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FACTORS INFLUENCING CONSUMER ATTITUDE TOWARDS ONLINE SHOPPING

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ABSTRACT

On-line shopping is a current progress in the range of E-Commerce. Most of the companies are persuading sellers to sell their products on-line. Although on-line shopping is terribly public slender in Asian countries, its progress in Indian market is also remarkably growing day by day. The potential growth of on-line shopping has given the idea to conduct a study on on-line shopping in India. This research paper has used primary data collection method to study the consumer attitude towards on-line shopping. Demographic variables as well as other parameters like satisfaction with on-line shopping, future purchase intention, frequency of on-line shopping, numbers of items purchased, and overall spending on on-line shopping has also been studied in this research. The data have been collected through a structured questionnaire. The results of study reveal that consumers attitude towards on-line shopping in India is significantly affected by various demographic factors like age, gender, marital status, family size and income. The results of the study can be further used by the researchers and practitioners for conducting future studies in the similar area.

KEYWORDS: consumer attitude, on-line shopping, Demographic factors.

INTRODUCTION

Online shopping has become a popular way for consumers. This new innovative pattern of shopping not only brings a great number and wide range of merchandise to consumers but also offers a huge market and numerous business opportunities. In the past twenty years, we have witnessed the rapid development of the Internet and the geometric growth of the Internet users. Although the number of Asian Internet users were the highest in the world, the Internet penetration rate of Asia was lower than elsewhere.

According to Liao and Cheung (2000) a "Fraud-free electronic shopping" was introduced by UK in the early 1995 and after two years Europe and

Singapore introduced secured electronic transaction (SET). On the other hand E-commerce has been grown very fast because of many advantages associated with buying on internet because of lower transaction and search cost as compared to other types of shopping. Through online shopping consumers can buy faster and can avail more alternatives to compare and choose from, that enables customers to order products and services in a comparatively low price (Cuneyt and Gautam 2004).

Consumer's attitude towards online shopping refers to their psychological state in terms of making purchases over the Internet. Online buying behavior process refers to the products purchased online. The process of online buying behavior

consists of five steps and it is similar to traditional shopping behavior (Liang and Lai 2000).

This article will examine the consumer attitude towards online shopping, will determine the driving forces/factors that influence consumers to shop online and eventually the same may help the marketers in formulating their strategies towards online marketing.

REVIEW OF LITERATURE

According to a survey by industry body Assocham. "The increasing Internet penetration and availability of more payment options boosted the e-commerce industry in 2013," Assocham Secretary General D. S. Rawat said. "Besides electronic gadgets, apparel and jewellery, home and kitchen appliances, lifestyle accessories like watches, books, beauty products and perfumes, baby products witnessed significant upward movements in last one year". As per responses by 3,500 traders and organized retailers in Delhi, Mumbai, Chennai, Bangalore, Ahmedabad region and Kolkata who participated in the survey, online shopping grew at a rapid pace in 2013 due to aggressive online discounts, rising fuel prices and availability of abundant online options.

Various studies conducted on the demographic differences (age, gender, income groups etc.) and online buying behavior of consumers show that online consumers mainly comprising people with higher education and income also the people working in middle to senior management or professional levels.

Nicolas (2010) states that "The Internet has changed many facets of our daily lives: the way we relate and communicate with one another, how we interact with a bank, read newspapers or watch television. Even the way we buy and sell. These changes have occurred due to the constant flow of companies offering new business models and innovative formulae. Discount coupons have always been a powerful marketing tool.

Another study revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online, while others do not. The results suggested that convenience and saving of time motivates Indian consumers to shop online, while security and privacy concerns demotivates them from doing so (Vijay and Balaji, 2009). It has been explained that there is a strong relationship between consumer behavior and marketing strategy, the studies state that strategy is about increasing the probability and frequency of buying behavior and the requirements

for succeeding in doing this are to know the customer and understand the consumers' needs and wants (Donald Rogan, 2007).

The work of Kim and Park (2005) using U.S. samples suggests that their positive attitudes as well as willingness to search for pre-purchase information leads to a strong likelihood that they will buy online. Online shoppers, are required to have computer skills in order to use the Internet for shopping. Hence, those who are not comfortable with using the computer, will likely do their shopping at the traditional store, modern shop, or discount store. In this connection Venkatesh (2000) reported that perceived convenience offered by Internet Vendors has a positive impact on consumers' attitude towards online shopping, as they perceive Internet as a medium that enhances the outcome of their shopping experience in an easy way. Online shopping holds a great potential for youth marketers. According to Vrechopoulos et al. (2001) youths are the main buyers who used to buy products through online. Dholakia and Uusitalo (2002) studied and examined the relationship between age and Internet shopping, and found that younger consumers reported more linen to the online shopping. They also found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

Sultan and Henrichs (2000) in his study concluded that the consumers' willingness and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness

OBJECTIVES

1. To study the demographic factors affecting online shopping.
2. To analyse the impact of various factors affecting consumer attitude towards online shopping.

RESEARCH HYPOTHESES

H1: Demographics factors have significant impact over online shopping attitude of consumers.

H1.1: Age of consumer impacts online shopping behavior of consumer.

H1.2: Gender of consumer significantly impacts online shopping behavior of consumer.

H1.3: Education of consumer impacts online shopping behavior of consumer.

H1.4: Occupation of consumer impacts online shopping of consumer.

RESEARCH METHODOLOGY

A combination of Interview method and Questionnaire method is used to collect data from the respondents. Random Sampling is been used to collect data from the respondents. Total 100 respondents were taken for the collection of the

data. For data analysis and interpretation method of “ANOVA” is used.

HYPOTHESES TESTING

H1.1: Age of consumer impacts online

Table 1.1 Consumers’ Response Variations For Online Behavior * Across Different Age Groups ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
Internet usage	Between Groups	14.110	2	7.055	19.009	.000
	Within Groups	36.000	97	.371		
	Total	50.110	99			
Frequency of online shopping	Between Groups	15.630	2	7.815	23.929	.000
	Within Groups	31.680	97	.327		
	Total	47.310	99			
Product categories	Between Groups	12.910	2	6.455	6.039	.003
	Within Groups	103.680	97	1.069		
	Total	116.590	99			

The results shows that Age as one of the variables of demographic factor does impact internet usage, frequency of online shopping and product category of

shopping behavior of consumer.

Age of consumer significantly impacts on possession of internet connection of consumers.

Table 1.2 Consumers’ Response Variations For Online Behavior * Across Different Gender Groups ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
Internet usage	Between Groups	25.074	3	8.358	32.049	.000
	Within Groups	25.036	96	.261		
	Total	50.110	99			
Frequency of online shopping	Between Groups	4.430	3	1.477	3.306	.023
	Within Groups	42.880	96	.447		
	Total	47.310	99			
Product categories	Between Groups	54.791	3	18.264	28.371	.000
	Within Groups	61.799	96	.644		
	Total	116.590	99			

The results show that Gender as one of the variables of demographics factor that has impact on the internet usage, frequency of online shopping and product category of consumers. The result may be documented to the reason that females are more impulsive buyers as compared to males and are more likely to be attracted towards the promotional schemes offered by the online retailers and therefore gender

consumers attitude of consumer

H1.2: Gender of consumer significantly impacts online shopping behavior of consumer.

has a significant impact on frequently of on-line shopping. As more and more females are working now a days, it also enhance the frequency of online shopping. Females and males also purchase different categories of products like female prefer jewellery etc.

H1.3: Education of consumer impacts online shopping behavior of consumer.

Table 1.3 Consumers' Response Variations For Online Behavior Across Different Education Groups ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
Internet usage	Between Groups	32.316	3	10.772	58.118	.000
	Within Groups	17.794	96	.185		
	Total	50.110	99			
Frequency of online shopping	Between Groups	10.545	3	3.515	9.178	.000
	Within Groups	36.765	96	.383		
	Total	47.310	99			
Product categories	Between Groups	76.322	3	25.441	60.652	.000
	Within Groups	40.268	96	.419		
	Total	116.590	99			

H1.4: Occupation of consumer impacts online shopping of consumer.

Table 1.4 Consumers' Response Variations For Online Behavior * Across Different Occupation Groups ANOVA

		Sum of Squares	Df	Mean Square	F	Sig.
Internet usage	Between Groups	4.402	2	2.201	4.671	.012
	Within Groups	45.708	97	.471		
	Total	50.110	99			
Frequency of online shopping	Between Groups	4.900	2	2.450	5.604	.005
	Within Groups	42.410	97	.437		
	Total	47.310	99			
Product categories	Between Groups	4.145	2	2.073	1.788	.023
	Within Groups	112.445	97	1.159		
	Total	116.590	99			

The results show that occupation as one of the variables of demographics factor does have any significant impact on internet usage, frequency of online shopping and product category.

CONCLUSION

The results for consumers' response from different demographics factors shows that gender has got impact on internet usage, frequency of online shopping and choosing product category. The overall results shows that the people now a days are perceiving online shopping in a positive mind set. This justifies the growth of online shopping market. The frequency of online shopping may be less but it is certainly inclining day by day. Online shopping organizations need to understand this and can apply the relevant variables and factors to make strategies and tactics. The organizations can categorise the products on gender basis and formulate their policies with respect to the needs and preferences of the same. The results of this study can also be used by online marketers to identify the target customer segments across the demographic differences..

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