1.Introduction

Online food and grocery retailing, fairly mature in the West and showing lot of potential in growth markets like China, has not been able to capture the fancy of Indian shoppers yet. Things, however, may be changing as a new generation of well-funded online firms. Bigbasket.com is a key example -- are using simple end-to-end technology solutions to offer deep discounts on grocery items, predict customer behavior and keep a tight leash on expenses. With technology playing a key role, they are trying to make a dent in the estimated $343-billion food and grocery market in India.

These firms uses supply chain technology that allow customers to place orders through multiple channels and later predict what a customer is likely to order. Combined with applications that track everything from the time an order is placed to delivery and devices that help during procurement, technology is helping these firms to make a compelling and convenient offer to the tech-savvy shopper.

For these online grocery retailers, the most important tech application is the ability to predict customer behavior which lets them reduce inventory and thereby, cut costs. For instance, while a traditional retailer might have to stock his monthly offtake in advance, an online retailer ends up stocking it for less than two days.

So there is a need to find out the consumer behavior towards online grocery stores. There are several factors that lead customer to go for online shopping like time constrain, increase in disposable income, convenience, variety, various payment options etc. This report is being carried out to evaluate that which feature of online shopping attracts user and what are the issues that is being faced by user while shopping online. By extending the scope this research tries to find out that Indian customer are how much aware of online grocery stores. Whether online grocery shopping will be beneficial to them and on what factors and if they will get a chance to go for online grocery store what will be their purchasing pattern. Data was collected through secondary and primary market research and after analyzing data tries to formulate operational model for online grocery store based on the findings.

1.1- e-commerce Industry

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Companies also use the Internet to convey communicates and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities the will receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business.

In addition to the tremendous potential of the E-commerce market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers.

Although most of the revenue of online transactions comes from business-to-business commerce, the practitioners of business-to-consumer commerce should not lose confidence .It has been more than a decade since business-to-consumer E-commerce first evolved. Scholars and practitioners of electronic commerce constantly strive to gain an improved insight into consumer behavior in cyberspace.

Along with the development of E-retailing, researchers continue to explain E-consumers behavior from different perspectives. Many of their studies have posited new emergent factors or assumptions which are based on the traditional models of consumer behavior, and then examine their validity in the Internet context.

2-Models of E-commerce

Business-to-Business (B2B):

B2B e-commerce is simply defined as e-commerce between companies. This is the type of e-commerce that deals with relationships between and among businesses. About 80% of ecommerce is of this type, and most experts predict that B2B ecommerce will continue to grow faster than the B2C segment. Eg: indiamart.com, eindiabusiness.com, tradeindia.com etc.

Business-to-consumer (B2C):

Business-to-consumer e-commerce, or commerce between companies and consumers, involves customers gathering information; purchasing physical goods (i.e., tangibles such as books or consumer products) or information goods (or goods of electronic material or digitized content, such as software, or e-books); and, for information goods, receiving products over an electronic network.

It is the second largest and the earliest form of e-commerce. Its origins can be traced to online retailing (or e-tailing). Thus, the more common B2C business models are the online retailing companies such as flipkart.com Amazon.com, snapdeal.com etc .

Business-to-Government (B2G):

Business-to-government e-commerce or B2G is generally defined as commerce between companies and the public sector. It refers to the use of the Internet for public procurement, licensing procedures, and other government-related operations. This kind of e-commerce has two features: first, the public sector assumes a pilot/leading role in establishing e-commerce; and second, it is assumed that the public sector has the greatest need for making its procurement system more effective.

Web-based purchasing policies increase the transparency of the procurement process (and reduce the risk of irregularities). To date, however, the size of the B2G ecommerce market as a component of total e-commerce is insignificant, as government e-procurement systems remain undeveloped.

Consumer-to-Consumer (C2C):

Consumer-to-consumer e-commerce or C2C is simply commerce between private individuals or consumers. This type of e-commerce is characterized by the growth of electronic marketplaces and online auctions, particularly in vertical industries where firms/businesses can bid for what they want from among multiple suppliers. It perhaps has the greatest potential for developing new markets.

Online auction site eBay, Yahoo! Auctions are a couple of examples of C2C websites.

M-commerce

M-commerce (mobile commerce) is the buying and selling of goods and services through wireless technology-i.e., handheld devices such as cellular telephones and personal digital assistants (PDAs).

Mobile Commerce is any transaction, involving the transfer of ownership or rights to use goods and services, which is initiated and/or completed by using mobile access to computer mediated networks with the help of an electronic device.

Mobile Commerce in India

Mobile is growing in India with more than 800 million subscribers across the country. The advancement in terms of adoption of smart phones with 3G enabled services is happening at a rapid pace. This of course has opened up the gates to mobile advertising, mobile application development and mobile commerce in India. According to BuzzCity's latest report, India is top performing mobile advertising region in the whole of Asia. The growth in mobile advertising globally is tremendous with ads served on a year-on-year growth of 139%. With respect to some number crunching, more than 126 billion ads were served in 2011, compared with 52 billion in 2010.

 In India, Mobile Commerce is still in the development phase as the use of mobile phones for carrying out transactions is very limited. However, the development is taking place at a nice speed and in the coming years, Mobile Commerce is most likely to make its presence feel as companies and businesses have started understanding the benefits of Mobile Commerce. Some

of the companies have even incorporated this technology. Airtel, ICICI, Reliance are some of the companies/businesses that are using this technology as their users are allowed to make limited purchases from their phones. For now, the users are mainly allowed to pay phone bills, utility bills, book movie tickets, book travel tickets with their cell phones.

However, more services will be introduced in coming years. Security is one of the main concerns of Mobile Commerce as it's very important to offer secure transactions and this is the reason why Mobile Commerce is still in the development phase in India.

For now, users are mainly allowed to do Mobile Banking i.e. to access the bank account with a cell phone in order to pay the utility bills. With the current rate of development, users will be soon allowed to purchase products, advertise, to take part in auctions and pay bills with the help of a cell phone, while they are on the move.

3-Online Shopping In India

The Indian economy is slated to grow by upward of 6 % annually in the next few years which is among the highest rates of any big emerging economy. And quite a lot of this growth would be on the back of domestic consumption of goods and services.

E-commerce is emerging as a great level given that organized retail is still not ubiquitous across the length and breadth of the country with large retail chains making up less than 10% of the market.

E-commerce is helping people in smaller towns in India access quality products and services similar to what people in the larger cities have access to. Its being forecast that close to 60% of online shoppers would come from beyond the top eight large cities by end of this year.

Increasing internet penetration has helped to expand the potential customer pool. Internet penetration is only about 10% (or about 121 million users) as against about 81% in the US and 36% in China. However this number continues to rise at a consistent pace because of falling prices for broadband connections.

Indians are also increasingly taking to mobile devices for not only search but shopping as well. The number of smartphone users is rapidly increasing in India and with 4G services about to take off it's expected to get even more people going online. There are currently about 900 million

mobile subscribers and this number is expected to touch 1.2 billion by 2015. Of these about 27 million are estimated to be active mobile internet users. More importantly, 20% users indicated intent to buy products through their mobile phones as against the current 4% and this number is expected to only increase in the next two to three years.

Innovation is helping e-commerce companies break the inertia for online shopping by offering benefits to customers not traditionally available in a brick and mortar store. Business models include no question asked return policies ranging from 7 days to 30 days,

Free product deliveries and the industry dynamics changing "cash on delivery" model. The last innovation has really help unlock the potential as people can now order products and pay when they get physical delivery of the product.

This has been a tremendous success because Indians are still reluctant to give their credit/debit card details online and want to have the psychological comfort that they would actually get the product once payment has been made. These innovations have led to further innovations downstream as ancillary businesses are developing to support these initiatives. Some companies have begun to develop support mechanisms for the entire cash on delivery model and are trying to reach the far flung corners of India, including in the interiors where traditional logistics companies are still not completely present. The logistics companies are also shoring up their act and have started to build specific verticals and expertise to address the requirements of e-commerce companies.

Divyan Gupta is the Founder and CEO of Keshiha Services Pvt. Ltd, a company with interests in the internet, telecom, healthcare, education and advanced technology businesses has stated that, acceptance of online shopping as a secure shopping mode is has also helped to increase e-commerce uptake.

Currently only about 10 million people do online transactions out of an approximate population of 200 million credit and debit card holders. However the latest industry report by First Data Corporation and ICICI Merchant Services indicate that there are about 150 million users that are 'ready' for e-commerce.

More importantly the report indicates that urban Indian consumers are now confident enough to make online purchases of up to US$500 as against US$40-100 in the recent past. So not only

are the numbers of online shoppers projected to increase but there has been a real increase in the total value being spent online.

So what happens next for an industry which is retailing everything online- from flowers to baby products to books, coupons, apparels, music and electronic items to even houses, cars and jewelry? While this e-commerce play is not like the earlier dot com bubble, there are clear signs that order might be coming in amidst all the noise that is out there.

First a slow but sure consolidation is starting to take place in the industry. Experts say that over the next 12-18 months there would be a couple of multi-product generalists who would be successful along with a leader in single product category.

Second, Venture Capitalists are starting to be choosy about which business to invest in, basing their decisions on performance as opposed to future predictions. Valuations which went through the roof are now returning to normal levels. According to an Avendus report, about US$829 million was pumped in the sector in the first 10 months in 2011. However this came down to US$16 million in December 2011 and went up only marginally to. US$24 million in January of this year.

Despite all of this, it's been a very impressive story so far. The poster child of the Indian ecommerce industry is Flipkart.com, a 4 year old venture which modeled itself afterAmazon.com and is already commanding a valuation of US$ 500 million and is targeting revenues of US$1 billion in the next two to three years. All of this has caught the attention of Amazon.com which entered the market in February this year. It came in through Junglee.com, a price comparison site and is already amongst the top 10 sites in the country. Everyone is therefore trying to capitalize before the 800 pound gorilla comes in fully on its own which is expected to be sometime around Q3/Q4 this year.

There is huge demand for top-notch professional grade web 2.0 consultancy and development. Very few companies have a long term vision around customer acquisition, retention and constant conversations. A lot more can be done in understanding the linkages between design and functionality based on user experience and social integration. However to succeed in a tough market like India your company needs to be open to long term

Strategic partnerships rather than an upfront "pay for services" model. The upside would be worth its wait.

India has more than 3,311 running e-commerce centers, according to research conducted by eBay India for its 2011 census. Indian web is clouded with e-commerce (B2B, B2C, B2G, and C2C type business models) startups and increasing like mushrooms on lawn.

India- an upcoming super power has more than100 million internet users which is keep on growing by introduction of 2G and 3G. They want to be online always by any internet enabled gadgets. People are moving from street bargaining to online web bargaining. The common Indian Mentality of "seeing and believing" or "how it will look" is changing by introducing some creative business models like "cash on delivery" by major e-commerce sites.

Factors with respect to Women in Online Shopping

Shopping has been an obsession of women across the globe. A new shop in the neighborhood, a new shopping mall in the area, a new brand launched – women are first to know and first to go. When it comes to shopping, women are more organized (45% of women come to retail stores with shopping-lists as compared 27% of men), regularized and they show some definite trends in their buying behaviors. A woman is more likely to spend time in a retail store (29%) as compared to her male counterpart (23%). When a woman visits a retail store or any physical retail store she will consider a few important factors such as:

- ➢ How conveniently the store is located
- ➢ Behavior of the staff
- ➢ Cleanliness (most of women are obsessed with it)
- ➢ Products put at an easy reach so that she can check the label, feel it (if required) and physically compare it with a similar product from a different manufacturer
- ➢ Overall aesthetic decoration of the store
- ➢ And most importantly – freebies and discounts available with the products

Naturally, the same woman when she would visit an online retail store will look for these factors in her sub-conscious mind. She would love to get the same feeling as she derives from the environment of her favorite retail store. She will unknowingly demand these from your online

shopping store. She would choose to stay and buy from your online web store if you can meet the following:

> **Save time:** You should give her the navigational freedom and easy roam around options in your store; give her instantly whatever she wants.

> **Get a better selection:** Your product should be the best in the designated price bracket Complete product details: Do not describe your products in single words; give as much detail as possible

> **Better value/offer:** Your freebies should be 'useful' enough and the discount should be noticeable

> **Logistics:** You must deliver the product right at her doorsteps and nowhere else!

> **Flexible return policy:** Many times a woman takes a second opinion and you should respect this nature. Be flexible if she asks you to replace what she has bought.

3.1-Online Grocery Shopping

Proving that no sector of the retail market is safe from the online shopping revolution, it is now possible for the humble hometown grocery store to become digitized and available on your smartphone, tablet, or computer. Just think: no longer checkout lines, counting the number of items to see if you qualify for the Express Lane, forgetting your grocery list at home, or carrying heavy bags up your front steps. Online grocery shopping is dramatically changing the consumer's relationship with the food market and making a service that may have once felt luxurious into an everyday convenience.

3.1.1Ordering Food Online

An online grocery store is a website that allows users to purchase food over the Internet to be delivered to the person at a later time. Ordering food on the Internet is similar to ordering any other product--the desired food items can be searched for specifically, or one can browse through listings of products or sections, similar to sections one might walk through at an actual grocery store. The products offered by an online grocery store are identical to a normal grocery store. When one has finished shopping, checkout is made with a credit card, and the buyer must specify certain hours that he will be available to receive the food for delivery. Since Internet

groceries must deliver the food to the customers, they typically pay a fee for delivery based on the amount of food they buy.

3.1.2 Benefits of Online Grocery Shopping

The primary benefit of online grocery shopping is convenience. By ordering online, one can quickly search for the products she needs and order them without having to physically walk through expansive aisles. It also saves travel expenses and time going to the grocery store. Considering the wide availability of the Internet, it also means grocery shopping can be done from remote locations or in the middle of doing other tasks. For instance, using an online grocery store can allow a person to do all her grocery shopping during her lunch break at work. It is also very useful for those without a car or who may be physically unable to move around easily, since the food is delivered right to their doors. The use of online-based grocery stores is increasing in popularity as more and more people become comfortable with using the Internet to make purchases.

3.1.3 Disadvantages of Online Grocery Shopping

Perhaps the largest disadvantages of shopping online are that it costs extra money, since food must be delivered, and that the food ordered is not obtained immediately. If someone were making a certain recipe and discovered he needed an additional ingredient, he would probably not be able to order it online and get it quickly enough to finish his dish. In the same way, it forces a person to plan his food buying in advance of when he will need it--if delivery will take a day or two, a person needs to plan to have an extra day or two of essential foods available before he runs out. Another disadvantage is that online shopping forces the customer to be home during a certain period to collect the food when it is delivered. Also, online grocery stores will often only cover specific delivery areas.

3.1.4 How Does Online Grocery Shopping Work?

Following are the basic parameter that determines the working of online grocery shopping.

Creating the Website

The most important part of online grocery shopping is the website itself. The website should have a complete list of groceries that are able to be delivered as well as the prices for each item.

This website should then have a "shopping cart" where a user can add items to a list of things to be ordered, as well as view and edit items that she is planning to purchase. Finally, this website should have the ability for the user to enter her address and pay for the order.

Filling the Order and Shipping

The next step is to take the submitted order and use it to collect and deliver the items on the list. In general, fulfillment of the grocery order needs to be done manually by a stock boy or other employee.

This process can be made easier by having a well-organized room where the products can be easily and efficiently located. The stock person should also check to make sure that the items placed in the order match the list that the user created.

Then, once the order has been compiled, the collection of food needs to be placed in a vehicle and delivered to the customer.

Restocking and Processing Payments

Clearly, it is critical to ensure that all the items listed on the website are in stock and able to be shipped. As a result, the stock room needs to be carefully checked to ensure inventory levels are sufficient.

Also, it is important to have the ability to obtain and process payments made by credit card. Also, in order to encourage repeat customers, it can be helpful to require customers to have a user name, which would allow information to be stored. This can also help create "suggested" carts of food items they commonly purchase.

4-Indian Players in Online Grocery Shopping

FreshnDaily

Fresh N Daily is Mumbai's first online fruits and vegetable store. Our endeavor is to service you at the comfort of your home with the best quality products and at the best possible prices.

They procure goods directly from the farmers/ brand owners and ensure there are no intermediaries. Moreover, unlike a physical store – supermarket/ neighborhood kirana store/ sabziwala – we are an online store. This means that the cost structure is very lean: low rental costs, low manpower costs, low overheads etc. The prices are therefore the most competitive.

Thirty-year-old Vikas Chauhan, who quit an IT company, has a delivery van that procures vegetables from local mandi, brands them with FreshnDaily packets and delivers to areas it has identified as key zones. It has just two delivery boys who supply in key zones. For the rest, it has tied up with small nook and corner shops. At Ghatkopar, for example, the helper of the corner mobile recharge shop collects the vegetables from the delivery van and delivers door to door. FreshnDaily pays the errand boy a monthly salary and the mobile shop gets the Boy's services for free. The shop even gets an incentive when deliveries cross Rs 5,000 a day.

Aaramshop.com

New-Delhi based start-up Aaramshop.com has launched an e-commerce site for buying groceries. Still in beta, the website only caters to New Delhi residents and yet to be commercially launched.

Daily essentials such as laundry supplies, cereals, butter, jam, rice, Atta (flour), lentils, cooking oil, biscuits, chocolates, sweets, milk, spices, coffee and tea are available on the website. The website allows you to search for the nearest neighborhood local grocery stores – either by name, by pin codes, location, maps or view all the 'Aaramshops' available and select one. Once this Shop is selected, delivery timings can be chosen. Once the user selects the items needed, adds them to the shopping bag and checks out, a confirmation e-mail and text message is sent with the amount and time of delivery.

There is no online bank transaction involved and the user has to pay cash on delivery of goods by the shop.

They targets 25 to 45 year old urban, well-educated and tech-savvy females and males. Currently operating in Delhi, they have plans to expand its services in 12 cities including Mumbai, Bangalore, Pune Hyderabad and other metros in coming months. The sales force of six people will tie-up with retailers. They claim to have roped in more than 100 kirana stores in its network and is adding a considerable number to it daily and have over 100 FMCG brands and 32 categories of products.

Vijay Singh, Founder and CEO, AaramShop.com, said that the portal will keep the consumer much more informed about various other brands that are available for the same product and also their pricing to enable them to opt for a much better choice for the same. Other than using Facebook to buy grocery items, users can directly access Aaramshop.com to order items from nearby

grocery stores. The user will be required to create a user identity or become a member of AaramShop.com by filling in the required details.

Zopnow

Zopnow.com, an online retail store exclusively aims to cater grocery FMCG need of people launched its service in Bangalore. Zopnow with punch line "Be Lazy, Buy Easy" plans to deliver grocery items at consumer's doorstep in less than 3 hours or at a predefined time specified by the customer.

However, currently zopnow's is offering

1501 products to some selected areas of south Bangalore. Zop now is founded by serial entrepreneur B.K Birla and Mukesh Singh, erstwhile CTO, Makemytrip.

According to company website, it wants to build a customer centric online store that will leverage the hybrid model of online, call center, mobile application and physical touch. Zopnow claims to deliver great customer experience by providing customers, a convenient way to shop and in the process cut down the time at the checkout counter, traffic and parking.

At present Zopnow offers cash on delivery (COD) option and are in the process of adding card, debit card, Sodexho and Ticket Restaurant vouchers, however Sodexho and Ticket Restaurant vouchers would be applicable only for food items. It offers free shipment for minimum order value of INR 500 and above, however shipping cost of INR 30 is added to all shipment below INR 500.

Farm2Kitchen.com

Farm2Kitchen Team is led by Seema Dholi (Founder & CEO), a woman entrepreneur who is committed to betterment of lives for Indian families. She started Farm2Kitchen with only one mission - To enhance the quality of life for Indian families and provide the best customer service possible.

Farm2kitchen.com, which deals only in organic groceries and textiles, and caters to Gurgaon and surrounding areas. Founder Seema Dholi, who hails from Pearl Academy of Fashion and has several other ventures in her basket, such as Divavee and Fashion per Inch India, wants to educate local consumers about the benefits of organic groceries and then spread the message to the rest of the country. Set up in 2011, Farm2kitchen is now looking for funds but even before that, Seema wants to expand operations and go pan-India.

They support organic farming & agriculture as organic farming is a holistic approach to food production, making use of crop rotation, environmental management and good animal husbandry to control pests and diseases.

Some of the cities which will be covered under Farm2Kitchen's umbrella for organic food are - Organic food stores/shops in New Delhi, Mumbai, Chennai, Kolkata, Bangalore, Gurgaon, Hyderabad, Pune, Aurangabad, Ahmedabad, Kolkata, Nasik, Vadodara, Gandhinagar (Gujarat), Visakhapatnam, Chandigarh, Bhopal, Jaipur, Lucknow, Dehradun, Thiruvananthapuram.

Veggi Bazaar

Veggibazaar is India's first online vegetable & fruits store, launched in the year 2009, founded by R Venkatesan. It is the perfect environment for purchase of fruits, vegetables. Its procurement begins at farms and we adhere to stringent policies that enable us to maintain the freshness on all our products.

Veggibazaar.com takes orders online and delivers the very next day. This not only ensures freshness of the products—an essential feature of the company—but also means that he does not have to worry about bulk storage space and associated facilities, which is a huge saving.

Vegetables reach the company's Alwarpet office in Chennai by 6.30 a.m. the following day and, after a quality check, they are sorted, cleaned, chopped, packed and delivered between 3 p.m. and 9 p.m. Venkatesan has 25 employees to do these jobs. Clients can pay online through debit/credit cards or pay cash on delivery.

Veggibazar has also started providing additional facilities, such as nutritional specific packages and loyalty points which customers can redeem against future purchases.

MyGrahak.com

MyGrahak is an online grocery store from Rei Six Ten Retail Ltd., a retail chain network of about 350 stores in the NCR, Punjab, Baddi and Nagpur. This is one of the first attempts from a retail grocery giant to enter the online space and leverage their existing network of offline stores. Mr. Ambuj Jhunjhunwala is the founder & CEO of MyGrahak.com

MyGrahak covers the basic FMCG categories of food, non-food and grocery. The delivery is currently offered in Delhi-NCR only. The site comes with the regular frills of an online store, viz. discount on all product (min. 4%), 48hrs delivery, COD, customer support etc.. The portal boasts of 7000+ products.

The service currently has 8500 registered families who are using the portal to buy groceries and food on a regular basis and the founder believes that the venture will generate a turnover of Rs.1000 crore by 2015.

Key figures of MyGrahak

- ➢ 5000 transactions per month growing at over 30% month on month
- ➢ Average bill size – Rs. 1,100
- ➢ Loyalty rate – repeat purchases have increased to 50% from 30% in last 2 months
- ➢ 7000 sq. ft. warehouse managed by company in Delhi
- ➢ 8,500 registered families
- ➢ 10,000 SKUs (Stock Keeping Units) – target of 35,000 SKUs
- ➢ Delivery vehicles fitted with GPS

5-Research Methodology:

5.1Objective-

- To study attitude of customers towards online shopping.
- To find out the preferences of the consumer regarding the attributes of online shopping website.
- To identify the issues faced by the user while online shopping.
- To determine the parameters for choosing the particular shopping Centre for purchase of grocery   items.
- To determine whether online grocery shopping will be beneficial and on what factors.

5.2-Scope of the research:

- To determine which factor influences the consumer to go for online shopping.
- To find out which feature of the website attracts the user to purchase the product from the online shopping website.
- To find out the whether grocery online shopping is beneficial for the user.
- To analyze which factors influence the user to buy online grocery.

5.3-Hypothesis:

The hypothesis framed for the project consumer perception towards Online Grocery Shopping is:

"Online grocery shopping stores are beneficial for the consumer".

5.4- Research Design:

The sources of data used in this project report are both primary and secondary data.

Primary data consists of original information gathered from sample size of 200 respondents residing in India (Mostly from metro cities).

Secondary data consists of information that already exists and that was collected in the past for some other purposes.

5.5-Sample Design:

5.5.1-Size of Sample:

The sample size selected for the research is 200.

Parameters of Interests: The major parameter of interest is the subgroup of people who are working professional and web savvy having an experience in online shopping. The two other subsidiary parameters of interest are:

The respondent should also have an experience grocery shopping and female respondent who have an online shopping experience.

5.5.2-Sampling Technique:

Quota Sampling:

Quota sampling is a method for selecting survey participants. In quota sampling, a population is first segmented into mutually exclusive sub-groups, just as in stratified sampling. Then judgment is used to select the subjects or units from each segment based on a specified proportion

Over here the sample are taken who working, having an experience in online shopping and are web savvy. Also women respondent are taken as they are the user who shop for grocery items than the male.

5.5.3-Data Collection Tool:

Questionnaire

The data collection tool used for the research is "Questionnaires" to get the primary data for the empirical research on consumer preference on online grocery shopping.

The Questionnaire which is attached in the next page consists of a number of questions printed in a definite order on a form which the respondents read.

6-Data Analysis:

6.1-Personal Information:
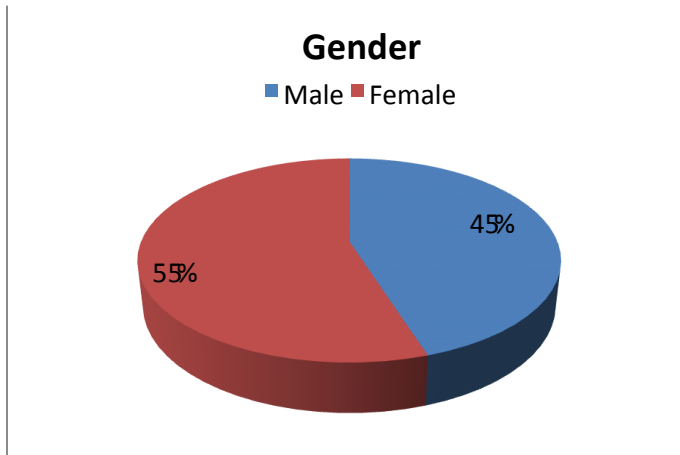
6.1.1-Gender:

Gender

Illustration:

The above diagram depicts that out of the total 200 respondent 55% of the respondent were female as the objective was to study the consumer behavior with respect to online grocery, as grocery is more shopped by female respondent.

6.1.2- Age brackets:

Illustration:

- The 38 % of the respondent were among 30 & above age bracket as these respondents are well educated and web savvy.
- Another 37% of the respondent were ranging from 18-24 age bracket and the remaining 25 % were respondent were ranging from 25-30 age bracket, as these respondents are ready to adapt changes.

Age brackets
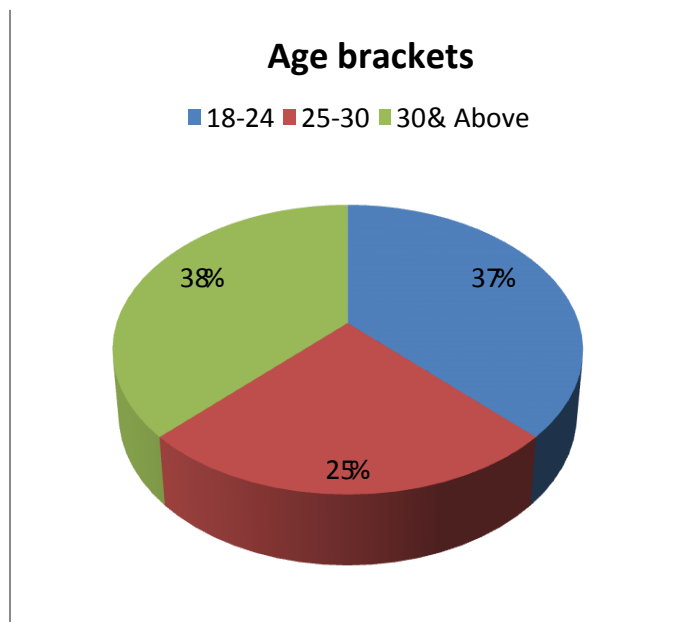
6.1.3- Occupation:

Occupation

Service ■   ■ Business

41 %   59 %
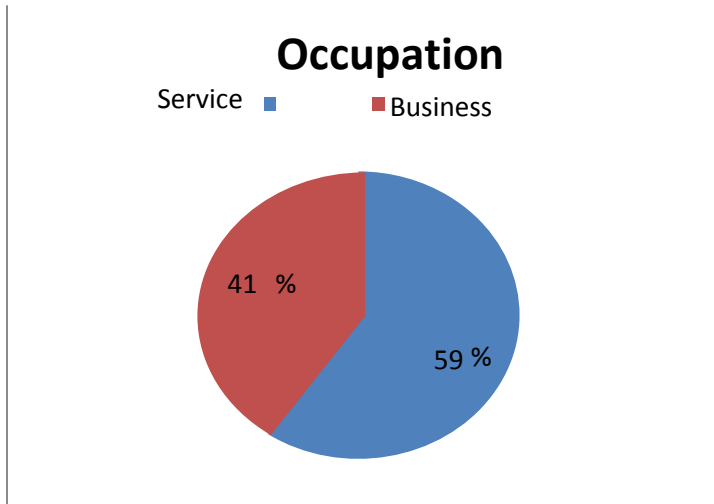
Occupation		
Service	Business	Total
119	81	200

Illustration:

For the research to be successful most of the respondent are working officials who are educated and web savvy.

6.1.4-Annual Income Level

Annual Income Level		
1-5 Lakhs	5-10 Lakhs	10 & above
76	82	42

Annual Income Level

■1-5Lakhs ■5-10Lakhs ■10& above
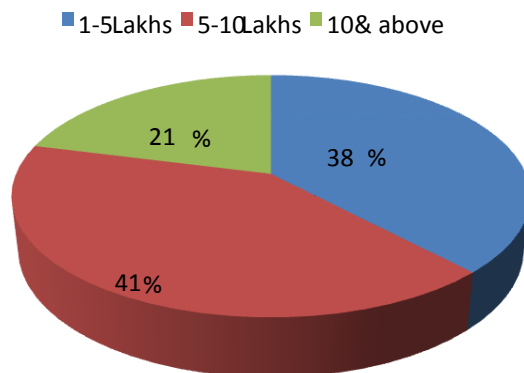
21 %   38 %   41%

Illustration:

From the above pie chart we can determine that 41 % of the respondent have around 5-10 lakhs of annual income which indicates majority of the respondent have spending power to purchase grocery items.

1-Item that respondent like to shop online.

People may select more than one checkbox, so percentages may add up to more than 100%.

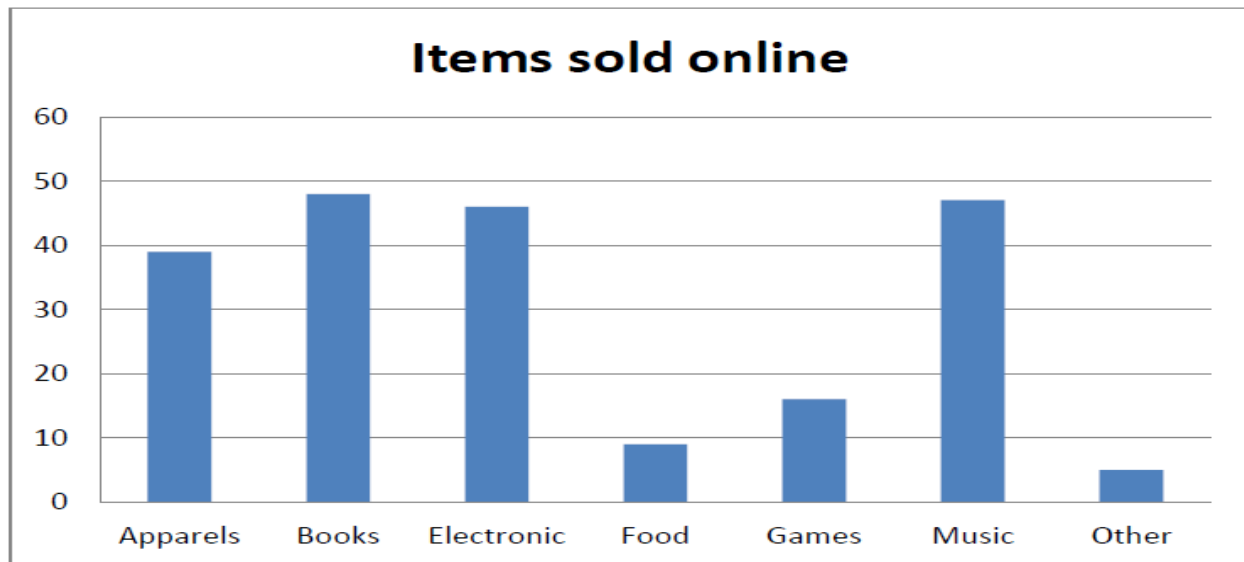| Apparels	Books	Electronic	Food	Games	Music	Other
39	48	46	9	16	47	5

Illustration:

➢ The above diagram depicts that book has the highest number transaction in online shopping. Music is the second most item sold in the online shopping, along with electronics appliances like hair dryer, mobile appliances, computer peripherals etc.

➢ The other items that are sold in the online shopping are the apparels which are more preferred by the female respondent.

➢ Games are the items that are preferred with the respondent ranging the age bracket between

➢ The other items which are sold online are such as flowers, gifts and movie tickets.

2-Money spend by respondents in online shopping.

100-500	500-1000	1000-5000	5000 & above
12	28	53	7

Money Spent in Online Shopping

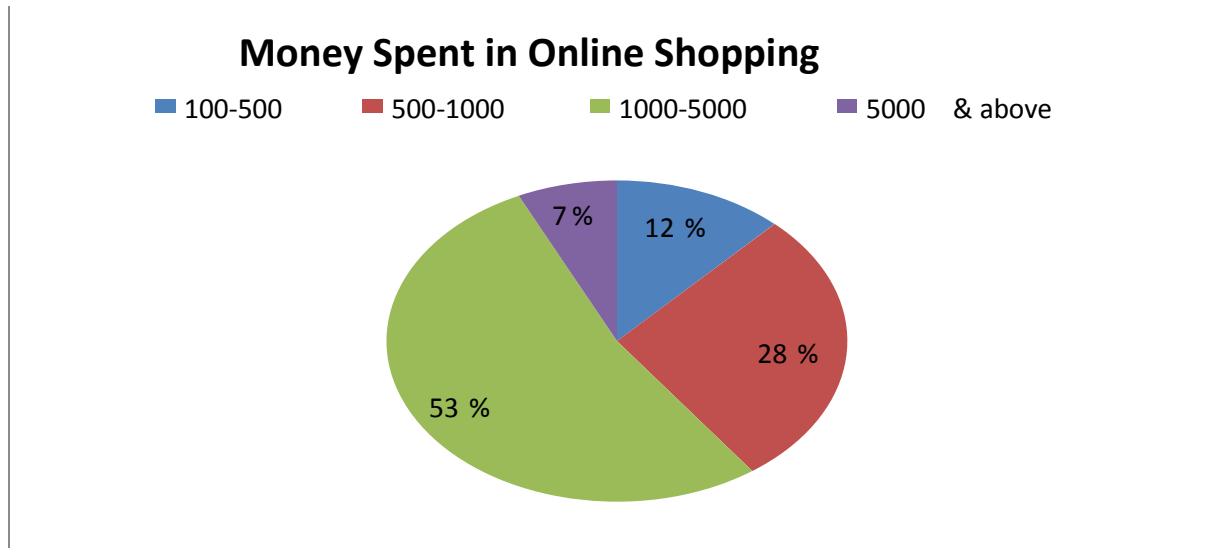■ 100-500 ■ 500-1000 ■ 1000-5000 ■ 5000 & above

Illustration:

The money spend in online shopping is ranging from INR 1000-5000, which indicates the users are willing to pay more price when there is premium quality products such as electronics, branded apparels, original music etc.

3- In which situation respondents like to go for online shopping.

People may select more than one checkbox, so percentages may add up to more than 100%.

When I need home delivery	When I want something unique & special	When I need to compare prices	When I don't have the time to find things in different markets	other
71	39	43	42	1

Illustration:

➢ From the above we can depict the factor which motivates the respondent to shop online is when they need home delivery.

➢ The other factor which motivates to shop online when they compare prices of different products at a same place.

➢ The above graph also determines that people shop online when they don't have the time to find things in the market for the product to be purchased.

➢ Also respondent shop online when they want some unique & special product which they cannot find in the offline market.

4- features in online shopping attracts the respondents most.

People may select more than one checkbox, so percentages may add up to more than 100%.

Design of website	Discounts offered	Advertisement	Variety	Value of money
33	77	39	59	29

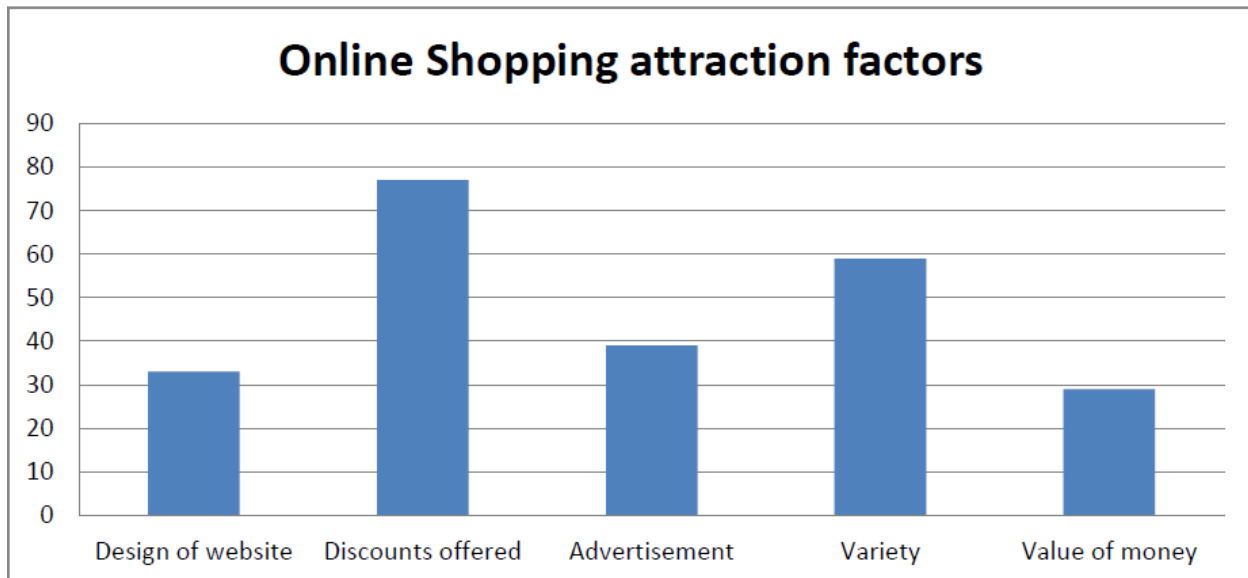**Online Shopping attraction factors**

Illustration:

➢ From the above diagram we can determine that people prefer online shopping when discounts offered are offered to them.

➢ Also the variety of product offering to the customer also forms an important factor which motivates the respondent to shop online.

➢ The other factor that motivates the user to shop online is when the product they purchase is of value of money.

➢ Also the design of website along with the different advertisement promotion motivates the user to shop online.

Q5-9. While shopping online rating the following feature on the scale of 1-5()

	Feature	Very Important	Important	Neutral	Not Important	Least Important
5a	Website User Friendly	71	14	7	5	3
5b	Adequate Search Option in website	44	49	4	2	1
5c	Product Assortment in website	39	46	8	5	2
6a	Cash on delivery payment	63	24	6	2	5
6b	Net banking payment	41	41	7	4	7
6c	Credit/Debit Card payment	41	50	2	1	6
7a	Offers & Discounts on products	69	20	8	2	1
7b	Free Shipping of products	68	19	10	1	2
8a	Id & Password security	44	43	2	3	7
8b	Order Confirmation Screen	49	43	4	1	3
9	Tracking of shipped items	44	35	9	3	9

Chart legend: Very Important · Important · Neutral · Not Important · Least Important
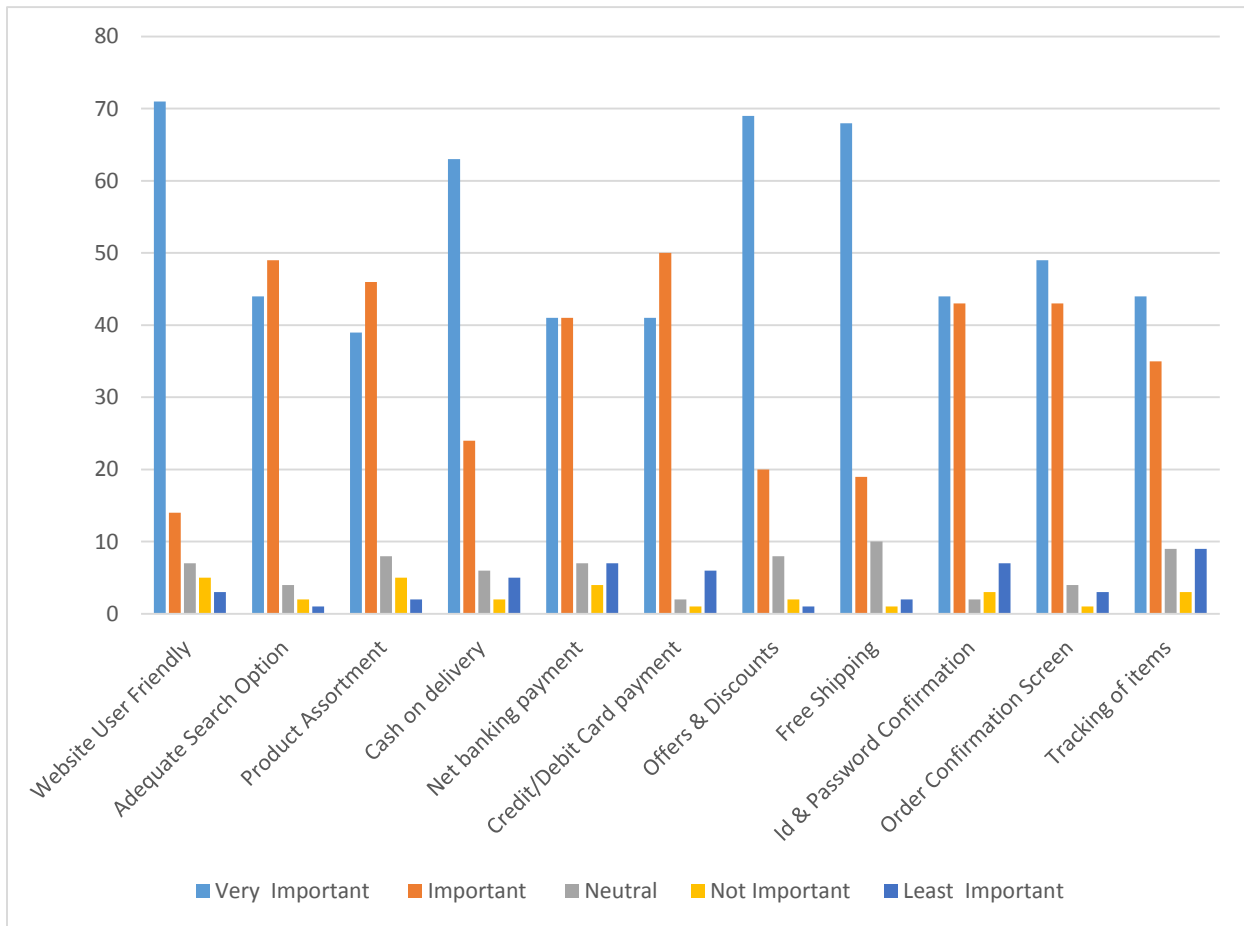
Illustration:

➤ The above diagram depicts that website user friendliness forms an important factor when it comes to online shopping, more the website user friendliness will determine more number of visits on a website which will in turn results an increase in the sale truncations for the particular shopping site.

➤ Adequate search option is the search bar which is used by the user to search for a particular type of product in the website. The above graph depicts that user feels that adequate search bar form neither important nor unimportant part of the online shopping website.

➤ Product assortment in an online shopping website helps the user to easily track the product they are willing to buy. Eg. In apparels category products can be assorted in

categories like male & female, jeans or tops, salwar, kameez etc. From the above graph we can determine product assortment form neither important nor unimportant part of the online shopping website.

➢ Cash on delivery forms an important aspect of the online shopping website in Indian online shopping market, the above graph depicts that it does forms and most important part on the online shopping.

➢ The other mode of payment gateway through net banking and credit/debit banking also forms an important part of the online shopping website.

➢ The above graph depicts that along offers & discounts, free shipping also forms as the most important factor for the online shopping website, which forms a motivating factor for the user to shop.

➢ When it comes to security aspect of the website Id & password forms an important aspect of the online transaction. The other aspect order confirmation is the like the shopping cart where the user gets the list of items he/she is going to purchase which avoids unnecessary purchase of the product , also forms an important part of the online shopping website.

➢ When it comes to tracking of items service in online shopping most of the respondent think that it is an important service which allows the user to track their items in transit.

10. According to respondents what are the Issues regarding online shopping

People may select more than one checkbox, so percentages may add up to more than 100%.

No guarantee	Possibility of forgery	Product highly priced	Too much clutter	Security issue	Physical examination
26	19	8	17	44	74

Illustration:

➢ The above data determines that physical examination that is the tangibility of the product is the important issue when it comes to online shopping.

➢ The other factor which demotivates the user to shop online is the security issue, which consists of issues like phishing, hacking of accounts etc.

11. Respondents like to shop for grocery items from where.

People may select more than one checkbox, so percentages may add up to more than 100%.

Local Kirana	Ration Shop	Sabzi Mandi	Supermarkets
34	12	20	85

Shopping Centres

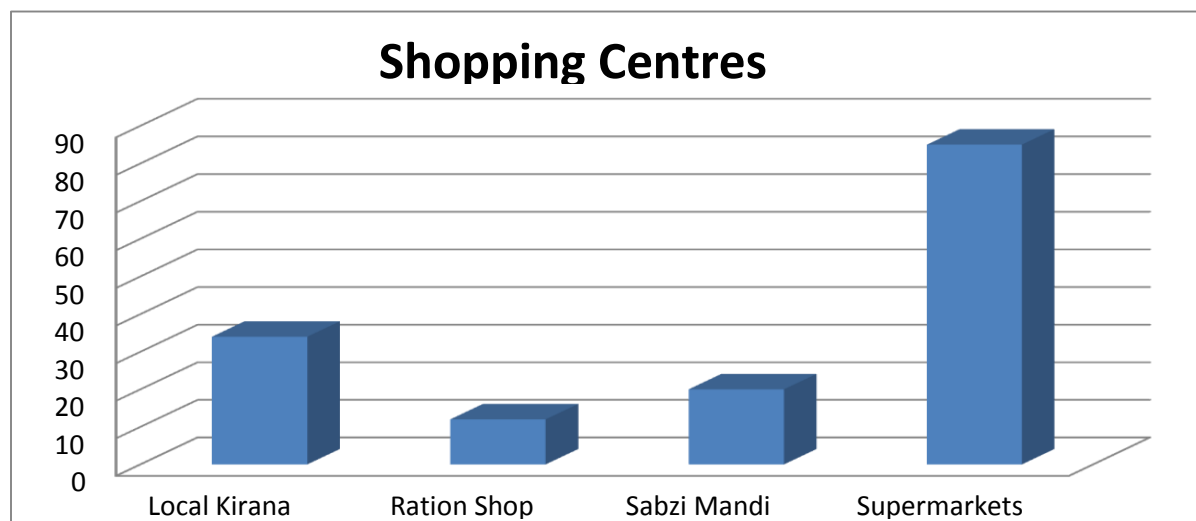|	Local Kirana	Ration Shop	Sabzi Mandi	Supermarkets

Illustration:

The above graph depicts that most of the respondents shop from supermarket for grocery items.

The reason for shopping from the particular shopping Centre can be depicted below.

12. According to respondents what are the main parameters for shopping grocery at a particular shop.

People may select more than one checkbox, so percentages may add up to more than 100%.

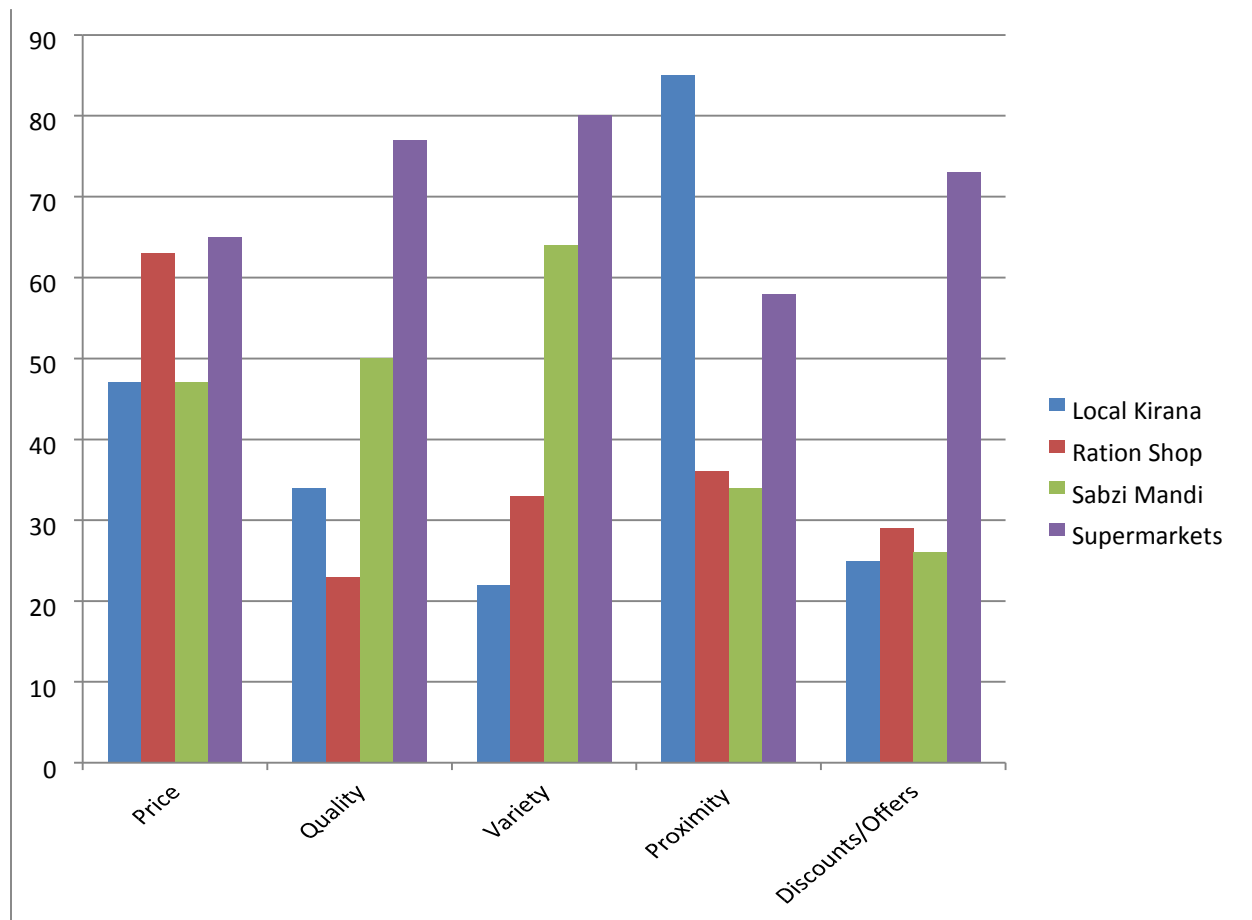|	Price	Quality	Variety	Proximity	Discounts/Offers
Local Kirana	47	34	22	85	25
Ration Shop	63	23	33	36	29
Sabzi Mandi	47	50	64	34	26
Supermarkets	65	77	80	58	73

Illustration:

- ➤ The above graph depicts that, when it comes to price factor people prefer to shop from supermarket and ration shop as these shopping centers offers grocery items at wholesale prices.

- ➤ User prefers to shop from supermarket when it comes to the quality of the product.

- ➤ When it comes to availability of variety of grocery items offered at a particular Centre, user prefer supermarket Centre of shopping.

- ➤ From the above graph we can determine that user choose local kirana stores for shopping grocery items as they are proximate to their home.

- ➤ User prefer supermarket to shop grocery items as they offer more discounts & offers compared to the other shopping centers.

31

13. In various option, respondents like to buy grocery item online or not.

Yes	No	Maybe
37	28	35

Option to buy grocery online
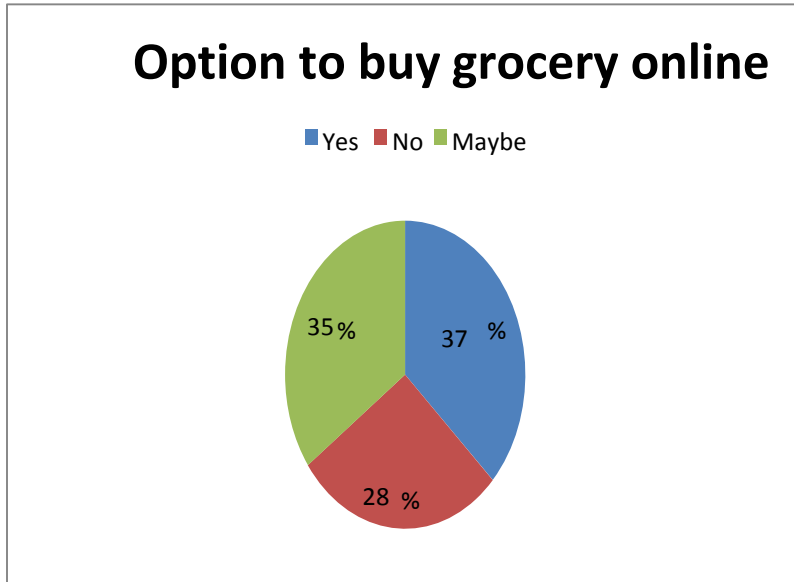
■Yes ■No ■Maybe

35% 37 %

28 %

Illustration:

➤ The above graph depicts that around 37% of respondent are willing to buy grocery online if the option is given.

➤ The remaining percentage of the respondent may or may not buy grocery online due the factors like physical examination and security issues.

14. According to respondents buying grocery online is beneficial or not.

Beneficial

■Yes ■No

42%

58%
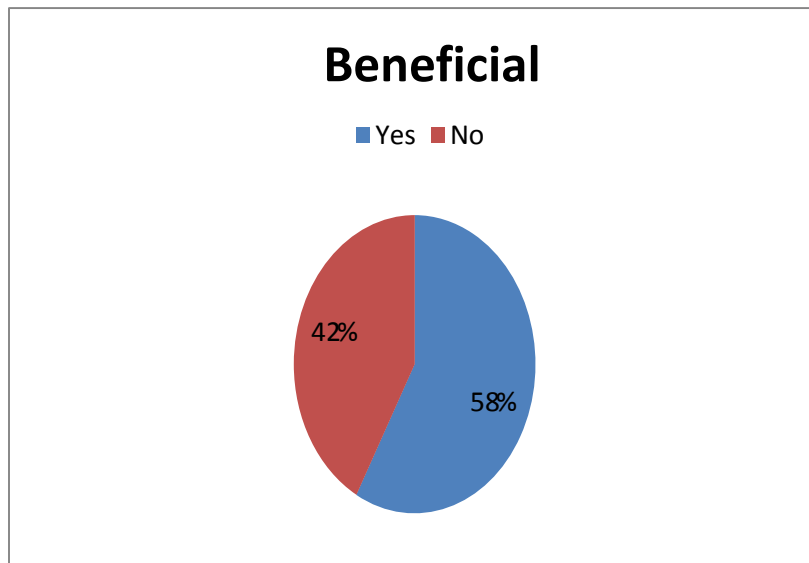
Yes	No	Total
116	84	200

Illustration:

➤ The above diagram depicts that most of the respondent think that buying grocery is beneficial which can be determined from the next question.

➢ The remaining respondent thinks that online grocery shopping will be not beneficial due the factors like forgery products, highly priced products and no guarantee of the product.

15. Feature of eGrocery store that attracts respondent.

People may select more than one checkbox, so percentages may add up to more than 100%.

Easy to order	Variety	Discount & Offers	Saves time	Avoid long queues
46	39	35	71	58

Beneficial Factors
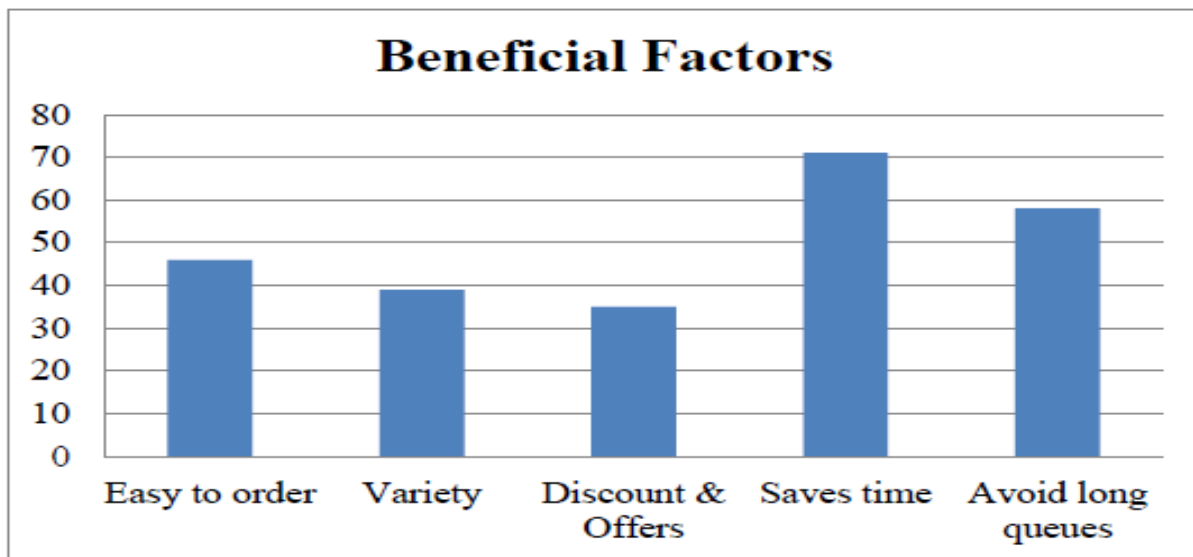
Illustration:

➢ The above graph depicts that user respondent think that online shopping will be beneficial as it will save their time to shop for grocery items.

➢ The next relating aspect why consumer will shop grocery online as it will allow the user to avoid long queues resulting in reduction in time spent in shopping.

➢ The other factors why online grocery shopping will be beneficial as it will allow the user to shop all the grocery at a particular place with discounts and offers.

7-Observations:

➤ From the data collected above we can observe that there is an increase in the number of respondent in online shopping as there is awareness about this concept in the market.

Certain parameters which motivates the user to shop online are:

➤ User friendliness of the website.

➤ Discounts and offers, offered by the website.

➤ Cash on delivery form an important gateway in online transaction.

➤ Free shipping is the most important factor which motivates the user to shop online.

➤ Physical examination is the important issues in the online shopping which determines the tangibility of the product.

➤ The data depicts that supermarket are the preferred shopping destination as it offers all the basic aspect of the online shopping which are price, quality variety, proximity to home, offers & discounts.

➤ From the above data collection we can determine most of respondent agree to buy grocery online if the option is give.

➤ The data also determines the factors which will be beneficial for the consumer to shop grocery online which are variety at one shop, saves times and avoid long queues.

8-Recommendations:

When it comes to operational aspects of the business, the firm should consider the following business operation model:

1-Instead of going the regular ecommerce way of Grocery shopping, the firm should start up by bringing existing retailers online.

2-For the purchase of the grocery item user can choose their nearby Kirana Store from the listed stores along with a convenient time of the delivery.

3-The local store would be informed about the order and it would be delivered to the address at the time mentioned with the payment of cash only on delivery.

Following are the important aspects of the proposed business plan:

1-The firm will have a low operating cost compared to other online grocery website, as they don't have to stock any inventory of grocery products.

2-The firm main cost will include cost of dealership from the local retailers.

3-Other cost will include the cost related to website designing, HR personal, computer database hardware & software, building cost etc.

4-It will allow the firm to eliminate the cost of brand loyalty of the branded grocery item which reduces the operating cost to a great extent.

5-It will develop a better relationship between their neighborhood retailer and the consumers.

6-It will allow more user interference, when the consumer can order their grocery from the trusted local retailer, than unknown player in the market.

7-Also it will protect the local retailer from diminishing from the market due the presence of supermarket and foreign players in the market.

In order to increase the productivity of the site, the firm should offer special discounts with respect to seasons like Diwali, Ganpati, Holi etc, also special packages should be created as monthly ration.

8.1-Proposed Operational Model for eGrocery store-

Objective of e Grocery store operation could be to serve customers flawlessly and make effective network between distributor, wholesaler, retailers and household customers. Model should have sustainable technology to give customer the best value and quickest service.

Business Model
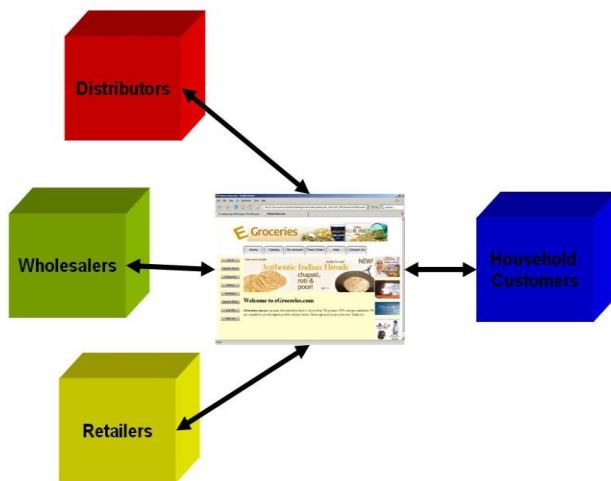
eGrocery store could work on common platform where the distributors, retailers and wholesalers can supply to the needs of the household customers. eGrocery store enables a greater market reach to the suppliers and convenience to the customers.

It could provide an online platform for household customers to choose from a wide variety of products listed by the suppliers (distributors, wholesalers, retailers). It also allows the suppliers to enlist their products to ramp up their sales by increasing their reach. This portal also acts intermediately between the distributor and wholesalers or retailer to supply goods that are unavailable locally.

8.1.1- Categories of Business

The main model of business can be categorized into two major divisions according to the customer segment and the type of their interaction with the suppliers.

Business to Customers (B2C)

This is meant for household customers. Operations can built around providing convenience, quality and best value for money to the end users. The customers can browse through the catalogs and see the different items listed by the suppliers. Customer orders the selected items and delivery team will deliver the product on their doorsteps. This can be the main focus and concentrate all of initial resources at this.

As in this category eGrocery store consumers do not care how the order is fulfilled so business can design own supply chain. In this category selling hundreds of thousands, so operation team can keep eyes on statistical analysis of customer base to figure out what's going on at any point in time with any particular type of customer.

Business to Business (B2B)

This system meant for the wholesalers and retailers who need some items which are unavailable in the local market. This is for bulk shipments and customers can be charged for the shipment.

- In this category store can develop one to one customer relationship. Here customers are the wholesalers & retailers. When it comes to a business it does not account for a single decision making unit, because there is a great difference between selling to an individual and selling to a business. Business do have number of distinct individuals and many different people will likely to have an influence on the decision making process.

- Store can maintain relationship with the wholesaler, as a customer to go deeper to maintain relationships with individual decision makers. Success could not be just in terms of how many new customers can be acquired but in terms of how deeply able to penetrate current customer accounts. This approach can directly connect the manufactures to wholesalers and retailers and being as an intermediary service provider store can gain share. Inventory could be reduced by establishing a closer communication process with the suppliers in terms of input needs and procurement time frames.

8.1.2- Business Process

The business process for the eGrocery store can be segregated into the following sub categories:-

1.   Buying Process
2.   Selling Process

Buying Process

This process allows users to search and buy different products listed by sellers.
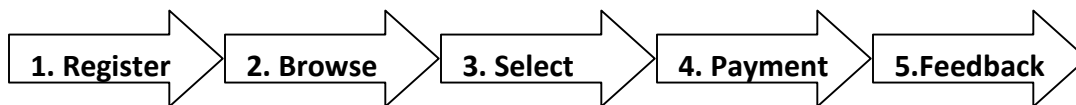
Registration

To buy on eGrocery store one must be a registered user. It must be fast, easy and free. As a registered user, they can shop and place orders on eGrocery store. The registration involves the following steps:

    1. Contact Information

    2. UserID & Password Creation

    3. Email Confirmation

Browse

Browsing is clicking through lists of titles called categories until one find something they are interested in.

Select

Before one buys or place an order, they can know about the item and seller to make an informed decision, pay attention to the:

- Listing information
- Product details
- Shipping and payment details
- Seller information

Payment

After the buyer select products they are given a choice of selecting their payment mode/method. There are many payment methods and most sellers offer more than one. Some methods offer more protection than others. Listed below are the most common payment methods:

- Cash on Delivery (COD)
- Buyer Pays and Picks Up
- Net Banking
- Debit and Credit card

Feedback

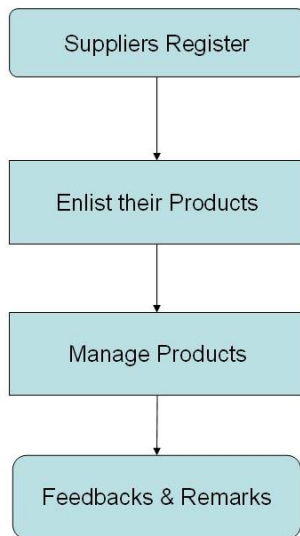Feedback can made up of comments and ratings left by members who have bought from and sold to. Once you have received your item, it is time to leave feedback for the seller and the item, letting future buyers know about your experience with the seller.

Type of information typically included in seller feedback:

- Satisfaction with the item
- Quality of communication
- Quality of packaging
- Promptness of shipping
- Courteousness

Selling Process

This will allow the retailers, wholesalers and distributors to enlist themselves and their products to reach to the customers. The following flow chart explains the process.

```
┌──────────────────────┐
│  Suppliers Register  │
└──────────────────────┘
           │
           ▼
┌──────────────────────┐
│  Enlist their Products │
└──────────────────────┘
           │
           ▼
┌──────────────────────┐
│   Manage Products    │
└──────────────────────┘
           │
           ▼
┌──────────────────────┐
│  Feedbacks & Remarks │
└──────────────────────┘
```

Supplier Registration

The supplier must enlist themselves by registering themselves with a fixed cost amount. Registration involves following steps:

1-Contact Information

2-UserID & Password Creation

3-Email Confirmation

Enlist Products

The supplier must enlist their products with appropriate details, pictures, description, prices etc. Each product enlistment requires a onetime cost.

Manage Products

The suppliers are allowed to modify their entries which are already listed.

Feedbacks & Remarks

 The feedbacks from supplier will be taken to improve the process.

Revenue Sources

The revenue sources of eGrocery store could be very simple. The revenue model can be segregated onto the following sub categories, namely:

1. Registration Fee

Manufacturers or Distributors pays annual rent for registering to eGrocery store. In order to enlist their products or to put any kind of advertisements the companies must be registered. This is a fixed rent.

2. Listing Fee

Manufacturers or Distributors pays annual rent for listing each product. This is a variable rent calculated keeping the cost and various other factors in mind.

3. Service Charges

Service Charges are in terms of the following:

- Shipment – eGrocery store charges a nominal amount for shipment of products to the door step. This depends on the distance and amount gradation.
- Maintenance – eGrocery store can charge a percentage of the order for maintenance of its business.
- Discounts – eGrocery store could offers discounts to all of its deals depending on the time and volume of orders.

4. Advertisements as Revenue source

eGrocery store can allow different advertisements which is also a source of revenue.

Registration

Service Tax

Advertisement

PHYSICAL EVIDENCE

Website

Telephone

Pick up Centers (Customer pays if opted for COD)

CUSTOMER

Log in

Order Entry

Make call

Customer receive order and pay if opted for COD

CONTACT PERSON (Visible)

Customer care executive

Delivery person collect cash(in case of COD) and take feedback

CONTACT PERSON (Invisible)

Payment (If not opted for COD)

Customer request entry

SUPPORT PROCESS

Order Preparation

Supplier

Ware house

Local retail partner

Transport Partner

Feedback to Management.

Website maintenance team

Site maintenance, security and product updating

Cash to Finance dept.

Banking Partner

Take Payment

Service Blueprint for E grocery store.

8.1.3-Operations

Stock it yourself model

eGrocery store can maintain in integrated warehouses that are able to handle shipments to web customers. Through this eGrocery store could have full control over the fulfillment process. In initial phase eGrocery store can keep limited number of warehouses in limited cities and in limited areas.

Outsourcing warehouse model:

- In this eGrocery store can use logistics specialists Federal Express (FedEx) which do the work of stockpiling and shipping web orders. So once an order comes into site it can be automatically transmitted to its warehouse and directly shipped to the customer through FedEx.
- eGrocery store could have fulfillment intermediaries that will take care of all back office operations such that they process orders, direct orders to suppliers, keep updating customers on their order progress and handling product returns and cancellations.

Some of them can be following:

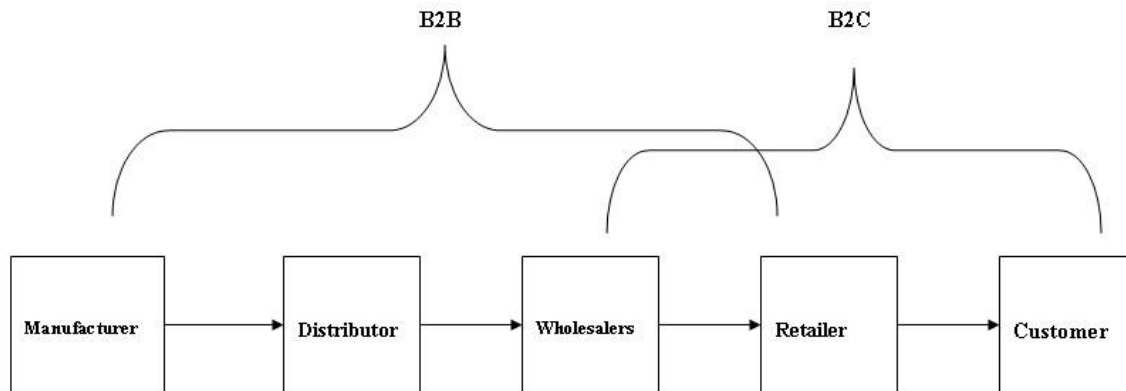 **Firefly** (customer profiles) as Seller agents

They will make markets more accessible to providers

Cyber Cash & Verisign

They are payment enablers which handle purchase transactions and their related funds transfers, as well as risk management.

Demand chain can be following according to two approaches:

Time slots for delivery

eGrocery store can have different time slots depending upon the demand of the customers. They are categorized as:

2 HOUR

eGrocery store will deliver the products within 2 hour after the order is placed. In this category store could not provide any discounts as the service level is highest in this category. This will target mostly the working people who don't have time and they just order when they want any product.

6 HOUR

Customers will get a certain minimal amount of discount in this time slot. This will target the family based customers who plan to make something few hours later and need the products in a few hours of time. They will be generally middle sized customers.

1 DAY

Quite a god amount of discount would be given to these customers as they are just directly reducing good amount of transportation cost i.e. from warehouse to warehouse or from warehouse to consumers. These customers are also the family based customers but their demand is slightly flexible than the previous time slot. This will target customers who are middle-sized and above.

2 DAY

This will mainly target the upper segments that are used to keep product stock. They will be benefited maximum discounts as the transportation costs are least here because time to deliver products is too large. In this much time several orders can be seen in the places around the ordered places.

Inventory Mnanagement-

This is a key term in terms of cost effectiveness. It is the direction and control of activities with the purpose of getting the right inventory in the right place at the right time in the right quantity in the right form at the right cost.

eGrocery store can optimize supply chain by keeping the inventory level very low by using certain techniques such as fluctuation inventory, lot size inventory & cost of placing orders. Store can maintain lower inventories from the 2 hour & 6 hour time slots because these orders are smaller in quantities and carry lower inventory costs.

Fluctuation inventory

This can be introduced in inventory management with purpose of preventing disruptions in deliveries to customers. Store could maintain a buffer stock which will protect against fluctuations in supply and demand and lead time and it will also remove stock out situation.

Lot size inventory

eGrocery store can purchase items in quantities greater than needed to take advantage of quantity discounts, to reduce shipping and setup costs. This portion of our inventory depletes gradually as customers' orders come in and is replenished cyclically when new orders are received. Depletion is done according

Cross docking

In this strategy goods are moving directly from warehouses to consumers. This distribution strategy can be applied to the customers and distributors who are supplied (in case of B2C & B2B) by central warehouses which thus act as coordinators of the supply process and as transshipment points for incoming orders from distributors and consumers but in this strategy

eGrocery store do not keep any stock.. This technique is mainly used for the larger time slots that are 1 day & 2 day.

Refresh inventory

eGrocery store can constantly refresh inventories through the received orders and products coming from the distributors. When a new lot of product comes to the warehouses then it could be sent to those customers directly who are already present in warehouses.

Warehouse to warehouse

It includes cost of moving the items from one warehouse to other. This will mainly occur when the cost of moving goods from distributor to warehouse is high than the cost of moving products among the warehouses. Example, when one consumer demand for any variety of products and it's not available in the nearby warehouse, then eGrocery store can order the product from the nearby warehouse to avoid the high cost of ordering product from the distributor.

Warehouse to customer

This includes the cost of shipping the products from the warehouse to the customers. eGrocery store can have warehouses in the areas where the demand is high and if some item will not be available in the nearby warehouse then item can be shipped from the next nearby warehouse. If the time slot is in 1 day or 2 day then can ship the items directly from the distributors using the cross docking strategy.

8.1.4-Logistics network
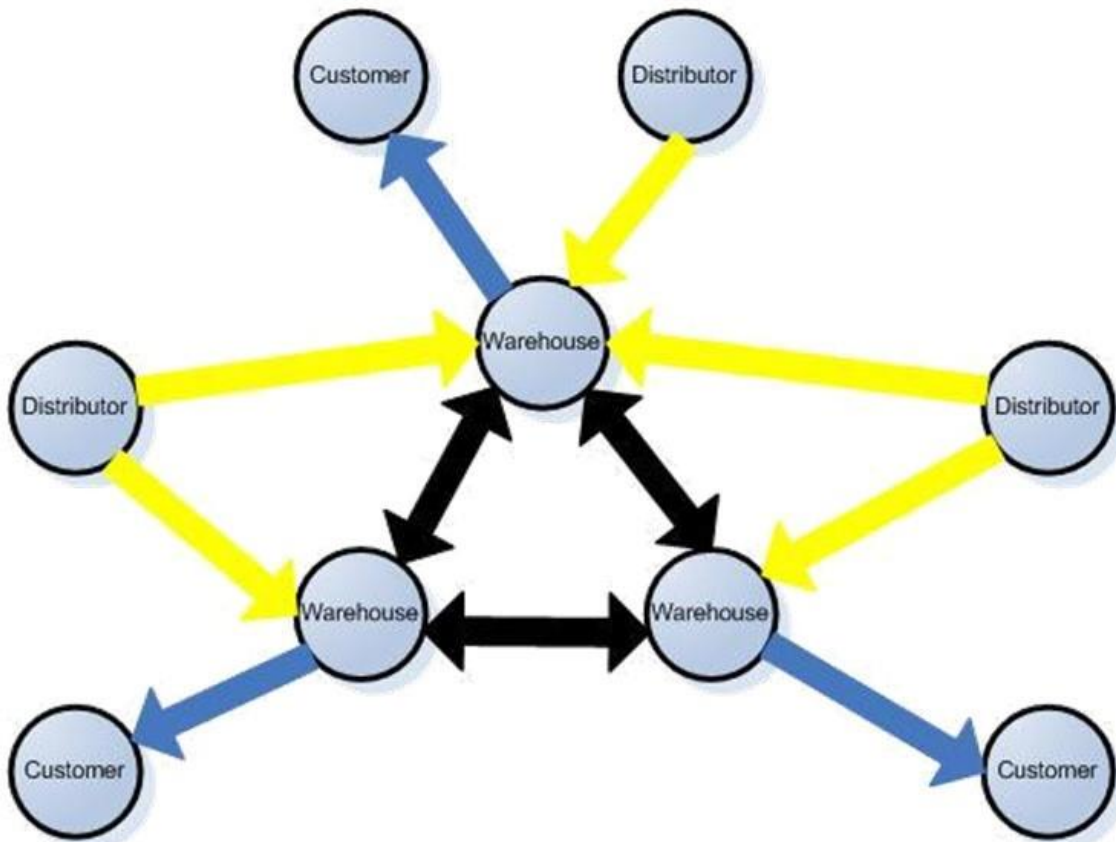
eGrocery store logistics network could help in integrating companies activities by:

1) Mirroring the marketing "mission" of the company

2) Improving the efficiency of material and information flows

3) Bringing sub-systems together

8.1.5-Marketing Strategy

eGrocery store targets a niche category of customers with specific needs. The needs of the market which was unattended by traditional practices are needed to be catered. First there must be an awareness spread across the population for converting the needs to demands. The marketing strategy is made to sustain the business. eGrocery store is a disruptive technology destined to topple the traditional practices. The marketing strategy will be aligned to achieve objectives. .

Unmet Customer Needs

Following are the pain points in the industry that eGrocery store can get away with.

1. Convenience

In this fast paced life of metros customer does not have time to drive down to the shop and get the groceries. The drive takes petrol and time along with traffic frustrations. The customer needs convenience of door step delivery.

2. Quality

The traditional system does not assure quality. eGrocery store can plan to operate at 6 sigma and try to replace any defects and customer satisfaction with top priority. Degradable quality leads to hassle, inconvenience.

3. Value for Money

EGorocery.com could offer a great value for money for all its offerings. It promises the cheapest deals in the market than any other methods as we provide discounts for all deals.

8.1.6- Offerings

eGrocery store offerings can be categorized into the following categories:

Offerings to Suppliers

Offerings to the suppliers are very lucrative at a minimal cost.

1. Greater Reach
2. Greater sales volume
3. Easy access

Offerings to Customers

1. Convenience
2. Timely delivery
3. Cheapest Deals
4. Quality Assurance
5. Value for money

8.1.7-Market Segmentation

eGrocery store could have customers for its business:

- Customers are aged between 23years and above.

- Customers whose house hold income is > Rs15, 000/- Per Month.

- If any customers are having dual income households.

- Customers / households with children.

- Customers with education level above Bachelors, since they have to be educated about internet and its usage.

- Consumer who are looking for convenience; that means they do not want to invest time in traveling and shopping.

- Average commute time to work of customers.

- Customers number of households with internet access and its awareness.

- Customers & adults with credit cards access.

- Last but important customers "Female shoppers".

So eGrocery store can justify market segmentation by

Segmentation Type	Variables
Geographic	Metro and cities
Demographic	Aged 25-44 years; No sex barrier; income above 15,000/-
Behavioral	Awareness & access to Internet; power of using payment through it
Occasion	Planned for personal as well as public occasions
Benefits	Ease of purchase; power of freeness; Best quality provided

Market readiness of technology

Technology vulnerability: eGrocery store can enable penetrating technologies but with respect to the well-known in the market that is well defined and used by the customers and the end users.

Technology adoption: The ease and flexibility for adoption of new technology. So that customers can take advantage of the same.

Advertisement Strategy

This section is very important as per eGrocery store business and the race of competition. Store can plan the different ways to promote and advertise out site.

- Advertising it in the known & popular sites as yahoo, Hotmail, MSN etc.
- Indexing site in different and popular Search Engines and product & offers available in website.
- Using media planning i.e. newspaper, television advertisements & magazines.
- Offering gifts in different occasions & Celebration

9- Conclusion:

From the above data analysis it can be conclude that consumer buys goods from the online shopping website on the basis of factors like offers and discounts, variety of product available, free home delivery, website user friendliness and cash of delivery payment option.

The hypothesis framed for the project Consumer Perception towards Online Grocery Shopping was "Online grocery shopping stores are beneficial for the consumer".

From the above data analysis it can be determined that most of the respondent would agree to buy grocery online rather than shopping of grocery with the traditional method.

Out of the agreed respondent to buy online grocery, most of the respondent would think that it would be beneficial to shop grocery online on the basis of factors like easy to order, variety, discounts/ offers, saves time and avoid long queues.

With above analysis we can thus prove the hypothesis to be positive.

The recommended business operation model above will not only beneficial for the consumer but also to the firm, as it allows the firm to maintain its low operating expenses and for the consumer

10 Limitations

- ➢ The first limitation caused during the research was to find out the respondent who shop online and are web savvy.
- ➢ The second limitation caused during the research was searching the women respondents who shop grocery products along with the experience of online shopping.
- ➢ Other limitation caused in the market research was that the research will only study the consumer perception towards online grocery shopping and not the dealers, wholesalers or retailers' perception towards online shopping which acts as an agent to the online retail industry to support its business operations.

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12-Annexure

Questionnaire on Online Grocery Store

Name:

Gender:-

□ Male

□ Female

Age:-

□ 18-24

□ 25-30

□ 30 and above

Occupation:-

□ Student

□ Service

□ Business

Income Level:-

□ 1 lakh – 5 lakhs

□ 5 lakhs – 10 lakhs

□ 10 lakhs and above

Q1. **Which item you shop online?**

☐ Apparels

☐ Books

☐ Electronics

☐ Food

☐ Games

☐ Music

☐ Any other(Please specify)

Q2. **How much money do you spent in online shopping? (Rupees)**

☐ 100 – 500

☐ 500 – 1000

☐ 1000 – 5000

☐ 5000 & above

Q3. **When do you feel the need to shop online?**

☐ When I need home delivery

☐ When I want something unique and special

☐ When I need to compare prices

☐ When I don't have the time to find things by different markets ☐ Any other(Please specify)

Q4. **What features in online shopping website attracts you?**

    □ The design of a website

    □ Discounts offered

    □ Advertisement

    □ Variety

    □ Value for money

    □ Any other(Please specify)

For question 5-9- Rate the following feature on scale of 1 to 5. Where 1 represent very important and 5 represent least important.

5- While shopping online rate the following feature of website design that affect your satisfaction level.

Feature	Very important	Important	Neutral	Not important	Least Important
User friendly					
Adequate search option					
Product assortments					

6- While shopping online which payment option do you feel most reliable?

Feature	Very important	Important	Neutral	Not important	Least Important
Cash on delivery					
Net banking					
Debit/ Credit Cards					

7- Which of the following Product Options do affect your buying decision while shopping online.

Feature	Very important	Important	Neutral	Not important	Least Important
Offers & Discounts					
Free Shipping					

8- Which of the following Security feature affect your buying decision while shopping online.

Feature	Very important	Important	Neutral	Not important	Least Important
Id & password					
Order confirmation screen					

9- Rate the tracking feature of your ordered item.

Very important	Important	Neutral	Not important	Least Important

Q10.   **What are your issues regarding online shopping?**

□ No guarantee

□ Possibility of forgery

□ Product highly priced

□ Too much clutter

□ Security issue

□ Physical examination

□ Any other(Please specify)

Where do you shop for grocery items?

Q11

□ Local Kirana

□ Ration Shop

□ Sabzi Mandi

□ Supermarkets

Q12   **Tick more than one parameter for the particular shopping place**

Regarding why you choose certain grocery shops for shopping?

Shopping Places	Parameters				
	Price	Quality	Variety	Proximity to home	Discounts/Offers
Local Kirana					
Ration Shop					
Sabzi Mandi					
Supermarkets					

Q13.   **If given an option to buy grocery online will you buy online?**

□ Yes

□ No

□ May be

Q14.   **Do you think buying grocery online is beneficial?**

□ Yes

□ No

Q15.   **Why do you think buying grocery online is beneficial?**

□ Easy to order

□ Variety at one shop

□ Discounts & offers

□ Saves time

□ Avoid long queues

□ Any other (Please specify)