CONSUMER BEHAVIOR TOWARDS
E- COMMERCE: ONLINE SHOPPING

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ABSTRACT

The impact of electronic commerce (e-commerce) on procurement, shopping, business collaboration, and customer services as well as on delivery of various services is so dramatic that almost every organization is affected. As the online shopping is getting acceptability, it would be important to know the consumer behavior towards the electronic commerce especially online shopping. In this paper, the perceptions of the consumer regarding the Online Shopping, the level of satisfaction of respondents who are using Online Shopping are studied and, the various barriers for Online Shopping are identified using a small survey. The results of a survey study are given and analyzed. The behavior of consumer towards Online Shopping specially online shopping is discussed.

Keywords: Consumer Behavior, Online Shopping, Marketing, Online Shopping, Research Design

I. INTRODUCTION

The impact of electronic commerce (Online Shopping) on procurement, shopping, business collaboration, and customer services as well as on delivery of various services is so dramatic that almost every organization is affected. Online Shopping is changing all business functional areas and their important tasks, ranging from advertising to paying bills. The nature of competition is also drastically changing, due to new online companies, new business models, and the diversity of EC-related products and services. Electronic Commerce provides unparalleled opportunities for companies to expand worldwide at a small cost, to increase market share, and to reduce costs. In this paper the main focus is on the major applications of Electronic Commerce, the issues related to its successful implementation and to its failures, and what services are necessary for its support. Also, this paper will demonstrate the impact of Online Shopping on the various functional areas of organizations. Online Shopping is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet. These business transactions occur business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business.

The benefits of Online Shopping include its around-the-clock availability, the speed of access, a wider selection of goods and services, accessibility, and international reach. It's perceived downsides include sometimes-limited customer service, not being able to see or touch a product prior to purchase, and the necessitated wait time for product shipping. To ensure the security, privacy and effectiveness of Online Shopping, businesses should

authenticate business transactions, control access to resources such as web pages for registered or selected users, encrypt communications and implement security technologies such as the Secure Sockets Layer. This paper aims to consolidate the major themes that have arisen from the new area of electronic commerce and to provide an understanding of its application and importance to management.[1]

II. ONLINE SHOPPING STRATEGY

A SWOT analysis can help you assess the strengths, weaknesses, opportunities and threats of your company's current environment. What does the market look like? Where does your business excel, and where does it falter? Review your entire business, not just segments of it. Evaluate external opportunities, because this is the often the primary place to invest time and money. Other tools that can help you determine how to best grow your company into a new segment include PEST (Political, Economic, Social and Technological), MOST (Mission, Objective, Strategies and Tactics), and Porter's Five Forces analyses.[2],[3]

2.1 Online Shopping law

In addition to having a strong business strategy, it's important to have a basic understanding of Online Shopping law. Online sellers, particularly those selling internationally or across state lines, face different legal and financial considerations, especially in regard to privacy, security, copyright and taxation. There are also online advertising laws that protect consumer privacy and ensure truthful marketing practices online. As an Online Shopping business, online advertising is a major part of your strategy. Over the past decade, federal and state governments have passed new online advertising laws. As you expand into online marketing, it is important to be familiar with these. In addition to protecting consumers from data leaks and misleading online advertising, digital works are also protected on the Internet via the Digital Millennium Copyright Act (DMCA). There are a number of provisions that Online Shopping businesses need to be aware of, including copyright infringement liability and a service provider's responsibilities

2.2 Marketing Strategies for Online Shopping Marketing

Global competitive forces have compelled firms to design adaptive strategies .Out of the innumerable activities which a firm indulges in marketing as a process determines the expectations of a product's success or failure. Marketing theory was first presented by credit for placing the market research foundation. There is 4P's which exists and they are theory of place, price, promotion and product according to author. No critics have argued on the marketing mix theory but there is a possibility of a support tool which can recognize the difficulties implicated in the theory of the marketing mix. An efficient tool for obtaining the set prospect and goals from marketing is marketing communications and is used by personal marketing, advertisements, direct marketing, sales promotions, public relations managers, etc.

III. OBJECTIVE OF THE STUDY

To study the perception of the customer regarding the Online Shopping, the level of satisfaction of respondents who are using Online Shopping, to identify the various barriers for Online Shopping, to identify is Online Shopping beneficial to customers and on what factor. This study includes the respondents who have purchased at least one time by Electronic Commerce. The study attempts to analyze the effect of demographic, socioeconomic and psychological factor on the buying behavior of the customer. The research aims also to find

out the customer's preference towards the Online Shopping. This study shall attempt to explore the relationship between various variable that affect the buying behavior of the customer towards the Online Shopping.

IV. RESEARCH DESIGN

The descriptive research design would be appropriate because an attempt shall be made to examine the effect of socio economic, demographic and psychological variables on consumer buying behavior towards the e – commerce Descriptive research also describes the characteristics of relevant customer. The universe of the study would include those respondents who have purchased at least one time by Online Shopping. This is purposed in light of fact that not only this data is available, current data has more relevancy than old data as there have been major changes in this space. The sample area includes Bathinda City and adjoining areas. The size of sample was 100 respondents. The respondent shall be selected from the population by using convenience sampling technique. The study based primarily on the primary data and secondary data. The main source of secondary data is interacting with respondents by filling the structured questionnaire. Tables and Charts have been used for Data Analysis & Interpretation purpose.
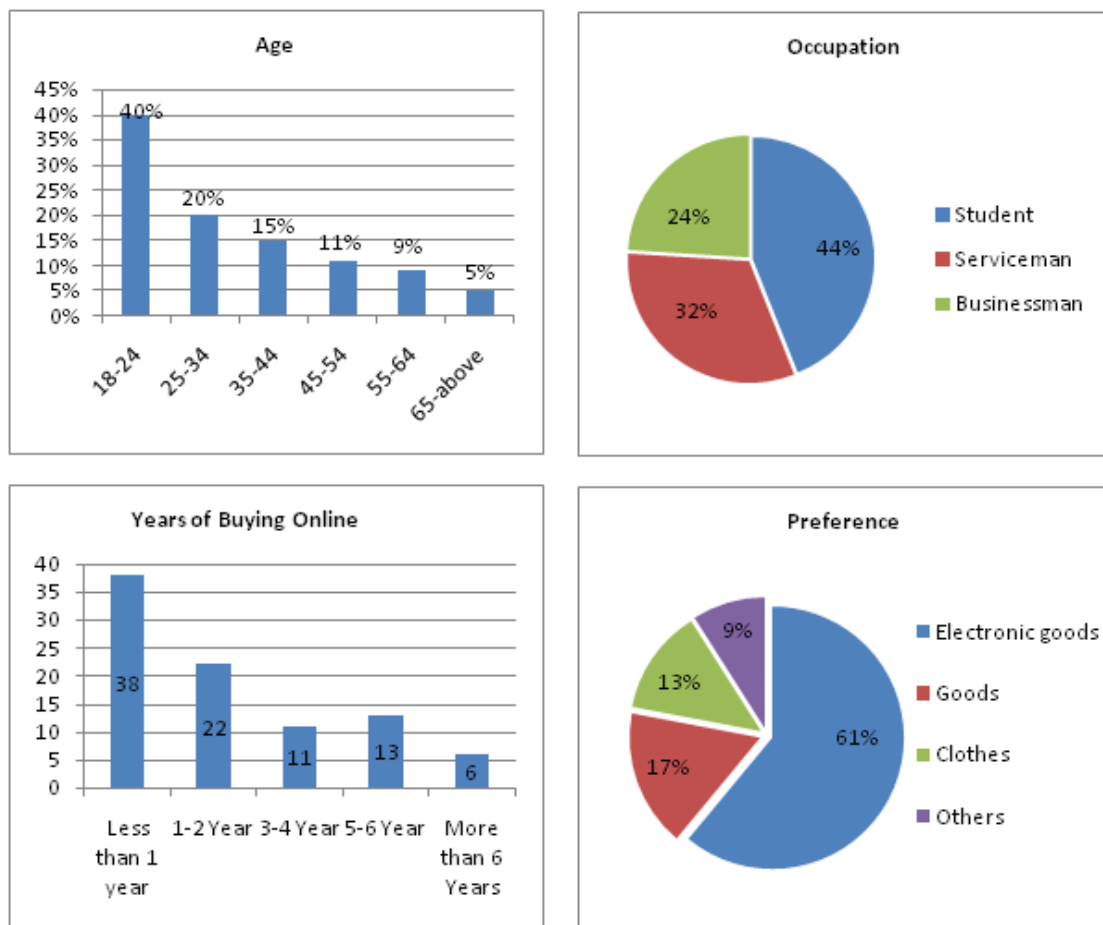
V. DATA ANALYSIS

Figure 1: Charts of Age of Respondents, Profession, Years of Buying Experience and Preference of Shopping

The appropriate data analysis techniques applied to collecting secondary data from the respondents. Data has been analyzed with the help of Tables, Charts & Pie-Charts. From the survey it was found that amongst 100

respondents. 70% of the respondents are male. 30% of the respondents are female. From the survey it was found that amongst 100 respondents. Most of the respondent are of age 18-24 and second is of 25-34.
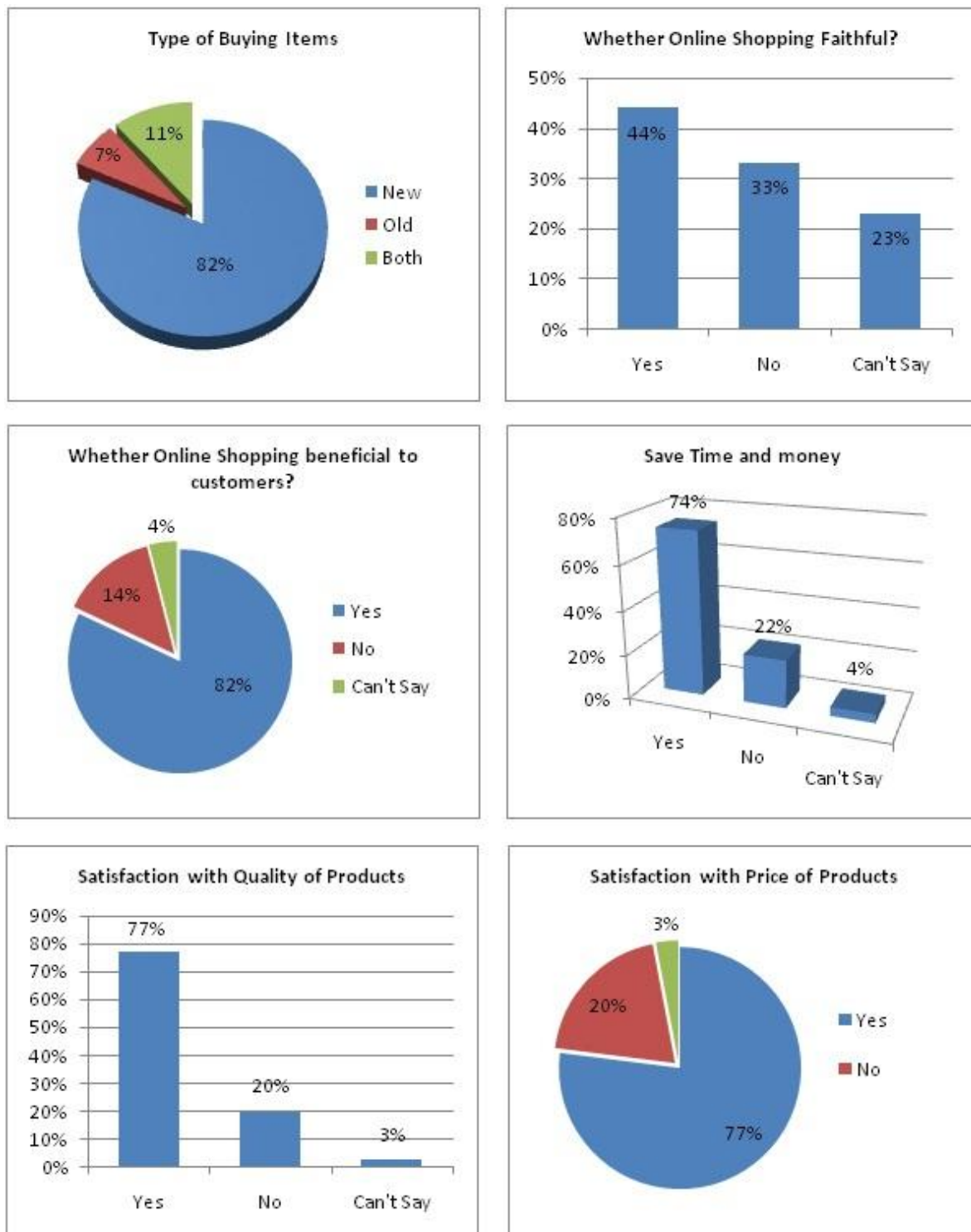

Figure 2: Charts of Buying Types, Faith with Online Shopping, Beneficial to Customers, Save Time & Money, Satisfaction with Quality and Satisfaction with Price.

Amongst 100 respondents 44% respondents are Students, 32% are Servicemen & 24% are Businessmen. 42% respondents have the experience of online purchasing experience of 1 year and its shows that online purchasing

has gained its most popularity in last one year. It was also found that 61% respondents normally purchase the electronic goods and purchase less clothes and others.
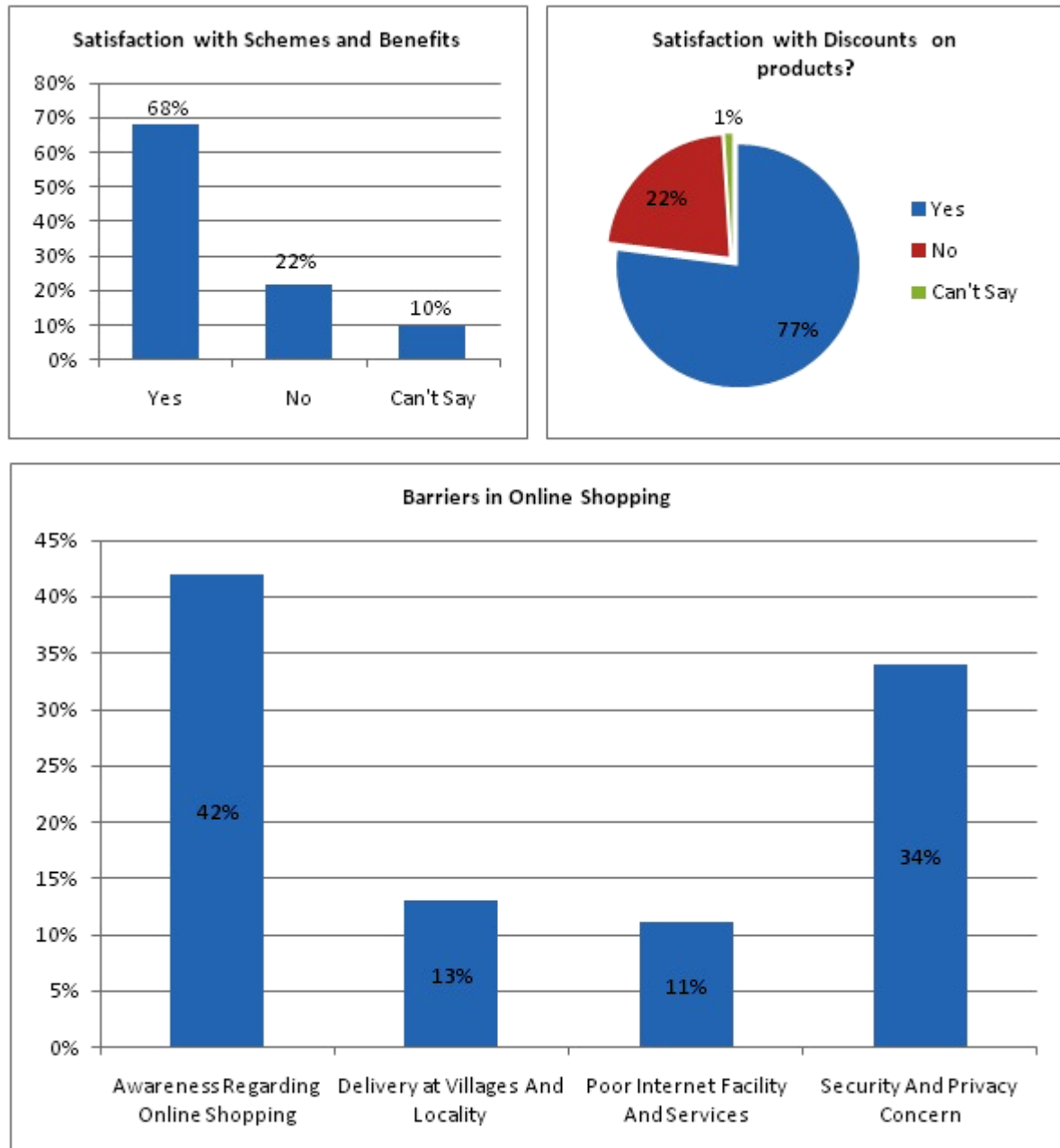

Figure 3: Charts of Satisfaction with Schemes, Satisfaction with Discount and Barrier in Online Shopping.

From the survey it was found that 82% respondents purchase new products. And don't purchase the old products. It was found that 44 % respondents have faith with online in shopping. From the survey it was found that Online Shopping is beneficial that amongst respondents 82 % respondents believe for them. Also 74 % respondents believe that Online Shopping save time and money. 77% respondents are satisfied with quality and price of online selling products.

VI. CONCLUSION

It is found that since online marketing is a new concept it will take time for people to trust these sorts of shopping activities. At present people feel that there are major security concerns in online transactions and do not feel comfortable doing the shopping online. They feel that there are high risks of fraud and hoax in online business. Online advertising is just beginning to root itself in the business world of INDIA because of which not all the products are available. Even famous brands place only selective items online and hence there are fewer choices available on the internet. Since it's a new concept people are still not totally used to it because of which they feel uncomfortable shopping online. They feel that the product would be tampered with and the quality wouldn't be the same. India is a developing country where major chunk of its population live in rural areas and hence do not have access to the internet. By this a major portion of the target market is lost. People in India prefer going to the malls and looking, touching various items before purchasing them. They are not quite willing to give up on shopping physically so even if they have access to the internet.

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