



# A STUDY ON CUSTOMER PREFERENCE ON E-SHOPPING WITH SPECIAL REFERENCE TO GUDALUR TOWN

**Dr. A. Jaganathan**

*Head, Dept. of Business Administration with Computer Applications,  
Government Arts and Science College, Gudalur, The Nilgiris – 643212 Tamil Nadu,*

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## ABSTRACT

*Online markets are dynamic. Online markets are part of the information and communications technology-intensive service sector which has exhibited an acceleration of labour productivity growth in many countries. A qualitative indication of the dynamic character of online markets is given by evidence of the range of experimentation in terms of business models, the rate of growth of successful platforms and the level of ongoing innovation and disruptive change in areas such as growth of mobile internet and devices and of the social web. A study on customers' awareness, opinion, period of purchasing, reason for purchase, the price of product and their satisfaction towards the product in E-shopping.*

**KEY WORDS:** *Consumer, Internet, Online, Shopping.*

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## INTRODUCTION

Online or E-shopping is the process whereby consumers directly buy goods or services from a seller in real-time, without an intermediary service, over the Internet. It is a form of electronic commerce. An online shop, e-shop, e-store, Internet shop, web-shop, web-store, online store, or virtual store evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or in a shopping center. The process is called business-to-consumer (B2C) online shopping. When a business buys from another business, it is called business-to-business (B2B) online shopping.

Online shopping is the process whereby consumers directly buy goods or services from a seller in real-time, without an intermediary service, over the Internet. It is a form of electronic commerce. The sale or purchase transaction is completed electronically and interactively in real-time such as in Amazon.com for new books. However in some cases, an intermediary may be present in a sale or purchase transaction such as the transactions on eBay.com. An online shop, e-shop, e-store, internet shop, web shop, web store, online store, or virtual store evokes the physical analogy of buying products or services at A bricks-and-mortar retailer or in a shopping centre. The process is called Business-to-Consumer (B2C) online shopping. This is

the type of electronic commerce conducted by companies such as Amazon.com. When a business buys from another business it is called Business-to-Business (B2B) online shopping.

A large percentage of electronic commerce is conducted entirely in electronic form for virtual items such as access to premium content on a website, but mostly electronic commerce involves the transportation of physical items in some way. Online retailers are sometimes known as e-tailers and online retail is sometimes known as e-tail. Almost all big retailers are now electronically present on the World Wide Web.

Online marketplaces such as eBay and Amazon Marketplace have significantly reduced financial and reputational barriers to entry for SMEs wishing to trade online. These marketplaces provide web presence, marketing and payment services and, in the case of Amazon, fulfilment. This allows SMEs to focus on their core competencies e.g. managing supplier relationships. Moreover, SMEs have choices online, as these marketplaces compete with each other (some retailers sell across several marketplaces) and retailers' own websites. They also compete with paid search providers and others in providing marketing to SMEs.

Customer ratings are a key element of the



marketplaces, enabling SMEs to build a reputation at low cost relative to the offline environment. This element of reputation may be achieved quickly (just one piece of feedback generates aerating) and is tied to particular platforms (i.e. ratings are non-transferable).

### **HISTORY OF E-SHOPPING**

In 1990, Tim Berners-Lee created the first World Wide Web server and browser in UK. It opened for commercial use in 1991. In 1994 other advances took place, such as online banking and the opening of an online pizza shop by Pizza Hut. During that same year, Netscape introduced SSL encryption of data transferred online, which has become essential for secure online shopping. Also in 1994, the German company Inter-shop introduced its first online shopping system.

In 1995, Amazon launched its online shopping site, and in 1996, eBay appeared. Originally, electronic commerce was identified as the facilitation of commercial transactions electronically, using technology such as Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT). These were both introduced in the late 1970s, allowing businesses to send commercial documents like purchase orders or invoices electronically. The growth and acceptance of credit cards, automated teller machines (ATM) and telephone banking in the 1980s were also forms of electronic commerce. Another form of e-commerce was the airline reservation system typified by Sabre in the USA and Travicom in the UK. From the 1990s onwards, electronic commerce would additionally include enterprise resource planning systems (ERP), data mining and data warehousing.

In 1990, Tim Berners-Lee invented the Worldwide Web web browser and transformed an academic telecommunication network into a worldwide every man everyday communication system called internet/WWW. Commercial enterprise on the Internet was strictly prohibited by NSF until 1995

Although the Internet became popular worldwide around 1994 with the adoption of Mosaic web browser, it took about five years to introduce security protocols and DSL allowing continual connection to the Internet. By the end of 2000, many European and American business companies offered their services through the World Wide Web. Since then people began to associate a word "E commerce" with the ability of purchasing various goods through the Internet using secure protocols and electronic payment services.

### **NEED FOR E-SHOPPING**

Few developments have altered India's lifestyle more quickly and more completely than the Internet. Online access has enabled people from all walks of life to bring entire libraries, entertainment venues, post

offices and financial centers to a workplace, to a desktop or to a shirt pocket. The Internet's largest and most meaningful impact may very well be on the way consumers shop for everything from gifts, gadgets and groceries to clothing, cars, and cruises. The ease and selection that the Internet provides to shoppers has changed the face of retailing. More and more, consumers visit a store's Web site to make their choices before traveling to the store itself; and in a rapidly swelling tide, many

shoppers are bypassing the store altogether and ordering online directly from the Web sites of their favorite brands and outlets. Companies like Sephora, Sears and Crate & Barrel have increased the range and quantity of products available at their online stores and are sending online coupons and sale announcements via e-mail directly to their customers. Because online stores are open 24 hours a day, seven days a week, and their

inventories are often more complete than those of their brick-and-mortar counterparts, the Internet makes it easy for shoppers to compare products within or between stores, to read product reviews from other customers, to access vendor return policies and to find warranty information.

### **OBJECTIVE OF THE STUDY**

- To study on the customer preference towards purchasing products in E-Stores
- To obtain the idea of which is the attracting factor in people's mind.
- To obtain details about the logistic services which the consumers prefer in getting the products being ordered.
- To provide suggestions on the changes needed after a detailed study.

### **STATEMENT OF THE PROBLEM**

Today the whole market system has a great classification. Especially in the place of E-Shopping the number of customers has emerged to a great extent. Customers have the choice to purchase either in the town itself or through E-shopping. There are various factors that influence them to purchase through this mode. Hence the problem is how we can increase the present number of customers existing in the town. Marketing plays an important role in all these aspects.

### **SCOPE OF THE STUDY**

The study focuses on the various factors that influence customer preference towards purchasing goods and services. It also covers the expectation of the people living in the locality towards the e-shopping



stores and the way they prefer it to normal direct retail purchasing. The products that come under the study includes books, fashion accessories like watches, shoes, shirts, bottom wear, glasses, etc. This also includes the cons about the service being provided.

### NEED FOR THE STUDY

Everyone using mobile phones do use internet. Therefore the major pass time in internet is using various e-shopping websites to check out the prices of various commodities and to purchase it if it is available at low price. E-shopping provides as a mode of relaxation to people's mind. So there is a need to study

- What services are provided by various websites nowadays and how they can provide better services to the subscribers?
- To understand different aspects of customer views and satisfaction.
- What new services are being provided by the various E-Stores?

### RESEARCH METHODOLOGY

The objective of the present study is to understand to study on the customer preference towards purchasing products in E-Stores in gudalur and also to find out the

### DATA ANALYSIS AND INTERPRETATION

#### 1. Gender of the respondent

S.No	Gender	No. of Respondent	Percentage
1	Male	45	56.25
2	Female	35	43.75
Total		80	100

Source: Primary Data

From the above table it is inferred that most of the respondents are male 56.25 percentages and female are

consumer preferences, reason for purchased. The researcher adopted a sampling technique where the population is based on easy availability. This sampling method is called convenience sampling. A sample of size 80 is taken for this study. In this study, the researcher uses two methods for data collection. They are Primary data collection and Secondary data collection. The statistical tests used in the study Simple Percentage analysis method. The study was conducted during the year 2019 - 2020.

### LIMITATIONS OF THE STUDY

- The users or customers of E-stores are geographically widespread and hence contacting them is time consuming.
- The sample size of customer is limited to 80 because of time and cost factor.
- The information collected may not be sufficient and reliable in terms of total market conditions in India as Gudalur in The Nilgiris represent only a portion of the national market.

less comparing to males as they form about 43.75 percentages of the total respondents.

#### 2. Priority on purchase of the e-stores of the respondents

S.No	E-Stores	No. of Respondent	Percentage
1	Amazon	30	37.5
2	Flipkart	30	37.5
3	Snap deals	15	18.75
4	e-Bay	5	6.25
Total		80	100

Source: Primary data

From the above table it is inferred that the respondents prefer Amazon and Flipkart stores as they contribute a total of 75 percentage of the total and the

rest 25 percentages is shared by snap deal and e-bay as 18.75 percentage and 6.25 percentage respectively.



3. Preference to purchased products of the respondents

S.No	Products	No. of Respondent	Percentage
1	Fashion Accessories	26	32.5
2	Medicines And Essentials	29	36.25
3	Household Things	17	21.25
4	Automobile Products	8	10
Total		80	100

Source: Primary data

From the above table it is inferred that the respondents prefer essentials and medicine products as they contribute to 36.25 percentage and the second preference is given to fashion accessories as they are

32.5 percentage of the total and the next the household things are given importance in front of automobile products as they form 21.25 percentage and 10 percentage respectively.

4. Preferred mode of payment by the respondents

S. No	Mode of Payment	No. of Respondent	Percentage
1	Credit Card	10	12.5
2	COD (Cash On Delivery)	70	87.5
Total		80	100

Source: Primary data

From the above table it is clear that respondents wish to pay cash only on delivery and not before in hand. COD payment has a huge response from 87.5

percentage of the respondents and only 12.5 percentage prefer to pay by credit card.

5. Expected the offer and speciality in e-shopping by the respondents

S.No	Offer	No. of Respondent	Percentage
1	Low Price	30	37.5
2	Combo Offer	5	6.25
3	Free Delivery	40	50
4	Free Coupon	5	6.25
5	Credit Facility	0	0
Total		80	100

Source: Primary data

From above table Majority of the respondents wishes for free delivery as it is 50 percentages out of total. Rest comes to low price offer as it contributes to

30 percentages and it is followed by combo offer and free coupon, as they combine to form 10 percentages

6. Reason for purchasing in online by the respondents

S.No	Reason	No. of Respondent	Percentage
1	Quality	20	25
2	New Trend	12	15
3	Money Saving Motive	30	37.5
4	Variety Of Collection	8	10
5	Less Time Consuming	10	12.5
Total		80	100

Source: Primary data

From above table reveals that the majority of the respondents do for money saving motive as it is 37.5 percentages out of total. Rest comes to quality as it

contributes to 25 percentages and it is followed by new trends, variety of collection and time saving, as they combine to form 37.5 percentages.

7. Period for the respondents purchase using e-shopping



S.No	Duration	No. of Respondent	Percentage
1	Less Than 6 Months	30	37.5
2	6-12 Months	25	31.25
3	1-2 Years	10	12.5
4	2-4 Years	10	12.5
5	More Than 4 Years	5	6.25
Total		80	100

Source: Primary data

It is clear from the above table that only few people 6.25 percentage are using E-Shopping from more than 4 years. Majority comes in fresher's who have started to use, as they contribute to 37.5 percentage and 31.25 percentage. 25 percentages people use E-Shopping from 1 to 4 years.

#### 8. Awareness the respondents come to know about e-shopping

S.No	Awareness	No of Respondent	Percentage
1	Newspaper	12	15
2	Friends	23	28.75
3	Internet	30	37.5
4	Television	12	15
5	Other Modes	3	3.75
Total		80	100

Source: Primary data

It is clear from the above table that most of the respondents Awareness about e-shopping only through internet and by friends, as they form nearly 66.25

percentages of the total respondents and the rest is covered by television, newspaper and other modes as they form the remaining 33.75 percentages of the total respondents.

#### 9. How often do the respondents purchase from e-store

S.No	Rating	No. of Respondent	Percentage
1	Once in a Week	35	43.75
2	Once in a Month	19	23.75
3	Once in 2 Months	8	10
4	Once in 6 Months	16	20
5	Once in a Year	2	2.5
Total		80	100

Source: Primary data

Based on the given table, the respondents keep purchasing regularly like once in a week as they form about 43.75 percentages and in the sense of purchasing once in a month, the respondents percentage is 23.75 percentages. Like purchasing once in 2 months, 6 months and a year, it contributes to 32.5 percentages.

#### FINDINGS

- Most of the respondents are male and educated people.
- Amazon and Flipkart prove to be the leading E-Stores who remain to be the people's choice while purchasing. Through E-Shopping.
- Medicines and essential needs along with the fashion accessories are the most purchased

products in Gudalur.

- Cash on Delivery is the preferred type of payment by the people than using Credit card payment before in hand.
- Majority of the people in Gudalur town wish to purchase fresh and new products instead of used products.
- Free delivery is the most expected deal by the people who are purchasing in Online.
- The reason behind doing E-Shopping is Money saving motive. Even though there may be several other reasons, this plays a major role behind everything.
- Only through recent time, the E-Shopping has been emerged in Gudalur. Fresher's of having



experience less than a year are more in number compared to all others.

- Internet is the mode of promotion that has influenced the people in Gudalur. The more the number of internet users, the more is the users purchasing through E-Shopping.
- People in Gudalur feel that the service being provided by various E-stores is excellent and good and they are satisfied by it.
- Most of them also purchase regularly. i.e., once in a week
- The preferred day of delivery is 2-3 days from the day of order and hence they wish for a soon and quick delivery like everyone does.

### SUGGESTIONS

The facility provided by the E-Stores should be advanced as the expectation of people is more compared to the service being provided. Also the mode of expressing their offers and services must be conveyed as per people's choice. A poll can be conducted by every E-Store to their subscribers to know how they could alter themselves for better sales and service.

The quality of the products must also be standardized and should be up to the expected level. The level of duplicate products must be reduced or even abolished from their list; a complete assured product must only be sold by the E-Stores. The classification of the products and services must also be as it is flexible and of a great convenience to the users.

### CONCLUSION

Consumers across the globe are increasingly swapping crowded stores for one click convenience, as online shopping becomes a safe and popular option. Also, it is proving to be the next big thing in the market as the youngsters are more attracted to the new style and trend in the society. Thus the E-Stores must favour their customers according their needs and must prove to be a great support for their wide acceptance. If there is continuity in the relationship and understanding between the customers and the E-Stores, it will surely flourish in the future and will be a great gift for the people.

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