



# A STUDY ON INFLUENTIAL FACTORS DRIVING CUSTOMERS' PERCEPTION TOWARDS ONLINE SHOPPING

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## ABSTRACT

*The World Wide Web emerges the modern way of marketing and selling products to the targeted market around the world. Now, customers are becoming comfortable to use of internet tools and purchase their desired products from various segments like clothes, shoes, books, electronic gadgets, home appliances etc. This article highlights the important factors that influence the customer's perception towards online shopping in Jaipur city. The study also analyzes the statistical relationship between these influencing factors by using Pearson's correlation coefficient. The primary data was collected from 105 customers through structured questionnaire on the basis of five point Likert Scale.*

**KEYWORDS:** *Online, Shopping, Consumer Perception, correlation*

## INTRODUCTION

Internet has become an essential part of our daily life. The growth of internet users has lead to E-Commerce. In the era of fast moving lifestyle, customers are much busier and their pace of life remains fast. They interested to shop all type of products online instead of in stores. Now E-Global market is taking place of Physical Marketplace. With the more intensive use of internet, consumers can shop anywhere, anything and anytime with easy and safe payment options. Now consumers want smarter ways of managing their lives and maximizing their time.

Online shopping is a form of electronic commerce which allows consumers to directly buy goods from a seller over the internet, without going to the retailer physically, using a web browser. It has offered so many benefits such as abundant information, convenience, time saving, cost benefits, various available international and national brands. Through this platform, consumer not only to buy the desired product but also to compare various

influential factors like product structures, prices, warranties, delivery services, return and refund policies, etc .

In present scenario Consumers are gradually turning towards digital shopping. They have different- different personalities, which may influence their perception and behavior towards online shopping through various websites and mobile apps. They have mixed reactions towards online shopping and differences exist among consumer due to ages, gender and their occupation.

## Categories of Products Available At Online Shopping Sites

In India, online shopping sites are changing the way of purchase products of our daily use. Wide range of products available online shopping sites. Different online shopping stores deals in various categories like electronics, clothes, footwear, optical etc.



**Figure 1: Different Categories of Products available Online**

## LITERATURE REVIEW

**Praveen et al.(2019)** identified 14 factors , drive the customers' attitude towards online shopping. They focused that overall quality; Privacy, Website Design and Payment Risk are most influencing factors which replicates the customers' perception towards online shopping

**Jayapradha K. (2018)** stated that most of the customers were perceived that online shopping is better option than manual shopping and satisfied with their online shopping transaction.

**Vikash et al.(2017)** analyzed that consumer perception toward online shopping is directly affected by demographic basis. They concluded that the customers perceive online shopping with positive set of mind.

**Garg Parveen Kumar (2017)** focused that shopping through internet is more time saving in comparison of consuming time to go to near market for shopping and online shopping provides new schemes & more discount on the products.

**Dani N.Jemila (2017)** stated that price of the product or services and discount, Convenience, Product quality and quality of information are crucial factors as they perceive while shopping online. So

they can build up their strategies to cater online shoppers in Kanyakumari District.

**Wanida Suwunniponth(2014)** revealed that the factors concerning with quality of website, perceived ease of use , perceived usefulness and trust played vital role in online shopping.

**Iqbal et al.(2012)** conducted a survey on online shopping among grocers in Germany. They focused that various major factors like perceived risk, perceived trust, web knowledge, experience, internet quality etc .are responsible for online behavior in developing countries.

**Delafrooz et al. (2009)** stated that consumers of online shopping in Malaysia always motivates by more convenience (time and money saving), cheaper prices and wider selection to shop online. These factors work as the dominant factors.

## OBJECTIVES OF THE STUDY

The present study is undertaken to identify the various factors determines the consumer perception towards online shopping. For this purpose, the objectives of the study are as follows:-

- To identify the influencing factors influence online shopping in Jaipur city.



- To recognize the most influencing factor of consumer behaviour towards online shopping.
- To explore correlated between the factors that affect online shopping.

used for obtaining responses from the customers' perception towards online shopping. In the study, to determine the relationship between influencing variables Pearson's correlation coefficient technique has been applied.

**Tools for Data Analysis:**

The following tools were used for analyzing the data collected from respondents.

- Percentage Analysis
- Bivariate distribution
- Pearson's correlation coefficient technique

**RESEARCH METHODOLOGY**

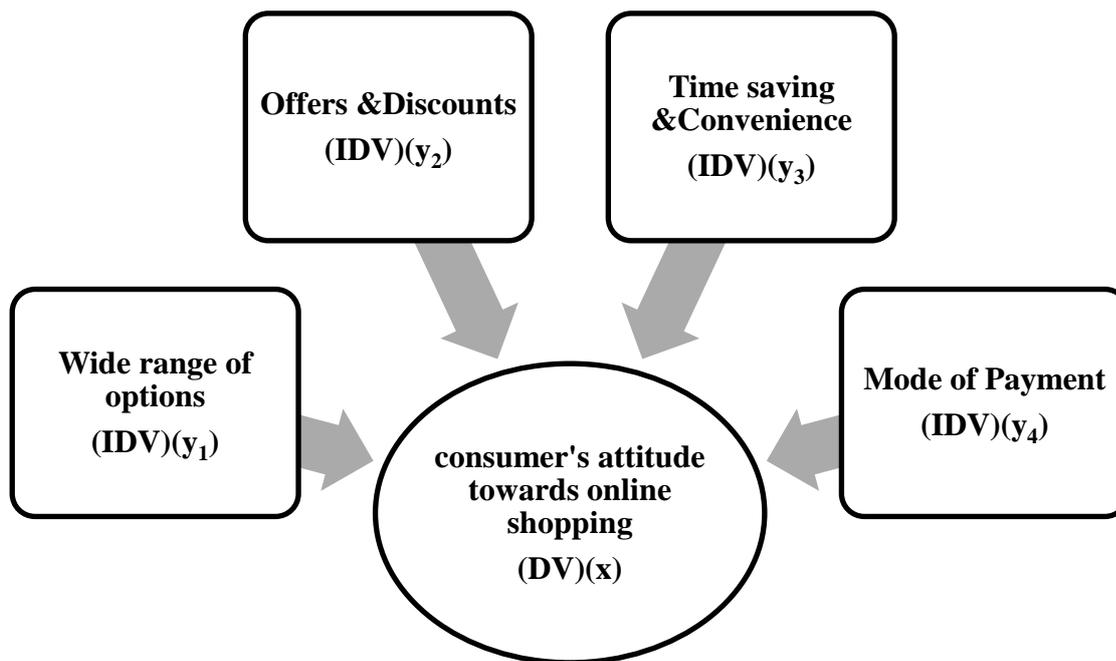
The present study is based on primary data and secondary data.

**Data Collection and Sampling:**

This study based on both primary data and secondary data. Secondary data was collected from various websites, journals, news etc. Primary data has been collected through structured Questionnaire. The questionnaire was distributed among 120 respondents of different location of Jaipur city, out of which 105 questionnaire were considered for data analysis. The researcher has provided questionnaires to students, housewives, professionals, businessman, salaried persons and self employed residing in prominent locations of Jaipur city. Likert five point scales were

**Major influencing determinants of online shopping**

This study shows the main influencing factors of online shopping .These factors can be summarized into four categories-Wide range of options, Offers & Discounts, Time saving & convenience and Mode of payment.



**Figure 2: The factors influencing consumer's attitude towards on-line shopping**

The above Figure: 2 show the major influencing factors to shop online. In this figure, consumer's attitude towards online shopping are perceived as dependent variable(x) and influencing factors(y) predict as Independent Variable (IDV). Dependent variable (DV) was influenced by the various independent variables .In this research each elementary unit of a sample comprises a Bivariate

distribution. It shows the relationship between two variables (X and Y). Hence various influencing factors (y<sub>1</sub>,y<sub>2</sub>,y<sub>3</sub>,y<sub>4</sub>) influence the Consumer's attitude towards online shopping(x)



|                     | <b>Mode of Payment(y<sub>4</sub>)</b> |                   |                              | <b>Wide Range of Options(y<sub>1</sub>)</b> |                   |                              |
|---------------------|---------------------------------------|-------------------|------------------------------|---|-------------------|------------------------------|
| <b>Likert Scale</b> | <b>Frequency</b>                      | <b>Percentage</b> | <b>Cumulative Percentage</b> | <b>Frequency</b>                            | <b>Percentage</b> | <b>Cumulative Percentage</b> |
| Strongly Disagree   | 2                                     | 1.90              | 1.90                         | 18  | 17.14             | 17.14                        |
| Disagree            | 4                                     | 3.81              | 5.71                         | 26  | 24.76             | 41.9                         |
| Neutral             | 16                                    | 15.24             | 20.95                        | 7   | 6.67              | 48.57                        |
| Agree               | 55                                    | 52.38             | 73.33                        | 32  | 30.48             | 79.05                        |
| Strongly Agree      | 28                                    | 26.67             | 100                          | 22  | 20.95             | 100                          |

Source: Primary Data

Above Table 1 indicates that on line shopping is influenced by various factors. 52.38% respondents agree to the facts and 26.67% strongly agree with the impact of mode of payment on their purchasing. Consumers have an opportunity to pay either by cash or by any digital mode. But digital payment is still affected by security and privacy issues. Thus many of

respondents' behavior are not affected by the payment mode.

Availability of various product ranges includes offering enough variety of choice in size, colour etc. to appeal to a wide range of potential customers. This study reveals that almost 30.48% agree and 20.95 % disagree respondents to the effect of wide range of products differentiation.

|                     | <b>Offers &amp; Discount(y<sub>2</sub>)</b> |                   |                              | <b>Time Saving &amp; Convenience(y<sub>3</sub>)</b> |                   |                              |
|---------------------|---|-------------------|------------------------------|---|-------------------|------------------------------|
| <b>Likert Scale</b> | <b>Frequency</b>                            | <b>Percentage</b> | <b>Cumulative Percentage</b> | <b>Frequency</b>                                    | <b>Percentage</b> | <b>Cumulative Percentage</b> |
| Strongly Disagree   | 1   | .95               | .95                          | 2   | 1.90              | 1.90                         |
| Disagree            | 6   | 5.72              | 6.67                         | 3   | 2.86              | 4.76                         |
| Neutral             | 11  | 10.48             | 17.15                        | 2   | 1.90              | 6.66                         |
| Agree               | 48  | 45.71             | 62.86                        | 58  | 55.24             | 61.9                         |
| Strongly Agree      | 39  | 37.14             | 100                          | 40  | 38.10             | 100                          |

Source: Primary Data

Generally online shopping websites provides various attractive offers and discount to their customers. This study indicates that 45.71% customers agree and 37.14%strongly agree that they are influenced by this factor.

While Time saving &convenience drives as prime influencing factor to affect the behavior of the customers to buy online .Online shopping consumers place high economic value to time. Many respondents would like to purchase anything, anywhere and anytime with ease and convenience. The study reveals 55.24% respondents agree and 38.10% respondents strongly agree to the fact that online shopping is one of the commonly used mediums for time saving & convenience .

## ANALYSIS AND INTERPRETATION

To analysis the inter relationship between independent variables  $y_1, y_2, y_3, y_4$  Pearson correlation coefficient technique was used.

Correlation is statistical technique which indicates the relationship between two variables. It measure of the strength between two variables. The Correlation values lies between -1.0 and 1.0. If the calculated values are out of range, it indicates that there was an error in correlation.



| <b>Particulars</b>  | <b>r</b> |
|---|----------|
| Correlation between time saving & convenience (y <sub>3</sub> ) and wide range of options (y <sub>1</sub> ) | 0.67     |
| Correlation between time saving & convenience (y <sub>3</sub> ) and mode of Payment (y <sub>4</sub> )       | 0.94     |
| Correlation between time saving & convenience (y <sub>3</sub> ) and offers & discounts (y <sub>2</sub> )    | 0.98     |

Source: Primary Data

From the analysis of responses collected time saving & convenience (y<sub>3</sub>) proved as a most influencing factor in online shopping. The correlation between time saving & convenience (y<sub>3</sub>) and offers & discounts (y<sub>2</sub>) variable is highly positive i.e. 0.98. On the other hand time saving & convenience (y<sub>3</sub>) and wide range of options (y<sub>1</sub>) reflect low positive correlation 0.67. The correlation coefficient between time saving & convenience (y<sub>3</sub>) and mode of Payment (y<sub>4</sub>) is 0.94 would represent a strong relationship. It can be highlighted all four independent variables are positive correlated. If the change in y<sub>3</sub> variable happens it will affect y<sub>2</sub> and y<sub>4</sub> highly.

## CONCLUSION

Majority of the people agree that in near future online shopping will be more on demand than offline shopping. Therefore, online marketing have a wider scope in the coming years. More people prefer net banking than cash on delivery. Greater part of respondents encourages other people to enter into e-shopping. Most of people do not shop online due to fear of quality of goods, afraid to give out their credit card details and also they find conventional methods more enjoyable. The fact that large number of people is getting attracted towards online shopping creates a basis for tremendous prospects for marketers of today and tomorrow. It can be concluded that online shopping will take over as the prime marketing and selling channel in India in near future. Consumers are seen to exhibit different buying behaviors when shopping online than the physical store. They indicated that the respondents mostly from working segment are adopting the modern shopping methods and have perceived online shopping in a positive manner. This clearly indicates the projected growth of online shopping.

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