

## **A Study on Buying Behaviour of Consumer Towards Online Shopping in Chennai City**

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### **ABSTRACT**

In Today's world, the Internet has grabbed the mind of retail sellers. Global digital measurement and analytics firm Come Score has conducted a survey. A survey concludes that India has become the world's third largest user by passing Japan after China and USA. This new era of E-Commerce has focus on understanding the consumer's perception about "Online Shopping". Thus it is required for E-tailers to know, understand the relationship between service quality, customer satisfaction, trust and their purchase Behaviour. E-shopping or online shopping now a days, have become a more convenient and popular way of doing shopping for the consumers. This new shopping technique is innovative in nature. As compared to traditional way of doing shopping, it not just brings an incredible number and extensive variety of stock to the purchasers; additionally offers a far reaching market and endless business opportunities. The Internet, as a retail outlet, has left its beginning stage now and has a critical potential (Fojt, 1996; Shim, Eastlick, Lotz and Warrington, 2001). Today, thousands and millions individuals are shopping on the web. However; it requires a closer review or assessment of the online shopping or buying behaviour in developing countries. Nowadays, the internet is part and parcel of our daily life. It has several advantages. People now can communicate, learn, entertain, get the product and acquire services. It may have some disadvantages such as virus threat, danger of private data stealing and spamming. It is seen that the advantages or the benefits outweigh the drawbacks. Since the beginning of the internet, people have shown interest in it. These days over 2 billion folks connected to the net. This variety shows that thirty per cent of the planet populace utilizes the net. Subsequently, the web might be utilized to pick up a more upper hand by the organizations. This study is fully concerned about economic analysis of consumer behaviour with special reference in Chennai city. Simple random sampling method has been used for data collection. Both primary data and secondary data has been collected for this study.

**Key words:** online shopping, consumer behaviour, satisfaction and culture

### **1. INTRODUCTION**

Over their people utilize a wide range of products as a consumer. It may begin with their basic requirements such as clothing, food and may extend to include high valued products with lavishness such as like automobiles, gems and jewelry, electronic gadgets and so on. Consumer behavior is nothing but making the decision to buy

about using or not using the products, services, their experiences with the use of available resources such as time, efforts and money.

**Kuester(2012)** characterizes Consumer conduct as the investigation of people, gatherings, or associations and the procedures they use to choose, ensure, and sort out items, administrations, encounters, or thoughts in order to fulfill their necessities and the components that impacts these procedures furthermore the shopper and society. Shopper conduct shift from individual to individual and it relies on upon purchasing choice, as per Brassington, F. furthermore, Pettitt, S.,(2000). This is further affected by purchasing propensities and decisions that are thusly controlled by mental and social drivers that influence buy choice procedure.

## **BACKGROUND OF THE STUDY**

There exists severe completion in the internet world mainly due to the growth of online businesses. Thus, for online businesses, it is necessary to identify what are the aspects that impact prospective consumer's purchasing behavior in the context of online buying. Consumer behavior review carefully looks at how consumers select the products or services when they have more alternative options to choose from. The study aimed at exploring the aspects affecting Chennai City consumers' online buying choices and behavior. There were four aspects considered in this study: (1) To analyze the aspects influencing attitude towards online buying., (2)To understand consumers viewpoints towards online buying, (3) To explore the differences between various locations in Chennai city (4) To understand the variations in these locations, by gathering information about their demographics, approach to the technology used at present, and their thoughts or viewpoints about buying on the internet.

## **PURPOSE OF THE STUDY**

As stated earlier, the thesis will be aimed at facilitating online businesses (in India) to promote their products and services by acquiring more insights about the consumer behavior with the help of a survey. To enhance and draw in online client it is essential think about their conduct and comprehend what they require. Hasslinger (2007, p.18) points out to the nascent stage of the online buying and warns online businesses that the consumers may come up with newer demands. The research study is aimed to recognize and make out various factors that will change the consumer behavior towards online buying in Chennai City, perceive the variables which impact web purchasing and buyer conduct to purchase the items in Chennai City; research the causes behind it.

## **SCOPE OF RESEARCH WORK**

As said in the Introduction that because of expanding globalization; the significance of online business is expanding and making it all the more quick and advantageous for shoppers. So the exploration inquiry of this study is how purchasers act while shopping online? On the base of exploration question, the motivation behind this examination is to distinguish and get knowledge into shopper conduct towards internet shopping in Chennai City, Identify variables which impact web shopping and purchaser conduct to purchase the items in Chennai City; investigate the purpose for of less consideration of online customer towards web shopping in Chennai City. Moreover, any fragments can be built up by distinguishing the buyers and how these portions identify with recognized elements, to examine the shopper purchasing conduct towards internet shopping in Chennai

city. The principle research question in the theory is the way buyers carry on while shopping on the web.

## 2. REVIEW OF LITERATURE

**(Batra, S, K & Kazmi, S.H.H.2008)**; The book has described consumer decision-making process, buyers black box and importance of consumer behaviour studies for marketers in order to understand what satisfy the ultimate consumer. The book described vital characteristics of the

Indian consumer and competitive advantages in Indian context for the marketers. The consumer decision process, buying roles and consumer black box is discussed in detail. The various steps evolving consumer decision making are linked with the life stages. Young buyers, women, and children considered as uprising consumers groups as a part of competitive market situations

**Kedar Gavane (2013)**; ComScore's India Director uncovered that India has stayed in front of Brazil and Russia to end up the fifth biggest e-business market on the planet. It is behind China, Japan, Germany, and USA. As of December 2012, India had around 44 million online retail guests which are just 62% range of e-business among online clients while the overall normal is around 73%. Around 75% of India's e-trade clients are era Y individuals, beneath the age of 35. Number of transactors' falls in the age gathering of 3 – 44. The more youthful section, which is anyone beneath the age of 35 are the predominant populace in the Indian online space.

## 3. OBJECTIVE OF THE STUDY

1. To determine the factors that consumer prefers during online shopping.
2. To determine the factors which influence consumer behavior in the process of purchasing
3. To study the major factors of Chennai consumers concern toward online shopping.
4. To Understand the difference in intention to purchase amongst different Buyers

## SAMPLE DESIGN

A Sample Design is a clear arrangement for getting an example from a given populace. It alludes to the strategy of the methodology received in selecting things for the inspecting plans. For this exploration, I have picked Non-Probability, stratified arbitrary examining in which I have gathered the information haphazardly from the respondents.

## 4. LIMITATIONS OF THE STUDY

1. There are a number of factors influencing the online buying behavior of the consumers. However, the researcher will try to identify the main factors affecting the online buying behavior and will, therefore, try to limit this to a few in order to be able to investigate the effect on the online buyers.
2. Within the field of consumer behavior there are many theories and models that identify the consumers. This research will limit itself to identifying the consumer through his/her consumer characteristics and the consumer buying process.

3. Data collected is very small, purposive samples so its data collection technique, sample size, research methodology and results may have its own limitations.
4. Many of the respondents submitted half-filled questionnaire so it was very time consuming as we were asking the respondent to fill the questionnaire in our presence.
5. This research will limit to itself to Chennai City.

**INFLUENCE OF SHIFT IN MODERN CULTURE ON ONLINE SHOPPING**

PARTICULARS			GENDER		TOTAL
			MALE	FEMALE	
Online shopping is preferred due to shift in modern culture	Strongly disagree	Count	11	7	
		Expected count	9.0	9.0	18.0
	Disagree	Count	8	5	13
		Expected count	6.5	6.5	13.0
	Not sure	Count	23	26	49
		Expected count	24.5	24.5	49.0
	Agree	Count	320	359	679
		Expected count	339.5	339.5	679.0
		Count	38	3	41
	Strongly agree	Expected count	20.5	20.5	41.0
	Total	Count	400	400	800
		Expected count	400.0	400.0	800.0

**Chi-Square Tests**

	VALUE	DF	ASYMP. SIG. (2-SIDED)
Pearson Chi-Square	33.883a	4	.000
Likelihood Ratio	39.393	4	.000
Linear-by-Linear Association	1.357	1	.244
N of Valid Cases	800		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.50.

**Symmetric Measures**

	Value	Approx. Sig.
Nominal by Nominal Contingency Coefficient	.202	.000
N of Valid Cases	800	

**Interpretation:-**The above table reveals respondents agreed that online shopping is preferred due to shift in modern culture. The coefficient value i.e. .313 which is strong value. Hence online shopping is widely accepted in Indian culture. Moreover there has been paradigm change in culture because of the cross-culture influence and hence changes the attitude and likings of the people. Also, there has been shift in the culture and the innovative technology adoption is more found in Indian culture. Hence online shopping is compatible with the values and belief of the present generation. It has been found that people are moving from rural to urban areas and quickly responding to the modern culture. The modern culture people put an overwhelming emphasis on materialistic things and so the shift in culture puts significant impact on online shopping.

**INFLUENCE OF EXPERIENCE AND OPINION OF FRIENDS IN ONLINE SHOPPING**

<b>PARTICULARS</b>	<b>FREQUENCY</b>	<b>PER CENT</b>	<b>CUMULATIVE PER CENT</b>
Strongly disagree	15	1.9	1.9
Disagree	154	19.2	21.1
Not sure	101	12.6	33.8
Agree	513	63.8	97.9
Strongly agree	17	2.1	100.0
Total	800	99.5	

	<b>N</b>	<b>MEAN</b>	<b>SD</b>	<b>COEFFICIENT OF VARIANCE</b>	<b>S.E</b>
The experience and opinion of my friends influence me for online shopping	800	3.4537	1.076	31.15	0.0536

**Interpretation: -** The table reveals that 75.9% respondents agreed that the experience and opinion of their friends influence for online shopping. Moreover the statistical value in the table like mean =3.4537, S.D=1.076, coefficient of variance=31.15, S.E=0.0536 which supports that there is positive response that friends influence the decision making more for online shopping and the value of standard error is close to 1 which reveals the uniformity and reliability on this aspect. It is concluded that the Indian consumer is an emotional decision maker. They like to receive the recommendations from friends experience and opinion regarding decision for purchase of new products and services. Indian consumers rely on word of mouth instead of any other marketing offerings. They perceive the aggressive marketing strategies reflect the lack of demand of that product and service on which it is offered. It is concluded that the experience and opinion of friends influence the respondents towards online shopping. The reference groups which include friends heavily influence the selection of online shopping.

**RECOMMENDATION**

The study symbolizes one-time data collection and is of cross-sectional type. For in-depth research, a longitudinal study may be of use. Further study may attempt to review the consumers' Internet shopping patterns by way of undertaking the survey on aperiodic basis. Later the study results may observe or look at how respondents' preferences change at pre and post purchase stages and /or how those changes may differ on an initial purchase or a later purchase. Online buying can be most effective when it is aimed at consumer and is marketing oriented too. In order to facilitate Internet purchasing, online businesses must understand and acknowledge both the consumer and marketing factors. In turn, they must improve the quality of service at their online stores. To attract the shoppers to shop for on-line, e-tailers need to redesign or modify specific elements of his or her promoting campaign to satisfy the particular demands and wishes of every shopper. E-tailers got to perceive that even as in brick and mortar marketing the web customer is not the same group. It represents to a scope of individuals with very surprising mentalities and on-line shopping goals. E-tailers got the opportunity to target what the customers need in return for his or her time, cash, and

vitality not exclusively as far as item and client benefit also on-line shopping experience. E-tailors or merchants must conduct more market research to know more about their target customers. E-tailers should utilize the web analytics tools to learn about the shopping behavior of the consumers.

**5. CONCLUSION**

Even though online sales have shown considerable growth, there is an indication that suggests that there are numerous purchasers shopping with purpose to purchase at retail sites who for reasons unknown don't finish the transaction. The motivation behind this study was to analyze the behavior of these people who have completed the internet purchase and to compare them with those that are simply on-line to browse and search with no purchases done. Therefore, consumer groups are classified into four varieties viz. often shopping on-line, shopping for once in six months, shopping for once in a year, never bought on-line. As hypothesized by the framework, the analysis is known two aspects, a client oriented and a marketing-oriented the net shoppers. Variations in demographics and technology use were conjointly noted in shoppers. Supported the findings like the connection between time spent on-line and online shopping and, therefore, the significance of consumer-oriented aspect overall, suggestions were offered to the retailers those have an interest in marketing via the net.

The majority of the respondents are satisfying that there has no danger in online shopping. It will be concluded that there is a chance for the near future. The on-line shopping among customers of business advancement and that we will guide that there contains a got the chance to give web shopping administrations. A large portion of the respondent have capably trust that there has an issue to exhibit the credit/check card related data as a consequence of the town wherever they leave is confronted a few cases for card related fakes anyway they have thought about visa confirmation watchword in this way, they concur that on-line shopping is best than disconnected from the net shopping. we find that a greatest number respondent effectively concur for on-line shopping that it spares the time and it has advantages to purchase something from wherever and any times. The majority of the respondents have concurred that the value of good is less expensive than disconnected from the net shop. In another part the respondent has

some fears connected with conveyance time, stock surety & warranty, giving back the stock method, an attribute of sellers, security.

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