Brynjolfsson (2001) examine the behaviour of online book customers using data from an online shopbot. They discover that customers' willingness to pay is influenced by brand. Online search is not entirely free; various studies have projected positive but rather minor expenses. According to Bajari and Hortaçsu (2003), the implicit price of joining an eBay auction is \$3.20. According to Brynjolfsson, Dick, and Smith (2010), the maximum cost of reading extra search results pages on a books shopbot is \$6.45. Hong and Shum (2006) estimate that the median cost of a textbook search for a customer is less than \$3.00; While these expenditures are beneficial, for the majority of customers, they are less than the value of the time spent travelling to a single offline merchant. Dong-Mo Koo and Ji-Hoon Lee (2011) hypothesised a connection between dominance, energetic and tense arousal, pleasure, and their effect on intention. The results of a survey of 406 consumers (217 from offline stores and 189 from online stores) revealed that dominance has a significant positive and/or negative effect on both energetic and tense arousal, but has no effect on pleasure or intention in both offline and online environments; the effect of dominance on tense arousal was not statistically significant in an online shopping environment; and both energetic and tense arousal has a positive and/or negative effect on both pleasure and intention. Kolko (2000) discovers that cities that are geographically apart from one another are more likely to utilise the internet. According to Forman, Goldfarb, and Greenstein (2005), rural communities are marginally more likely to embrace participation technologies, as indicated above, that facilitate cross-institutional contact. Sinai and Waldfogel (2004) discover that individuals in smaller cities are more likely to connect to the internet than persons in bigger cities, depending on the availability of local material on the internet. According to Brynjolfsson and Smith (2000) and Clay, Krishnan, and Wolff (2001), prices decline as a result of the development of online book marketplaces. Buyers that utilised an internet service to assist them in searching for and purchasing a vehicle spent an average of 2% less than other consumers, according to Scott Morton, Zettelmeyer, and Silva-Risso (2001). Yaobin Lu (2011) examined the elements that impact customers' desire to switch from offline to online channels that provide comparable services. The research showed that consumers' propensity to transfer use was positively influenced by innovativeness in new technology and relative benefit. Additionally, the study's results suggested that internet experience acts as a moderator between relative advantage and customers' inclination to switch from offline to online services. Brown and Goolsbee (2004) discover that price comparison websites resulted in an 8-15 percent decrease in the cost of term life insurance plans. Sengupta and Wiggins (2006) demonstrate how internet sales have resulted in price reductions for airline tickets. While Waldfogel and Chen (2006) discover that price comparison websites erode brand impacts, they discover that brand remains important for sellers in a variety of product categories. Jin and Kato (2006), Resnick et al. (2006), and Cabral and Hortaçsu (2010) all demonstrate a correlation between seller reputation and transaction prices on online auction platforms. Dinlersoz and Pereira (2007), Koças and Bohlmann (2008), and Loginova (2009) develop models in which customers' perceptions on the substitutability of items marketed in two segments influence enterprises' optimum online strategy. Tony Ahn, Seewon Ryu, and Ingoo Han (2004) investigated the online and physical characteristics of Internet shopping malls and their link to client acceptance behaviours. In six shopping malls in Korea, a web poll was done with 932 customers. The research validates the technology acceptance model (TAM) for forecasting Internet shopping mall acceptability. Both online and offline aspects contribute to the acceptability, usefulness, attitude, and intention to use of users. Aron M. Levin, Irwin P. Levin, and Joshua A. Weller (2005) employed a 199-person sample from a big mid-eastern American university and an online survey panel to conduct their research. The research discovered that preferences for online or offline buying differ according to product, customer, and stage of the purchasing process. When factors such as variety and speed of purchase were prioritised, internet shopping was chosen. Offline purchasing was favoured when factors such as personal service and the chance to see-touch-handle the goods were prominent. Junhong Chu et al. (2010) investigated the moderating impacts of household (e.g., shopping frequency) and product (e.g., sensory nature) characteristics on brand loyalty, size loyalty, and price sensitivity for grocery goods purchased via online and offline channels. The data was gathered from one of Spain's five largest supermarket businesses. The research discovered that families were more brand and size loyal in the internet channel but less price sensitive in the physical channel. Rick L. Andrews Ourso and Imran S. Currim (2004) used real choice data from an online supermarket and conventional scanner panel data to study



behavioural differences between people attracted to online and traditional supermarket shopping. The research discovered that, in comparison to conventional supermarket customers, online consumers prefer bigger sizes to smaller sizes, do more brand name screening, perform less size screening, and have greater choice set effects. According to Koen Pauwels et al. (2011), the informative website's offline revenue effect is highly dependent on the product category and consumer group. The cheaper internet search expenses benefited sensory items and consumers who were not in the shop. By contrast, clients in a certain category decrease their shopping excursions, implying that their online behaviours partly compensate for in-store experience purchasing. Dong-Mo Koo and Ji-Hoon Lee (2011) hypothesised a connection between dominance, energetic and tense arousal, pleasure, and their effect on intention. The results of a survey of 406 consumers (217 from offline stores and 189 from online stores) revealed that dominance has a significant positive and/or negative effect on both energetic and tense arousal, but has no effect on pleasure or intention in both offline and online environments; the effect of dominance on tense arousal was not statistically significant in an online shopping environment; and both energetic and tense arousal has a positive and/or negative effect on both pleasure and intention. P. Isabel Enrique and Sergio Román (2014) investigated the influence of many customers' cognitive and psychographic characteristics in their perceptions of merchants' dishonest activities (perceived deception) and the distinct effects of online vs in-store buying on perceived deception.

3. RESEARCH GAP

Customer satisfaction has established itself as a critical differentiator in both online and offline purchasing. Customer satisfaction reflects how satisfied customers are with individual products, their quality, and the overall experience. It demonstrates the customer's level of satisfaction with the firm. It is also a critical aspect in deciding the success of a business. Thus, the lesson for businesses is that consumer expectations are constantly increasing, and only happy customers will remain loyal over time. Various service industries have researched throughout the years to determine the factors that contribute to consumer satisfaction and loyalty for specific areas of service quality. However, in India, internet shopping is rapidly increasing to become the most significant and fastest-growing business. Online purchasing is now in peril. They are up against severe competition from other formats and must continue to innovate to maintain and delight clients. Thus, in the current market environment, customers are the significant determinants of a business's viability. Customer satisfaction is critical in purchasing; if customers are satisfied with their purchase, they will continue to make other purchases. Prior study has primarily focused on consumers' physical and online purchasing behaviours. In recent years, most e-commerce companies have boosted their offers and discounts to attract consumers and suit their desires and requirements, even though customers are more interested in shopping offline to meet their needs. There is a shortage of research on consumer satisfaction with online and offline mobile phone purchases. As a result, this research will address this gap by examining customer satisfaction with online and offline mobile phone purchases in Telanagna.

4. OBJECTIVES

The particular objectives of the examination are as per the following.

- To study the socio-demographic status of the consumer of online and offline shopping.
- The assessment of elements involves consumer satisfaction with online and offline mobile phone shopping

5. HYPOTHESES

To achieve the previously mentioned objectives, the accompanying speculation has been built up in the investigation.

- **H01:** There is no significant difference between the factors affecting customer satisfaction concerning online and offline purchasing mobile phones.

6. RESEARCH METHODOLOGY

- **Research Design:** Descriptive research
- **Sources of data:** Primary source of data is collected from the respondents through structured questionnaire and it was in order to collect data on Factors influencing on customers decisions to purchases online and offline shopping of mobile phones. Secondary data is collected from various Journals, Periodicals such as Magazines, Business newspapers, and from subject related books and websites.
- **Data collections methods:** Data has been collected using structure questionnaire through customer survey method and personal interview of Factors influencing on customers decisions to purchases online and offline shopping of mobile phones.
- **Sampling area:** Hyderabad and Secunderabad cities of Telanagna



- **Sampling Method:** Convenience and snowball sampling method has been used to collect sample of 600 respondents.
- **Statistical tools used:** ANOVAs and t-test using by SPSS 21.0.

7. RESULTS AND DISCUSSIONS

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.801	0.817	20

From the Table 1, it shown that the questionnaire is tested for its reliability and presented the results here under. The questionnaire developed is pretested and validated through face validity as it was sent to a carefully selected sample of experts and it also has a sufficiently good reliability score. The result given the value of the as **0.801**; It indicates that, the data has a high reliability and validity.

Demographic Variables: The frequency distribution of demographic variables is presented in the following table.

Table 3 Demographical Variables

Particulars	Classification	No of Responses	Percentage
Age	Below 20 years	134	22.3
	21-30	166	27.7
	31-40	163	27.2
	41-50	102	17.0
	51 and above	35	5.8
Gender	male	420	70.0
	female	180	30.0
Education	SSC	48	8.0
	intermediate	73	12.2
	Degree	174	29.0
	Post Graduation	202	33.7
	Above Post Graduation	103	17.2
Occupation	Govt employee	184	30.7
	Private employee	216	36.0
	Business	70	11.7
	Home maker	62	10.3
	Student	68	11.3
Monthly income (in rupees)	below 25,000	52	8.7
	25,001 - 35,000	90	15.0
	35,001- 45,000	241	40.2
	45,001 - 55,000	149	24.8
	55,001 and above	68	11.3
Total		600	100%

Source: Primary data



The descriptive analysis of all the demographical variables is shown in Table 3, it is found that 27.7 percent of the respondents aged between 21-30 years, 27.2 percent of the respondents aged between 31-40 years, 22.3 percent of the respondents aged below 20 years, 17 percent of the respondents aged between 41-50 years and 5.8 percent of the respondents aged 51 years and above. Similarly, 70 percent of the respondents were male respondents and remaining 30 percent of the respondents were female. 33.7 respondents belong to Post Graduation. Followed by, 29 percent of the respondents belong to Degree, 17.2 percent of the respondents belong to Above Post Graduation, 12.2 percent of the respondents belong to intermediate and 8 percent of the respondents belong to SSC. 36 percent of them were private employees. Followed by 30.7 percent of them were govt. Employees, 11.7 percent of them were business people, 11.3 percent of them were students and 10.3 of them were Home maker. 40.2 percent of the respondents earn monthly income level is 35,001- 45,000 rupees. Followed by 24.8 percent of them earn 45,001 - 55,000 rupees, 15.0 percent of them earn 25,001 - 35,000 rupees, 8.7 percent of them earn below 25,000 rupees and 11.3 of them earn 55,001 and above rupees for monthly.

7.1 ANOVA: The ANOVA is used to determine whether there are any statistically significant differences between the means of two or more independent (unrelated) groups. So it is conducted in order to understand whether there is any significant difference in opinions of respondents on factors that affect a customer's decision to buy Mobile phones online the results are presented in the following table.

ANOVA for factors that affect a customer's satisfaction to buy Mobile phones offline: To identify the mean difference between groups, for that Analysis of variance statistics is conducted between customer satisfaction to buy mobile phones online, for that research has considered factors such as Product Efficiency, Availability of Variety and brands of mobile phones, Features of Products, Product packaging, Payment Options, Appreciation from viewers, After-sales service, and Comfortability. The ANOVAs result illustrated below table

Table 4.6 ANOVA results

		Sum of Squares	df	Mean Square	F	Sig.
Product Efficiency	Between Groups	120.304	30	4.010	3.846	.060
	Within Groups	593.321	569	1.043		
	Total	713.625	599			
Availability of Variety and brands of mobile phones	Between Groups	133.770	30	4.459	3.890	.070
	Within Groups	652.188	569	1.146		
	Total	785.958	599			
Features of Products	Between Groups	108.107	30	3.604	3.569	.058
	Within Groups	574.453	569	1.010		
	Total	682.560	599			
Product packaging	Between Groups	149.127	30	4.971	3.999	.087
	Within Groups	707.271	569	1.243		
	Total	856.398	599			
Payment Options	Between Groups	112.377	30	3.746	3.608	.134
	Within Groups	590.816	569	1.038		
	Total	703.193	599			
Appreciation from viewers	Between Groups	135.367	30	4.512	3.244	.027
	Within Groups	791.427	569	1.391		
	Total	926.793	599			
After sales service	Between Groups	163.776	30	5.459	3.714	.012
	Within Groups	836.289	569	1.470		
	Total	1000.065	599			
Comfort ability	Between Groups	77.966	30	2.599	2.375	.000
	Within Groups	622.507	569	1.094		
	Total	700.473	599			

Table shows the performance of the ANOVA study on customer satisfaction to buy mobile phones offline. Concerning Product Efficiency, 120.304 is the between-group variation and 593.321 is the within-group variation. It also reveals that F-distribution 3.846. Followed by, the level of significance is .060, which is more



than 0.05. Regards Availability of Variety and brands of mobile phones, the between-group variance is 133.770, and the within-group variation is 652.188. It also shows that the F-distribution is 3.890. The level of significance is 0.070, which is more than 0.05. Features of Products, the between-group variance are 108.107, and the within-group variation is 574.453. It also shows that the F-distribution is 3.569. The level of significance is 0.058, which is more than 0.05. Product packaging, the between-group variance is 149.127, and the within-group variation is 707.271. It also shows that the F-distribution is 3.999. The level of significance is 0.087, which is more than 0.05 ($p > .005$).

Payment Options, the between-group variance is 112.377 and the within-group variation is 590.816. It also shows that the F-distribution is 3.608. The level of significance is 0.134, which is more than 0.05 ($p > .005$). Appreciation from viewers, the between-group variance is 135.367, and the within-group variation is 791.427. It also shows that the F-distribution is 3.244. The level of significance is 0.027, which is less than 0.05 ($p < .005$). After sales service, the between-group variance is 163.776, and the within-group variation is 836.289. It also shows that the F-distribution is 3.714. The level of significance is 0.012, which is less than 0.05 ($p < .005$). Comfort ability, the between-group variance is 77.966, and the within-group variation is 622.507. It also shows that the F-distribution is 2.375. The level of significance is 0.000, which is less than 0.05 ($p < .005$).

7.2 Independent t-test: The mean values, Standard Deviation and Standard Error Means are calculated for the different dimensions of online and offline shopping factor like Discounts & offers, Product quality, Convenience of the product, Company reputation, Product variety, Customer service, Easy and free availability of the product and Product Performance of factors affecting mobile phones' purchase decisions concerning online and offline shopping are furnished in the following table.

Table 5 Independent Samples Test results

Factors	t	Sig.
Product Efficiency	1.346	.446
Availability of Variety and brands of mobile phones	.126	.021
Features of Products	-1.863	.035
Product packaging	-1.459	.157
Payment Options	-.115	.301
Appreciation from viewers	-1.591	.041
After sales service	1.899	.011
Comfort ability	1.127	.973

Factors such as Availability of Variety and brands of mobile phones ($t = .126$; $p < .021$), Features of Products ($t = -1.863$; $p < .035$); Appreciation from viewers ($t = -1.459$; $p < .041$) and After sales service ($t = -1.591$; $p < .041$) values showed that there had no significant difference between the factors affecting customer satisfaction concerning online and offline purchasing mobile phones, where as factors such as Product Efficiency ($t = 1.346$; $p > .446$); Product packaging ($t = -1.459$; $p < .157$); Payment Options ($t = -.115$; $p > .301$) and Comfort ability ($t = 1.127$; $p < .973$) showed significant differences in customer satisfaction concerning online and offline purchasing mobile phones

CONCLUSION

This study examines Factors affecting customer satisfaction concerning online and offline purchasing mobile phones. Primary data were collected using convenient and snow ball sampling method from respondents who had past experience of purchasing mobile phone using online and offline mode. Researcher has collected 600 sample from online and offline purchasers and analyzing data using ANOVA and t-test. The research concluded that Factors such as Availability of Variety and brands of mobile phones, Features of Products; Appreciation from viewers and After sales service values showed that there had no significant difference between the factors affecting customer satisfaction concerning online and offline purchasing mobile phones, where as factors such as Product Efficiency; Product packaging; Payment Options and Comfort ability showed significant differences in customer satisfaction concerning online and offline purchasing mobile phones

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