

“Attitudinal and Behavioural study of Online Grocery Buyers with special reference to Big Basket”.

Dr. Madhukumar.K

*Asst.Professor,Department of Management Studies, PES University, Bangalore – 560085
Email:madhukumar@pes.edu*

Dr. Deepak.K.V.

*Asst.Professor, BIT-MBA, K, R Road, Bangalore – 560005
Email:drkvdeepak@gmail.com*

ABSTRACT:

India's online grocery space has gone through a significant evolution in last few years- from explosive growth and funding in CY18 to growth challenges and funding winter in CY19 and then kick start and accelerated growth 2019 onwards. In this stop-start journey, many new business models have evolved, and many themes have been proven and disproven. BigBasket, India's largest online grocer, has crossed Rs 3200 crore in sales by growing over 60% during the year ended March 2019, indicating an increasing preference for online grocery shopping in the country. This study investigates to determine the attitude and buying behaviours which influence the customer to purchase groceries using online platform. The empirical study has been conducted with a well-structured questionnaire related to the various attitude and behavioral factors. The data has been collected randomly from 280 customers of big basket in Bangalore. Inferential analysis was made by using various tools like ANOVA, t-test, Cross tabulation, and regression analysis. The result reveals the importance of critical factors such as product information, reliability, prompt delivery, product safety, lower delivery costs to start buying groceries on big basket. Such critical factors are beyond market control so that online grocery retailers can sell new product information to new customers using specific marketing methods.

Keywords: Attitude, Buying behaviour, Online Grocery Shopping, Big basket,

Introduction

Electronic grocery (e-grocery) is the process of ordering groceries from home in an electronic way and either having them ordered at one's house or collecting them at a store or at a pick up point (Anna, 2016). India will be the primary growth driver of online grocery retailing within Asia Pacific. In 2016, India was the fifth largest market in Asia Pacific for online grocery retailing at US\$135 million. The leading country was China, followed by Japan and South Korea. An India food vision 2020 report says that food and grocery is the dominant category in the retail sector in India. It is having a market share of 59.5% share i.e 32.9 billions. More pioneer retailers such as shopping malls, hypermarket, departmental stores and outlets centers are introducing new ways of selling goods to the consumers in ever-changing markets. According to internet and mobile association (IAMI) of India, as the 2017

there are 269 million online internet users in India. According to tech sci research report) Indian households are spending around US \$ 500 billion on online grocery and food retail business only and this trend is expected to continue as the online grocery market in India is projected to grow at a CAGR of 55% during 2016-2021. Shoppers are increasing with growing number of e- tailers providing online platform for grocery shopping. According to Research and academic discussion forum debate competitive strategies for their growth and survival shows that some of the common attributes of measuring the online presence in a competitive market include the bouquet of product category offered through deals and coupons, maintaining quality, managing Suppliers, handling customers complaints effectively. While the content displayed on the website is important along with the look and feel easy loading of pages, quick navigation between web pages links, appearing in searches, referrals from other websites and desirable revenue models, equally important is to maintain the optimum products in the inventory, on the time delivery, cash back options, deals and discounts (payment. options and handling customer requirements and queries. The future challenges faced by online grocery shopping lies in three different ways like adjust and diversify their product range, refine their market tactics and modify their supply chain in order to meet the demand of online retailers and ensure they don't risk becoming invisible online(lobeck 2016). The groceries items sold on the online which are purchased in high quality are staples, edible oils, beverages, milk and dairy products, baby and child care, biscuits and cookies, laundry suppliers, households and cleaning,cereals and snacks.

Consumer Behavior (Or Buyer Behaviour)

Consumer behaviour is an attempt to understand & predict humanactions in the buying role. It refers to the selection, purchase and consumption of goods and services for the satisfaction of their wants.

About Big Basket

When the ecommerce was in nascent stage in the country big basket stepped in online grocery business in 2011 with headquarters in Bangalore. It was founded by Hari Menon, VS Sudhakar, V S Ramesh, Vipul Parekh and AbhinayChoudhari. It delivers to various cities like Hyderabad, Mumbai, Pune, Chennai, Delhi, Noida, Mysore, Coimbatore, Vijayawada-Guntur, Kolkata, Ahmedabad-Gandhinagar, Lucknow-Kanpur, Gurgaon, Vadodara, Visakhapatnam, Surat, Nagpur, Patna, Indore and Chandigarh Tricity city. Customers have the flexibility to place their order anytime and get the things delivered at their preferred time. Bigbasket offers groceries and food supplies in various categories such as fruits & vegetables,

food grains, oil, masalas, bakery items, beverages, branded foods, personal care products, household supplies, eggs, meat, fish, etc. Bigbasket currently offers more than 18,000 products across a mixture of categories and features more than 1000 brands in its catalogue. Bigbasket comes with the convince of lowest rates and prompt delivery services.

Review of literature

Chris Hand (2009), in his study on **online grocery shopping: the influence of situational factors**. Researcher has applied two- step research process. First, exploratory qualitative research is carried out, with the point of gaining an in- depth knowledge, accepting consumers' online grocery shopping behaviour. Both qualitative and quantitative results found the importance of situational factors, such as having a baby or developing health problems, as triggers for preliminary to buy groceries online. Many shoppers are found to discontinue online grocery shopping once the initial trigger has disappeared or they have experienced a problem with the service.

Joana Margarida (2013), investigated on the topic **Online Grocery Shopping: An exploratory study of consumer decision making processes**. It was found that online grocery shopping serves essentially for major shopping trips, being complemented with smaller trips to traditional stores.

Anna (2015), invested on **Consumer Attitudes Towards Online Grocery Shopping** the findings are The overall positive attitudes, has positive influence on the intentions within online grocery shopping.

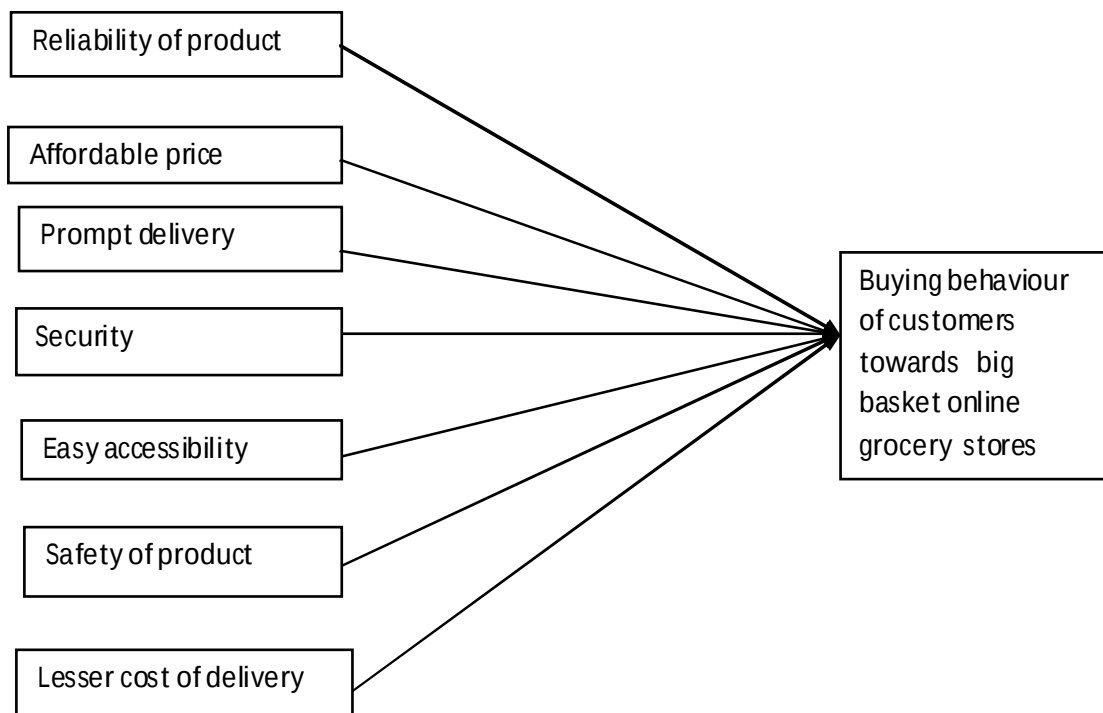
AnushaSreeram (2016), investigated on the **Factors affecting satisfaction and loyalty in online grocery shopping: an integrated model**. This paper explores the integrated model of online grocery buying intention by extending technology acceptance model. The model tested on online grocery shoppers using structural equation modeling approach. The findings showed the importance of entertainment value and economic value as key variables which shape the buyer's satisfaction and purchase loyalty behaviour.

Patricia Harris (2017), investigated on **Online and store patronage: a typology of grocery shoppers**. The results of the research provided several insights into the characteristics, perceptions and channel patronage preferences of grocery shoppers like perceived advantages of one channel vs the other, desire to avoid the greater disadvantages of the alternative.

AnisShairaSulastri(2017), in his study on **Factors Influencing Consumer's Intention towards Online Grocery Shopping**. The findings of the study showed that majority of the online grocery shoppers are female with the age ranged between 26-35 years old. Besides that, results from factor analysis revealed that perceived usefulness, satisfaction, perceived risk, perceived information accessibility and perceived ease of use are among factors that influenced consumer's intention towards online grocery shopping. Therefore, this study can be used to assist online grocery retailers to formulate effective strategies to gain more consumers' confidence to make use of online grocery shopping.

Dr. Ch. Jayasankara Prasad, &YadagantiRaghu (2018), in their study on Determinant Attributes of Online Grocery Shopping in India - An Empirical Analysis. The findings are the seven determinants are convenience, security, trust, service support, flexible transaction, personalized attention, price promotions are having significant influence on consumer's online grocery buying behavior.

Conceptual model



Research methodology

The research methodology starts with research questions, research hypothesis and research questions followed by formulation of hypotheses; research design includes sampling design, data collection procedure, survey instrument, measurement of key variables.

Research question

How do the critical factors impact customer buying behaviour towards online groceries in big basket online stores

Research objectives

To examine the influence of critical factors on consumer buying behaviour towards the groceries buying in big basket online stores

Research hypothesis

H1₀: critical factors of online grocery shopping will not have positive and direct influence on behaviour of consumers' towards groceries buying on big basket in relation to:

H1_{0a}: reliability of the product; H1_{0b}: affordable price; H1_{0c}: prompt delivery; H1_{0d}: security; H1_{0e}: easy accessibility; H1_{0f}: safety of product; and

H1_{0g}: lesser cost of delivery.

Population of the study -The population for the study is online grocery buyers who are groceries from big basket online store in the Bangalore city, India

Sampling frame- The sampling frame for the present research would be the government and private employees, self-employed, business people and home makers in the city of Bangalore.

Sampling units- The subjects for the present research are the online grocery consumers (>25-45< years old) who purchase grocery products from online stores, big basket for the last one years.

Sampling technique-The convenience sampling was selected for the present study.

Sample size- 280

Data collection procedure- The data in the study is primary in nature .primary data was collected through the field survey.

Survey instrument- Structured non- disguised questionnaire. All items are measured using Five-point Likert scale with 1 representing “strongly disagree” and 5 representing “strongly agree” were employed because previous research has suggested that a five-point scale is readily comprehensible to respondents and enable them to express their views.

Table 1 Socio- demographic profile of the respondent

Age	%	Gender	%	Marital status	%	Family size	%	Educational qualification	%	Occupation	%	Income	%
>25	18.0	Male	36.8	Single	23.5	2	17.5	Diploma	15.5	Govt employees	20.4	>1 lakh	16.5
25-34	33.8	Female	63.2	Married	76.5	3	23.8	Graduate	18.9	Private employees	18.0	1-2 lakhs	40.3
35-44	12.1					4	15.5	Post graduate	34.9	Self employed	30.6	2-3 lakhs	29.4
45<	22.3					5	19.9	Professional degree	30.6	homemaker	31.1	3 lakhs <	13.8
55 <	13.8					5<	23.3						
Mean	3.10					3.08							3.16

From the table 1, respondent profile shows that the respondents between the ages 25-34 are using internet to buy groceries on online. The gender using the most of the online grocery shopping are females which is 76.5%. Most of the respondents who are buying groceries online are post graduate and professional degrees. People into self-employed and home makers are the highest users of online groceries. These show that most of the post graduates and professional are likely to be the customers of online grocery. Most of the respondents' monthly income is between 1-2 lakhs

Table 2: Often shop on online

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Daily	58	24.2	24.2	7.8
	Weekly	44	17.4	17.4	41.6
	Fortnightly	55	22.8	22.8	63.6
	Monthly	48	19.4	19.4	83.8
	Biannually	43	16.2	16.2	100.0
	Total	250	100.0	100.0	

From the table 2 of respondent online frequency that 24 percent of respondents purchase groceries weekly, followed by 22.8 percent buy groceries on online every fortnightly, 19.4 percent buy groceries on online monthly, 17.4 percentage buy groceries on online weekly, 16.2 percentage buy groceries on online biannually

Table 3: Often you purchase on online

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Garments	19	5.8	5.8	5.8
	Jewelries	19	5.8	5.8	11.7
	Books	21	7.8	7.8	19.4
	Soft wares	30	12.1	12.1	31.6
	Groceries	44	19.9	19.9	51.5

	Travel package	41	18.0	18.0	69.4
	Train tickets	32	14.1	14.1	83.5
	Entertainment tickets	30	12.1	12.1	95.6
	Medicines	14	4.4	4.4	100.0
	Total	250	100.0	100.0	

From the table .3 respondents often purchase on online products shows that 19.9 percent respondents groceries on online, 18.0 purchase travel package, 14.2 percentage train tickets, 12.1 percentage respondents purchase soft wares and entertainment tickets, 7.8 percentage purchase books, 5.8 percentage purchase jewelries, followed by 4 percentage purchase medicine

Table 4:Shop groceries on big basket

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	167	70.4	70.4	70.4
	2	83	29.6	29.6	100.0
	Total	250	100.0	100.0	

From the table 4 respondents shop groceries on big basket, shows that 70.4 percent of the respondents buy groceries on big basket so it is proved most of the online groceries buyers prefer to buy groceries on big basket.

Table 5 :Groceries you buy on big basket

S.No	Categories	Rank
1	Fruits and vegetables	2
2	Stables	7
3	Bread dairy and eggs	1
4	Beverages	6
5	Branded foods	3
6	Personal care	5
7	Household	4
8	Meat	8

From the table 5 it is shown that most of the respondents buy bread and eggs, and the least preference to buy meat

Table 6 :Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.724	.723	8

Internal consistency reliability which can be computed by using cronbach alpha test by using spss 20. The results shows 0.724 from all the 8 items under the study. According to Anderson the lowest limit of cronbach is 0.70. All the factors used for the study displayed fair good and

acceptable. These show that none of the variable is having value than 0.70 so all the variables can be treated.

Table 7: statistics for factors

	Mean	Std. Deviation
Reliability of product information	3.12	1.447
Affordable price	3.14	1.463
Prompt delivery	3.12	1.466
Security	3.16	1.458
Easy accessibility	3.13	1.453
Safety of product	3.11	1.442
Lesser cost of delivery	3.15	1.466

From the table 7 it shows the summary of mean and standard deviation of the variable taken for the study. It shows that the respondents are moderately satisfied with the services proved by big basket.

Table 8: Inter-Item Correlation Matrix

From the table 8, it shows the correlation among the variables where the values of correlation coefficients of the pair of variables do not exceed the value 0.90. These show that the scale should be sufficient validity.

Table 9: model summary of R square

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.266 ^a	.071	.068	1.412

The regression model shown in the table 9 contributed significantly and predicted 68.7 percent variation (adjusted R^2) by reliability of the product, affordable price, prompt delivery, security, easy accessibility, safety of product, and lesser cost of delivery. The

	Reliability of product information	Affordable price	Prompt delivery	Security	Easy accessibility	Safety of product	Lesser cost of delivery
Reliability of product information	1.000						
Affordable price	.746	1.000					
Prompt delivery	.720	.840	1.000				
Security	.707	.831	.851	1.000			
Easy accessibility	.698	.819	.847	.742	1.000		
Safety of product	.656	.722	.751	.648	.683	1.000	
Lesser cost of delivery	.560	.684	.686	.556	.593	.607	1.000

evolved regression model shown in the table 10 for satisfaction on online grocery shopping in

big basket yielded a significant statistic ($F = 2.160$, $P = 0.000$) with the independent variable such as reliability of the product, affordable price, prompt delivery, security , easy accessibility, safety of product, and lesser cost of delivery .

Table 10: Model summary of ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	30.130	7	4.304	2.160	.000 ^b
	Residual	394.627	198	1.993		
	Total	424.757	205			
a. Dependent Variable: Buying behaviour						
b. Predictors: (Constant), lesser cost of delivery, security, reliability of product information, safety of product, easy accessibility, prompt delivery, affordable price						

Table 11: Predictor effects and Beta Estimates (Unstandardized) for Consumers' Online grocery Buying Behaviour of big basket associated with reliability of the product, affordable price, prompt delivery, security , easy accessibility, safety of product, and lesser cost of delivery

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.425	.258		13.254	.000
	Reliability of product information	.148	.228	.149	2.647	.480
	Affordable price	.673	.330	.684	2.040	.000
	Prompt delivery	.532	.280	.542	1.897	.000
	Security	.143	.125	.145	1.443	.000
	Easy accessibility	.349	.241	.353	1.151	.000
	Safety of product	.060	.213	.060	.282	.000
	Lesser cost of delivery	.021	.125	.021	.165	.000
a. Dependent Variable: buying behaviour						

The coefficient summary for regression model shown in the table 10 revealed that reliability of the product ($\beta = 0.149$, $t = 2.647$, $p = 0.000$), affordable price ($\beta = 0.684$, $t = 2.040$, $p = 0.000$), prompt delivery ($\beta = 0.542$, $t = 1.897$, $p = 0.000$), security ($\beta = 0.145$, $t = 1.443$, $p = 0.000$), easy accessibility ($\beta = 0.353$, $t = 1.151$, $p = 0.000$), safety of product ($\beta = 0.060$, $t = 0.282$, $p = 0.000$), and lesser cost of delivery ($\beta = 0.021$, $t = 0.165$, $p = 0.000$). it is indicated that independent variable such as reliability of the product, affordable price, prompt delivery, security , easy accessibility, safety of product, and lesser cost of delivery were related to the dependent

variable i.e satisfaction towards big basket. The positive and beta value which depicts that the factors of buying behaviour towards big basket and generates the following regression equation

$$Y = 3.425 + 0.148X_1 + 0.672X_2 + 0.532X_3 + 0.143X_4 + 0.349X_5 + 0.060X_6 + 0.021X_7$$

Results: null hypothesis H_{10a} , H_{10b} , H_{10c} , H_{10d} , H_{10e} , H_{10f} , H_{10g} were disproved. Therefore reliability of the product (H_{1a}), affordable price(H_{1b}), prompt delivery(H_{1c}), security(H_{1d}), easy accessibility(H_{1e}), safety of product(H_{1f}), and lesser cost of delivery(H_{1g}) were proved to be significant predictors for consumer behaviour to buy groceries on big basket.

Table 12: Summary of hypothesis

Main hypothesis	Sub hypothesis	Predicted associations	Null hypothesis Supported or not
critical factors of online grocery shopping will not have positive and direct influence on behaviour of consumers' towards groceries buying on big basket	H_{10a}	No significant influence of reliability of the product on consumers' online grocery buying behaviour	NO
	H_{10b}	No significant influence of affordable price on consumers' online grocery buying behaviour	NO
	H_{10c}	No significant influence of prompt delivery on consumers' online grocery buying behaviour	NO
	H_{10d}	No significant influence of security on consumers' online grocery buying behaviour	NO
	H_{10e}	No significant influence of easy accessibility on consumers' online grocery buying behaviour	NO
	H_{10f}	No significant influence of safety of the product on consumers' online grocery buying behaviour	NO
	H_{10g}	No significant influence of lesser cost of delivery on consumers' online grocery buying behaviour	NO

Findings

The findings from the Multiple regression model indicates that the respondent critical factors (reliability of the product, affordable price, prompt delivery, security, easy accessibility, safety of product, and lesser cost of delivery) of online grocery shopping has a significant

influence on consumer buying behaviour ($R=71$). The results shows that consumer buying behaviour towards big basket is positive on most of the critical factors affecting online consumer buying behaviour that reliability of the product the positive β estimates of reliability of product ($\beta= 0.149, t= 2.647, p=0.000$), affordable price ($\beta= 0.684, t= 2.040, p=0.000$), prompt delivery ($\beta= 0.542, t= 1.897, p=0.000$), security ($\beta= 0.145, t= 1.443, p=0.000$), easy accessibility ($\beta= 0.353, t= 1.151, p=0.000$), safety of product ($\beta= 0.060, t= 0.282, p=0.000$), and lesser cost of delivery ($\beta= 0.021, t= 0.165, p=0.000$) are proved to be the significant predictors of online grocery buying behaviour. The results indicated that as respondents' perceived determinant attributes of online grocery shopping increase, the online grocery buying behaviour increases in big basket.

Implications

- This study provided a comprehensive frame from which the influence of reliability of the product, affordable price, prompt delivery, security, easy accessibility, safety of product, and lesser cost of delivery on online grocery shopping behaviour
- The findings from this study also provide the retail managers to focus and concentrate on the changing needs of the customers

Limitations of the study

- The study is confined to Bangalore due to time constraint, the results would have been different if the geographical area was bigger.
- Time and money played an important constraint on the size and depth of the research

Directions of Future study

- The future research may consider the influence of website, situational factors, risk factors, logistics and demographic factors on online consumer behaviour

- The future research can increase the sample size and collect data from different states.

Conclusion

Online grocery shopping has both the opportunities and significant managerial challenges. These areas will attract abundance research interest in the coming years. The overall results shows that the study is consistent with previous studies and extended the study. The findings indicates that the respondent critical factors (reliability of the product, affordable price, prompt delivery, security, easy accessibility, safety of product, and lesser cost of delivery) of online grocery shopping has a significant influence on consumer buying behaviour

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