Project Dissertation Report

on

CONSUMER BEHAVIOUR IN ONLINE RETAIL

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the Project Dissertation titled "Consumer behavior in online retail", is a bona fide work carried out by Ms. Vandana Rana of MBA 2018-20 and submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfilment of the requirement for the award of the Degree of Masters of Business Administration.

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DECLARATION

I, Vandana Rana, student of MBA 2018-20 of Delhi School of Management, Delhi Technological University, hereby declare that Major Research Report on "Consumer behavior in online retail" submitted in partial fulfilment of Degree of Masters of Business Administration is the original work conducted by me. The information and data given within the report is authentic to the best of my knowledge. This report is not being submitted to any other University for award of any Degree, Diploma and Fellowship.

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Due to the very fact that all the information and knowledge needed was not within the literature, it was of vital importance that the people those who guide be very resourceful and knowledgeable.

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Vandana Rana

2K18/ MBA/ 083

EXECUTIVE SUMMARY

Online retailing has emerged as a big force in the 21st century. It has completely changed the landscape of retail market. Online mode provides so many benefits to its customers under one roof. Thus, it is essential to study consumer behavior to device new marketing strategies to lure and satisfy more and more customers. The primary purpose of this research is to find and analyze the main factors which motivate customers to buy online. The project attempts to find whether there is a relation between demographic variables and customers shopping mode preference. We also aim to measure customer loyalty towards their preferred online store.

Web based survey is used to collect the primary data. Convenient sampling technique is used with a sample size of 60. Out of 60, 52 people responded with a response rate of. SPSS software was used to analyze the data. We have used chi-square and ANOVA for data analysis. According to the findings, the main motivational factor to buy the product online is convenience and time saving. Age and gender of a customer has a relation with the preferred shopping mode. Income of a customer influences the online shopping frequency. Very limited number of customers show high loyalty towards their preferred brand. Maximum of them shows moderate loyalty.

There are various limitations of this study. The respondents were selected only from a particular area. Another limitation is limited sample size. Convenient sampling technique is used with a sample size of 60. Future studies can be done with a bigger sample size and including customers from different geographies. E-retail companies can refer this study while formulating new strategies. It will help them to identify the demographic segments who prefer online mode over offline mode.

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CHAPTER 1

INTRODUCTION

1.1 E-retail

Today, internet is perceived as a channel through which a large number of individuals convey, do research, find sources of entertainment and most as of late purchase and sell items and administrations. Indeed, web-based shopping is one of the most mainstream exercises that occur on web. Due to emerging corporate jobs, people are getting busier day by day. It becomes tough to extract time from the busy schedule to go out for shopping goods like-grocery, apparels, gadgets etc. E shopping comes to rescue this time. It is so convenient and time saving. People can buy goods at their own comfort level. Although, traditional shopping has so much advantages and is still preferred by a large segment of customers. But, still we can't deny the increasing popularity of e shopping.

In the present 21st century, businesses in every sector is flourishing with the help of multichannel. And, especially web-based shopping has seen a surge and is prominent throughout the world. Internationally, online business established about 2.29 trillion-dollar showcase (John, 2018) and expected to arrive at 4 trillion dollars by 2020 (eMarketer, 2016) because of the twofold digit overall development in deals (15%) and request (13%) (eMarketer, 2018) in a wide range of web-based business, for example, business-to-business (B2B), business-to-buyer (B2C) (Zuroni and Goh, 2012).

Asia Pacific region is driving the development of internet shopping when contrasted with the develop market, for example, the US, UK, Japan and European Countries. The Asia Pacific recorded gigantic development, particularly in China. If we look at the 2016 data, Asia pacific region's E-commerce sector earned \$1 trillion. In it, china dominated with the net estimate of \$899 billion (eMarketer, 2016). With an ever-increasing number of purchasers become progressively acquainted with the Internet and its advantage, web-based shopping is getting mainstream and is getting preferred by a large segment of customers looking for some special benefits.

Online shopping websites provides a wide range of product visuals and pictures. Models wearing the dress are used to give a real life feeling of the apparels. A lot of information about the product is clearly specified, which might be overlooked while traditional offline shopping. E shopping gives a wide range of products and give us the option to compare it with other products in terms of cost, brand and quality.

1.2 E-commerce background in India

E-commerce industry in India is growing day by day. According to experts, in the coming few years it will see an exponential growth and will leave behind many developed nations. Online retailing is witnessing a heavy investment by private sector. There are many big players such as Flipkart and Amazon. Other players are also seeing a tremendous growth.

There are two major drivers of the growth in this sector. First is increasing number of cell phones. Lots of companies are coming who are providing excellent smartphones at low prices. Because of the low cost, these smart phones purchasing is increasing day by day in India. Second is increased internet penetration. It was single digit till last decade and now it has increased to 50%. It helps people to shop online and increasing the value of this sector.

Other major drivers of this sector are amazing fiscal execution, increasing internet penetration and young customer profile. Government of India is also fully supportive as evident from its policies and administrative structures. For example, there is a provision of 100% FDI in both, B2B and commercial centre model of B2C e-business. National E-commerce policy (2019) ensures competitive environment is fair and every player get equal opportunity to win.

1.3 Advantages and Disadvantages of E-retailing

Online retailing has large number of benefits associated with it. Nowadays due to increasing corporate jobs culture, people are getting busier day by day. It is very cumbersome for them to find the time out of their busy schedule and plan their shopping. Grocery items possess a big challenge as compared to other product categories. Because most of the people buy them on weekly or monthly basis. Online shopping solves these problems. With just one click, individual can order the products and have it delivered to their doorstep. There is no need to stand in a queue and look for parking space in the mall. As number of working women is

increasing, online shopping is giving a perfect platform to ease out their problems. Online websites provide us with pictures and vivid descriptions of the product. They give us an opportunity to search for a wide variety of products and compare them before buying. It is really convenient and satisfying. Online stores are improving continuously their on time and speed delivery.

Although, online shopping gives so many advantages and benefits. There are certain disadvantages and risk factors also associated with it. Cyber safety and safe transactions is one of them. People complaint that the touch feel is missing while buying online products. Certain under developed regions don't enjoy the delivery facilities. Reliability of the product is also one main concern. Products received are often find to be completely different thsn promised on the website. All these factors make the customers dissatisfied and averse to online shopping.

1.4 E-retailing challenges in India

E-retailing faces multiple challenges such as cyber security, poor infrastructure, tax related issues, fraud incidents, inadequate digital literacy and cut-throat competition. Various states do not have a uniform structure of tax. There is also the presence of ambiguity in offering categorization into services and goods. Taxation guidelines are not clearly defined for transactions such as e-wallet, vouchers and cash on delivery. Some of these will be solved once people get use to of new Goods and Service Tax.

Occurrences of circulation of fake merchandise through E-business stage have likewise been expanding which has added to the hardships of the two shoppers just as E-trade organizations. This is predominantly a direct result of the nonattendance of a dependable system which can permit customers to verify venders or their items. Information/digital security is another significant test looked by the players as they manage tremendous volumes of client data, a great deal of which is imparted to outsiders, for example, coordination suppliers raising worries about misuse by outer elements.

Another problem is payment by clients in real money. Accepting payment in real money (COD) makes the procedure relentless, laborious and progressively costly for the organizations as their working capital prerequisite increments. Better yield proportion for products sold online is additionally demonstrating costly and introducing difficulties for

organizations. By chance, return level of requests in COD is a lot higher contrasted with online payments.

CHAPTER 2

PROBLEM STATEMENT

2.1 Rationale

Internet penetration in increasing day by day in both developed and developing countries. Internet helps to provide a lot many services. One of them is E-retailing. E-retailing helps the seller to sell their products directly on the online platform. There is a reduced need of third parties such as distributors, wholesalers and retailers. It helps in reducing total expenses and increases the profitability.

E-retailing is equally valuable for the customer as well. It is convenient and time saving. It prevents the customer to take time out of their busy schedule, stand in long queues, wait in the parking area etc. It is particularly favorable for working corporate couples. This online platform is cost saving due to removal of intermediaries. It provides large variety of products and goods. It provides secure and safe payment methods. The number of people who prefer online shopping is increasing day by day. Thus, due to growing need and demand this market is flourishing like anything. It is utmost important for the businesses to understand consumer behavior in this sector. It will help them to make customer centric strategies and will result in high customer contentment.

This research paper attempts to understand the consumer behavior with the help of web-based survey. We aim to find the main motivational factor for customer to buy a product online. We want to know if there is a relation between the different variables involved in the study. The scanning of the decision-making process will help us to understand our customers better.

2.2 Research Objectives

Consumer behavior has always been a very favorite topic of research for marketers. It helps them to understand the mental makeup of consumers. Which facilitates to make suitable decisions and strategies for market capture. Present study tries to understand the consumer behavior in online retailing. Online retail has emerged as a big sector in 21st century and thus it is utmost important to understand the customer decision making!

The project has been undertaken with the primary objective:

• To understand the consumer behavior in online retailing and the main factors which motivate to buy online

Secondary objectives include:

- To understand the relation between various demographic variables and shopping preference
- To determine customer loyalty towards their preferred e-retailers

2.3 Research questions

This study tries to answer the following questions-

- What is the main motivational factor to buy online?
- Is there a relation between age and preferred mode of shopping?
- Is there a relation between gender and preferred mode of shopping?
- Is there a relation between income and shopping frequency?
- Is there a relation between gender and shopping frequency?
- Is there is a difference in the mean of quality rating of various online store?
- What is the preferred online store in India?
- Are the customers loyal towards their preferred online store?

2.4 Research Hypothesis

Age and Preferred shopping mode

Wagar and Lindqvist (2010) also explained that age is a relevant factor in service design. It is possible that customers belonging to certain age group are inclined towards a particular mode of shopping. Based on the above arguments, the current study states Null and Alternate Hypothesis as:

H0: There is no relation between age and preferred shopping mode.

H1: There is a relation between age and preferred shopping mode.

Gender and Preferred shopping mode

Market segmentation is often done on the basis of gender. Gender differences can affect consumers' approaches to decision making (Mitchell and Walsh, 2004) and the decision difficulty (Walsh and Mitchell, 2005). It is possible that customers belonging to a particular gender are inclined towards a particular mode of shopping. Based on the above arguments, the current study states the Null and Alternate Hypothesis:

H0: There is no relation between gender and shopping mode.

H1: There is a relation between gender and shopping mode.

Gender and frequency of shopping

A lot of research has been done on impulsive buyer behavior of people. Gender differences can affect consumers' approaches to decision making (Mitchell and Walsh, 2004). Some research suggests that women are more impulsive buyer as compared to man. Based on the above arguments, the current study states the Null and Alternate Hypothesis: H0: There is no relation between gender and shopping frequency. H1: There is a relation between gender and shopping frequency.

Income and frequency of shopping

We have taken the yearly family income of the respondents. And, recorded their frequency of shopping. It might happen that a high income stimulates people to shop more. We want to know if there is a relation between these two variables as such.

The current study states Null and Alternate Hypothesis as:

H0: There is no relation between income and shopping frequency.

H1: There is a relation between income and shopping frequency.

Means of attribute rating of different online store

By the research, we concluded that Amazon is the preferred online store. We asked respondents to rate the online store on various attributes. We want to find if there is a difference in the means or not. The current study states Null and Alternate Hypothesis: H0: There is no difference in the means of the attribute ratings.

H1: There is a difference in the means of the attribute ratings.

CHAPTER 3

LITERATURE REVIEW

Dr V. Santhi et al. (2018) did an exploratory study to understand the consumer behavior towards online retailing in Coimbatore city. The research goal is to identify the relationship between customer attitude and intention to shop and to know the factors which influence consumers attitude to shop online. To find whether there is a relation between demographic variables and consumer attitude factors. A questionnaire was distributed to a set of people and data was collected. Convenience sampling method is used with a sample size of 290. For data analysis following statistical tools are used-percentage analysis, reliability analysis, ANNOVA and chi square analysis. According to the findings, quality, price and website design are the main motivational factors to buy online. Research suggests that demographic variables - age, annual income, occupation, gender have no relation with consumer attitude factors. Educational qualification has a relation with consumer attitude factors. Some suggestions from the study are- online companies should devise a new strategy to attract female customers, sellers should focus more on quality of the product and website design to lure customers and companies should keep an eye on customers above 25 years of age. It can be concluded from the research that online shopping is increasing day by day because of its associated benefits. Proper research must be undertaken to understand various factors which influence consumer behavior. These factors help us to devise marketing strategies. Some limitations of study are: Limited sample size of 290. Research area is confined to selected areas in Coimbatore. Only structured questionnaire is used to collect the data. Study is majorly based on respondent's perceptions.

M.vidya *et al.* (2019) did a research to find the consumer behavior towards online shopping using product dimensions. The research aims to study the demographic profile of the respondents and study the association between demographic variables and customer satisfaction from online shopping. Study is confined to 2 districts- Erode and Trichy of Tamil Nadu (India). Data is collected from both types of resources. Secondary resources include journals, government sites and research papers. Primary data is collected through personal interviews. A total of 412 consumers were interviewed and data was collected and analyzed. According to the findings, there is no significant relationship between income and online

buying satisfaction level. It also states that there is no relationship between occupation and online buying satisfaction levels. Product dimensions are positively correlated with customer satisfaction level. The research suggested that company should give frequent advertisements during discounts and special offers period. Company should device a delivery service for customers which live in remote areas. These customers are not often served by other online retail companies thus they provide a major target segment. There are various limitations of the study. Limited sample size of 412. Findings are only applicable to the selected 2 districts of Tamil Nadu, it is not generalized to other states.

Zhaobin chen et al. (2005) did an exploratory research to find behavior towards online shopping in New Zealand. The research aims to find key factors which influence online purchase behavior. To find out how different categories of online customers perceive online sites different elements and factors. Mall intercept survey method is used considering limited time and budget. A survey was conducted with 8 people to know how well the questionnaire was understood. It was found that some questions were ambiguous. To make the questionnaire user friendly, ambiguity was properly removed. Total 152 questionnaires were distributed. Out of which 104 returned back. The questionnaire has 3 sections asking details about demography, online shopping perception and customer's attitudes and behavior. According to the findings, there are 3 main drivers which motivate people to buy online i.e. online site design, various privacy features and reliability. The factor which is the main reason for customer dissatisfaction is online privacy issue. The four types of online consumers have different perceptions of website factors and elements. Regular users are much more satisfied than other three. As this is the first research in New Zealand on E-Consumer behavior, it served as a groundwork and supported further research. Limitations of the research are. Random sampling technique is not used. The research respondents were selected only from the city of Auckland; thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings.

Charles Dennic *et al.* (2007) did a research to understand E-consumer behavior. An integrated model of E-consumer behavior is presented using disparate yet interconnected researches. The research gave 11 postulates and an advanced model. These 11 postulates help to understand the whole relationship model. There are various implications of this research. It

gives an integrated model to explain online consumer behavior. It gives retailers an opportunity to know, understand and satisfy e-consumers. It gives direction for further research. Limitation is that it is a conceptual paper thus it is confined to only literature.

Mohammad Anisur Rahman *et al.* (2018) did a research in Dhaka city to understand behavior towards E-shopping. The research aims to examine the problems customers experiences and their satisfaction level while online buying. Primary data is collected with the help of well-structured personal interviewing method. Secondary data is collected through journals and government websites. Random sampling method is used with a sample size of 100. Weighted ranking technique is used to find the ranks of various contributing factors in the study. According to the findings, convenience, time savings and wide variety of products are ranked 1st, 2nd and 3rd respectively influencing the customer satisfaction towards online shopping. Less quality and color, absence of touch and feel and return problems are the main problems associated with online shopping. They are ranked 1st, 2nd and 3rd respectively. There is various limitation to this research. The research respondents were selected only from the city of Dhaka; thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings. The research has great practical applications. E-retailers can understand what factors affect the customer's attitude towards e buying.

Bassam hasan (2010) did an extensive research to explore gender difference in online shopping attitude. 80 students of Midwestern university were selected to conduct the research. Among these 80, 36 were females and rest were males. In attitude, three components are taken i.e. cognitive, affective and behavioral. A website was selected to know the student response. Three statements are used to measure each of these components. Cognitive attitude is related to perceiving the cons and pros of a service. The research suggested that females' cognitive attitude towards online shopping is lower as compared to males. They are apprehensive about the benefits associated with this mode of shopping. Thus, businesses should target the female customers and make advertisements that reflects the benefits associated with online shopping. The results suggested that affective attitude of females is lower than that of men. It is bit obvious because the cognitive attitude shapes affection attitude. Affection attitude is related to feelings and emotions. Thus, increased focus should be given on the emotional and social aspects of e-shopping. Behavioral attitude was

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much higher in males as compared to females. This study has lot of limitations also. The research was conducted only on students. Only one website and limited number of products on it were selected. Thus, there is a scope for future research with taking respondents of different age, income and occupation group.

Marion Garaus(2016) did a research to understand the causes of confusion in e-retailing and the various consequences of it. The result suggested that 60% of the customers faces confusion while shopping for clothes at online stores. Followed by confusion while shopping general merchandise (25%). The main cause for customer confusion is website functionalities. Second is due to information content. And, third is due to design and navigation. The result shows that consumer confusion leads to negative word of mouth, less time and expenditure on online shopping, and cart abandonment. There is various limitation to this research. The research respondents were selected only from a particular city; thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings. This research is the first study to understand the confusion faced by customers. It has a high implication for the e-retailers. The findings facilitate e-retailers to understand the main reason for customer confusion and to make suitable strategy.

Ziqi Liao *et al.* (2005) did an empirical research in Hong Kong to understand the consumer perception of e-retailing. Total 501 questionnaire were randomly distributed to people. Out of 501, 195 people responded i.e. a response rate of 39%. Out of 195, 102 were females and 93 were males. Likert scale was used to measure the intentions, attitude and perception of customer towards online retailing. Findings suggested various factors which give positive and negative impact on customer attitude. There is various limitation to this research. The research respondents were selected only from the city of Hong Kong; thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings. The research has great practical applications. E-retailers can understand what factors affect the customer's attitude towards e buying. It also tells the importance of influence from social group and the way it shapes behavioral intentions. Further research can be done by taking customers of different geographies. Chanaka Jayawardhena (2004) did a research to find the personal values impact on customer's eshopping attitude. The research aims to measure the relation between customer attitude and e-shopping behavior. Three dimensions are taken in personal values i.e. self-direction, self-achievement and enjoyment. A total of 664 questionnaires were distributed to a random set of people. Out of it, only 625 were usable. Likert scale is used to measure customers' response. The findings suggested that personal values are positively associated to the favorable attitude towards e-buying. And, a positive attitude leads to favorable shopping behavior. The study has certain limitations also. Various factors which influence values are not taken into consideration such as – age and life cycle stage. There is no provision to distinguish the different type of goods that are purchased online. There is a scope of further research taking all the limitations into consideration.

C. Raghunath (2007) did a study to understand the Indian consumer behavior in e-retail. The research aims to find the main motivational factors for customers to buy online. Electronic goods were taken for the research purpose. Questionnaires and interviews method were used to collect information and data.100 number of questionnaires were given for filling purpose in a campus. The questionnaire consisted of both close and open-ended questions. Both regular and non-regular online purchaser were interviewed by experts. The findings suggested that price (41%) and convenience (29%) are the two main factors which motivate customer to buy online. They are followed by security reasons, discount offers and availability of products. There are various limitations in the research. Random sampling technique is not used. The research respondents were selected only from a particular campus thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings.

Upasana Kanchan (2015) did a study to understand the consumer behavior in e-retail. A structured questionnaire was developed. It uses Likert scale to measure responses and contain both open and close ended questions. Convenience sampling method is used with a sample size of 200. Data analysis have been done through tests like correlation analysis and chi square. It is found from the study that there is a positive correlation between yearly income and purchasing frequency. Customer technology familiarity is positively correlated with the online purchasing decision. And, high security concern decreases the purchase frequency. There are various limitations in the research. Random sampling technique is not used. The

research respondents were selected only from a particular city: thus, the results and findings could not be generalized. Sample size taken is small. A big sample size should have been taken to get more accurate and reliable findings. This research has major practical implication. The findings facilitate e-retailers to understand the relation between yearly income, security concern and purchasing frequency. The e-retailers can use these insights for further decision making and advertisement development.

CHAPTER 4 RESEARCH METHODOLOGY

4.1 Preliminary Investigation

In this phase, various factors were investigated which motivates people to buy online. So basically 2 methods were used for this. First, existing research papers were referred to find out these factors. Second, analysis of secondary data to discover more such motivational factors.

4.2 Data collection for research

Measurement and scaling procedures: Multiple choice and single choice questions were used according to the information requirement. Itemized rating scale was used to assess service quality of online stores.

Questionnaire design: Proper research was done and various research objectives identified. Research questions were framed and the specific information needed was noted. A questionnaire was designed keeping in mind all the information requirement.

Survey: Web based survey technique was used, due to time and budget constraint.

4.3 Sampling process

Convenient sampling technique was used for sampling purpose. So basically, our respondents were the people who are close to hand. A total of 70 people was asked to fill the form. Out of which, 52 responded i.e. a response rate of 74.28%.

4.4 Questionnaire Checking/Editing

Proper evaluation of the questionnaire was done to check its reliability and validity. There were no ambiguous and hard to understand questions. Language was kept really simple so it won't be cumbersome for respondents to understand. All the response collected were transferred to an excel sheet. Data pre-processing was done to increase the efficiency of the research. Later the whole data was exported to SPSS for further analysis.

CHAPTER 5

DATA ANALYSIS AND INTERPRETATION

5.1 Collected responses

| | ile Home Insert | Page Layout Formu | las Data Review Viev | v Help Power Pivot | ₽ Search | | | A Sha |
|------|---|---|---|--|--|--|--|-------------------------------------|
| Past | te Gopy → Format Painter Clipboard 5 | <i>I</i> <u>U</u> • <u> </u> → <u>A</u> | | | €.0.00 Conditional Format a Formatting * Table * Styles | | Σ AutoSum - A Fill - at Fill - Clear - Sort & Find & Filter - Select Editing | * |
| 1 | • I × | ✓ fx What kin | d of products | | | | | |
| 4 | А | В | с | D | E | F | G | н |
| 1 | Gender | Age | Kindly indicate your employment status | Kindly indicate your yearly family income | Have you ever bought anything online? | What is your preferred mode of shopping? | What is your main motivational factor to buy a product online? | Which is your pr online shopping |
| 2 | Male | 18-24 | Student | 5-10 Lakh | Yes | Online | Convenience and time saving | Amazon |
| 100 | Male | 25-34 | Student | 5-10 Lakh | Yes | Online | Price | Flipkart |
| 4 | Male | 18-24 | Self employed | More than 15 Lakh | Yes | Offline | Easy payment | Amazon |
| 5 | Male | 18-24 | Student | 10-15 Lakh | Yes | Online | Wide range of products | Amazon |
| 5 | Female | 18-24 | Student | More than 15 Lakh | Yes | Offline | Wide range of products | Amazon |
| 7 | Female | 25-34 | Student | 0-5 Lakh | Yes | Offline | Convenience and time saving | Amazon |
| 3 | Female | 25-34 | Student | 0-5 Lakh | Yes | Offline | Convenience and time saving | Amazon |
| 9 | Male | 25-34 | Self employed | More than 15 Lakh | Yes | Offline | Wide range of products | Others |
| 0 | Male | 25-34 | Corporate Employee | More than 15 Lakh | Yes | Online | Wide range of products | Others |
| 1 | Female | 25-34 | Student | 0-5 Lakh | Yes | Offline | Price | Amazon |
| 2 | Female | 18-24 | Student | More than 15 Lakh | Yes | Offline | Convenience and time saving | Amazon |
| 3 | Male | 18-24 | Student | 5-10 Lakh | Yes | Offline | Price | Amazon |
| 4 | Male | 18-24 | Student | More than 15 Lakh | Yes | Online | Convenience and time saving | Amazon |
| 5 | Female | 18-24 | Student | 5-10 Lakh | Yes | Offline | Convenience and time saving | Amazon |
| 6 | Male | 18-24 | Student | 0-5 Lakh | Yes | Online | Convenience and time saving | Amazon |
| 7 | Female | 25-34 | Corporate Employee | 0-5 Lakh | Yes | Online | Wide range of products | Others |

Figure 5.1.1

| | ile Home Insert | Page Layout Formulas | Data Review View | Help Power Pivot | Q Search | | | 우 Sha |
|------|---|---|--|---|---|---|---|--|
| Past | te ✓ Format Painter Clipboard 5 | • 10 • A A = | | | Conditional Format as Formatting ▼ Table ▼ 5 | | | |
| 1 | • E 🗙 | ✓ f _x What kind of | products | | | | | |
| | I | J | к | L | м | Ν | 0 | Р |
| | How frequently you shop from your preferred online store? | What kind of products you shop from from your preferred online store? | Please rate Amazon on the given attributes on a scale of 1(very poor) to 5(excellent) [Website design] | Please rate Amazon on the given attributes on a scale of 1(very poor) to 5(excellent) [Range of products] | Please rate Amazon on the given attributes on a scale of 1(very poor) to 5(excellent) [Price and discounts] | Please rate Amazon on the given attributes on a scale of 1(very poor) to 5(excellent) [Ease of payment] | Please rate Amazon on the given attributes on a scale of 1(very poor) to 5(excellent) [Delivery services] | Please rate Amazon the given attributes of scale of 1(very poor 5(excellent) [Custom service] |
| 2 | Monthly | Electronics, Personal care | 4 | 4 | 3 | 5 | 5 | |
| 3 | Monthly | Books, Electronics | 2 | 2 | 2 | 2 | 2 | |
| 4 | Monthly | Books, Electronics | 3 | 4 | 2 | 4 | . 4 | |
| 5 | Occasionally | Books, Electronics | 4 | | 3 | 5 | 5 | |
| 6 | Occasionally | Personal care products | 5 | ŧ | i 4 | 4 | . 4 | |
| 7 | Occasionally | Books, Electronics | 4 | | 4 | 4 | 4 | |
| 8 | Occasionally | Books, Electronics | 4 | | 4 | 4 | . 4 | |
| 9 | Occasionally | Books, Electronics, Appare | 1 | 3 | 2 | 2 | 3 | |
| 10 | Occasionally | Electronics, Apparels and j | 4 | | 5 4 | 5 | 4 | |
| 11 | Occasionally | Apparels and jewellery | 4 | | i 3 | 5 | 4 | |
| 12 | Weekly | Apparels and jewellery | 5 | 1 | 2 | 5 | 3 | |
| 13 | Occasionally | Electronics, Sports and fitr | 4 | | 3 | 3 | 3 | |
| 14 | Weekly | Electronics, Personal care | 3 | 3 | 2 | 3 | 4 | |
| 15 | Occasionally | Electronics | 4 | | 5 5 | 5 | 5 | |
| 16 | Monthly | Books, Electronics, Persor | 4 | | i 4 | 3 | 3 | |
| | | Apparels and jewellery | 3 | | | 4 | | |

Figure 5.1.2

| Fi | le Home Insert | Page Layout Formula | s Data Revie | v View Help | Power Pivot 🔎 | 9 Search | | | ۶. Sha |
|------|--|---|--------------------|--|---|--|---|--|--|
| Past | e ≪ Format Painter B 1 | • 10 • A* A* I U • ⊞ • 👌 • <u>A</u> • | ≣≣≣ | Herge & Center | • 🗣 • % • 🔝 | Conditional Format as Formatting * Table * | Cell Insert Delete Forma Styles * * * | | |
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| 1 | Please rate Flipkart on the given attributes on a scale of 1(very poor) to 5(excellent) [Website design] | Please rate Flipkart on the given attributes on a scale of 1(very poor) to 5(excellent) [Range of products] | a the given attrib | utes on a the giver poor) to scale of | 1 attributes on a 1(very poor) to ent) [Ease of | scale of 1(very poor) to 5(excellent) [Delivery | the given attributes on a scale of 1(very poor) to 5(excellent) [Customer | the given attributes on a scale of 1(very poor) to 5(excellent) [Website | Please rate Snapde the given attributes scale of 1(very poor 5(excellent) [Range products] |
| 2 | 3 | 3 | 2 | 3 | 5 | 4 | 4 | 3 | |
| 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 3 | |
| 1 | 2 | 2 | 4 | 4 | 4 | 3 | 3 | 4 | |
| 5 | 3 | 3 | 3 | 3 | 5 | 4 | 3 | 3 | |
| 5 | 3 | 3 | 4 | 4 | 4 | 2 | 2 | 4 | |
| 7 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | |
| 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | |
|) | 4 | 4 | 3 | 2 | 3 | 3 | 3 | 2 | |
| 0 | 4 | 4 | 5 | 4 | 4 | 4 | 4 | 3 | |
| 1 | 5 | 5 | 4 | 4 | 5 | 5 | 4 | 4 | |
| 2 | 5 | 5 | 4 | 5 | 1 | 3 | 3 | 5 | |
| 3 | 3 | 3 | 4 | 4 | 3 | 3 | 3 | 3 | |
| 4 | 2 | 2 | 4 | 3 | 3 | 2 | 3 | 2 | |
| 5 | 4 | 4 | 5 | 4 | 5 | 4 | 4 | 3 | |
| 6 | 4 | 4 | 3 | 4 | 4 | 3 | 3 | 2 | |
| | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 3 | |

Figure 5.1.3

| Fil | e Home Insert | Page Layout | Formulas | Data Review | View | Help Pow | ver Pivot 🔎 | Search | | | | | | 우 Shar |
|-------|--|---|--|--|--------------------------------|--|--------------------------|---|-----------|--------------------------|--|--|------------------------|---|
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| J1 | • I × | $\sqrt{f_x}$ | What kind of p | oroducts | | | | | | | | | | |
| | Y | 2 | z | AA | | AB | | AC | | | AD | AE | | AF |
| t | Please rate Snapdeal on he given attributes on a scale of 1(very poor) to 5(excellent) [Price and discounts] | Please rate S the given attri scale of 1(ver 5(excellent) [I payment] | ributes on a t ry poor) to s Ease of 5 | Please rate Snaj the given attribut scale of 1(very p 5(excellent) [Deli services] | esona th oor)to s very 5 | Please rate Sr he given attrib cale of 1(very (excellent) [C ervice] | outes on a / poor) to | How often do yo your preferred o store? | | desired pl unavailabl | do when your roduct is e/stockout on erred online | How would you rate to overall quality of serve provided by your preferred online store | ice you re prefer | mmendation [We ecommend your rred online store and friends?] |
| 2 | | 3 | 3 | | 3 | | 3 | Sometimes | | Buy from | some other onlir | | 4 Yes | |
| 3 | | 3 | 3 | | 4 | | 3 | Sometimes | | Buy from | some other onlir | ie in the second se | 4 Yes | |
| 4 | : | 2 | 2 | | 2 | | 2 | Sometimes | | Buy from | some other onlir | ie in the second se | 4 Mayb | e |
| 5 | | 3 | 4 | | 4 | | 3 | Sometimes | | Buy from | some other onlir | ie in the second se | 4 Yes | |
| 6 | | 2 | 4 | | 4 | | 4 | Sometimes | | Buy from | some other onlir | ie | 5 Mayb | e |
| 7 | | 2 | 2 | | 2 | | 2 | Sometimes | | Buy from | some other onlir | 16 | 4 Mayb | e |
| 8 | | 2 | 2 | | 2 | | 2 | Sometimes | | Buy from | some other onlir | | 4 Mayb | e |
| 9 | | 2 | 2 | | 2 | | 2 | Sometimes | | Buy from | some other onlir | ie | 3 Mayb | e |
| 10 | | 3 | 3 | | 3 | | 3 | Sometimes | | Buy from | some other onlir | ie | 4 Yes | |
| 11 | | 3 | 5 | | 5 | | 4 | Sometimes | | Buy from | some other onlir | le contraction de la contractica de la contracti | 4 Yes | |
| 12 | | 5 | 5 | | 5 | | 5 | Sometimes | | Buy from | some other onlir | 16 | 4 Yes | |
| 13 | | 2 | 3 | | 3 | | 2 | Sometimes | | Buy from | some other onlir | 16 | 4 Mayb | e |
| 14 | | 3 | 2 | | 1 | | 2 | Sometimes | | Buy from | some other onlir | ie | 4 Mayb | e |
| 15 | | 3 | 4 | | 4 | | 4 | Sometimes | | Buy from | some other onlir | ie contraction of the second sec | 5 Yes | |
| 16 | : | 2 | 2 | | 2 | | 2 | Sometimes | | Buy a sub | stitute/similar pr | c | 4 Yes | |
| 17 | | 3 | 4 | | 3 | | 4 | Sometimes | | Wait for it | to be available | a | 5 Mayb | e |

Figure 5.1.4

5.2 DESCRIPTIVE ANALYSIS

1) Classification on the gender category basis.

TABLE: 5.2.1



Figure 5.2.1

2) Classification on the age bracket basis.

Table: 5.2.2

| S.No | Age group | No of respondents |
|------|-----------|-------------------|
| 1 | 18-24 | 28 |
| 2 | 25-34 | 21 |
| 3 | 35-44 | 3 |
| 4 | Above 45 | 0 |



Figure 5.2.2

3) Classification the basis of employment status.

| Table: | 5.2.3 |
|--------|-------|
| Table: | 5.2.3 |

| S. No | Employment status | No of respondents |
|-------|---------------------|-------------------|
| 1 | Student | 35 |
| 2 | Corporate Employee | 9 |
| 3 | Government Employee | 2 |
| 4 | Self employed | 6 |



Figure 5.2.3

4) Classification on the basis of yearly family income.

Table: 5.2.4

| S. No | Yearly family income | No of respondents |
|-------|----------------------|-------------------|
| 1 | 0-5 lakh | 14 |
| 2 | 5-10 lakh | 10 |
| 3 | 10-15 lakh | 11 |
| 4 | Above 15 <u>lakh</u> | 17 |



Figure 5.2.4

5)Classification on the basis of preferred mode of shopping.

Table: 5.2.5

| S. No | Mode | No. of respondents |
|-------|---------|--------------------|
| 1 | Online | 24 |
| 2 | Offline | 28 |



Online

Offline

5) Classification on the basis of main motivational factor to buy online

Table: 5.2.6

| S. No | Main motivational factor | No of respondents | | |
|-------|-----------------------------|-------------------|--|--|
| 1 | Wide range of products | 14 | | |
| 2 | Price | 10 | | |
| 3 | Convenience and time saving | 27 | | |
| 4 | Easy payment | 1 | | |

6) Classification on the basis of preferred online store.

Table: 5.2.7

| S. No | Preferred store | No of respondents | | |
|-------|-----------------|-------------------|--|--|
| 1 | Amazon | 37 | | |
| 2 | Flipkart | 6 | | |
| 3 | Snapdeal | 0 | | |
| 4 | Others | 7 | | |



Figure 5.2.6

7) Classification on the basis of shopping frequency from preferred site.

| Ta | ble: | 5.2.8 | 8 |
|----|------|-------|---|
| | | | |

| S. No | Frequency | No. of respondents |
|-------|-----------------------|--------------------|
| 1 | At least twice a week | 0 |
| 2 | Weekly | 8 |
| 3 | Monthly | 15 |
| 4 | Occasionally | 29 |



Figure 5.2.7

8) Popular category of products which are purchased online

Table: 5.2.9

| S. No | Product category | Respondents percentage | | | |
|-------|-----------------------------|------------------------|--|--|--|
| 1 | Books | 30.80% | | | |
| 2 | Electronics | 73.10% | | | |
| 3 | Apparels and jewellery | 36.50% | | | |
| 4 | Personal care products | 53.80% | | | |
| 5 | Sports and fitness products | 25.00% | | | |



Figure 5.2.8

9) Amazon's ratings on the given attributes on a scale of 1 (very poor) to 5(excellent)





10) Ratings given to Snapdeal on the given attributes on a scale of 1 to 5









Figure 5.2.11

12) Table showing how often people switch their preferred brand

Table: 5.2.10

| S. No | Switching frequency | Respondents percentage | | |
|-------|---------------------|------------------------|--|--|
| 1 | Never | 13.50% | | |
| 2 | Sometimes | 82.70% | | |
| 3 | Frequently | 3.80% | | |

13) Classification on the basis of ratings given by respondents towards their preferred online store.

| Table: | 5.2.11 |
|--------|--------|
|--------|--------|

| Ratings | Respondents percentage |
|---------|------------------------|
| 1 | 0.00% |
| 2 | 1.90% |
| 3 | 9.60% |
| 4 | 65.40% |
| 5 | 23.10% |



Figure 5.2.12

14) Classification on the basis of promptness shown by respondents to recommend their preferred store.





5.3 Data Analysis

| S. No | Main motivational factor | No of respondents | | |
|-------|-----------------------------|-------------------|--|--|
| 1 | Convenience and time saving | 27 | | |
| 2 | Wide range of products | 14 | | |
| 3 | Price | 10 | | |
| 4 | Easy payment | 1 | | |

1) Objective-To determine the main motivational factor to buy online







Analysis - We can see that 51.9% respondents feel that convenience and time saving is the main motivational factor to buy online. It is justified because online shopping is very convenient. It prevents us to take time from our hectic schedule and make things really convenient for us. There is no need to stand in the long queues and wait for long time to get space in the parking lot.

Second motivational factor is wide range of products. 26.9% of people voted in favor of it. Online stores generally give a larger range of products as compared to local and departmental stores. This appeal people to shop online.

Third motivational factor is pricing, supported by 19.2% votes. Online stores give these price benefits due to absence of intermediary and presence of large centralized warehouses.

2) Objective-To determine if there is a relationship between age and shopping mode.

To find whether there is a relation between age and preference, chi square test is used. The current study hypothesizes that-

H0: There is no relation between age and shopping mode.

H1: There is a relation between age and shopping mode.



Figure 5.3.2

Case Processing Summary

| | Cases | | | | | |
|--|-------|---------|---------|---------|-------|---------|
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | Ν | Percent |
| Age * What is your preferred mode of shopping? | 52 | 100.0% | 0 | 0.0% | 52 | 100.0% |


Age * What is your preferred mode of shopping? Crosstabulation

| | What is your preferred mode of shopping? | | | | |
|-------|---|----------------|------|------|-------|
| | | | 1.0 | 2.0 | Total |
| Age | 18-24 | Count | 11 | 17 | 28 |
| | | Expected Count | 12.9 | 15.1 | 28.0 |
| | 25-34 | Count | 12 | 9 | 21 |
| | | Expected Count | 9.7 | 11.3 | 21.0 |
| | 35-44 | Count | 1 | 2 | 3 |
| | | Expected Count | 1.4 | 1.6 | 3.0 |
| Total | | Count | 24 | 28 | 52 |
| | | Expected Count | 24.0 | 28.0 | 52.0 |

Figure 5.3.4

Chi-Square Tests

| | Value | df | Asymptotic Significance (2-sided) |
|---------------------------------|--------------------|----|---|
| Pearson Chi-Square | 1.750 ^a | 2 | .035 |
| Likelihood Ratio | 1.758 | 2 | .415 |
| Linear-by-Linear Association | .492 | 1 | .483 |
| N of Valid Cases | 52 | | |

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 1.38.

Figure 5.3.5

Analysis – We can see that our asymptotic significance value comes out to be 0.035. This value is smaller than our p(significant) i.e. 0.05. This leads to the rejection of null hypothesis. Thus, we can say that there is a relation between age and preferred mode of shopping.

3) Objective – To determine if there is a relation between gender and shopping mode.

To find whether there is a relation between gender and shopping mode, chi square test is used. The current study hypothesizes that-

H0: There is no relation between gender and shopping mode.

H1: There is a relation between gender and shopping mode.



Figure 5.3.6

| Case Processing | Summary |
|-----------------|---------|
|-----------------|---------|

| | Cases | | | | | |
|---|-------|---------|---------|---------|-------|---------|
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | Ν | Percent |
| Gender * What is your preferred mode of shopping? | 52 | 100.0% | 0 | 0.0% | 52 | 100.0% |



| | | | What is you mode of s | | |
|--------|--------|----------------|--------------------------|------|-------|
| | | | 1.0 | 2.0 | Total |
| Gender | Female | Count | 9 | 16 | 25 |
| | | Expected Count | 11.5 | 13.5 | 25.0 |
| | Male | Count | 15 | 12 | 27 |
| | | Expected Count | 12.5 | 14.5 | 27.0 |
| Total | | Count | 24 | 28 | 52 |
| | | Expected Count | 24.0 | 28.0 | 52.0 |

Gender * What is your preferred mode of shopping? Crosstabulation

Figure 5.3.8

| | Value | df | Asymptotic Significance (2-sided) | Exact Sig. (2- sided) | Exact Sig. (1- sided) |
|------------------------------------|--------------------|----|---|--------------------------|--------------------------|
| Pearson Chi-Square | 1.997 ^a | 1 | .037 | | |
| Continuity Correction ^b | 1.288 | 1 | .256 | | |
| Likelihood Ratio | 2.012 | 1 | .156 | | |
| Fisher's Exact Test | | | | .177 | .128 |
| Linear-by-Linear Association | 1.959 | 1 | .162 | | |
| N of Valid Cases | 52 | | | | |

Chi-Square Tests

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.54.

b. Computed only for a 2x2 table

Figure 5.3.9

Analysis – It can be seen that the asymptotic significance value comes out to be 0.037. This value is smaller than our p(significant) i.e. 0.05. It leads to the rejection of null hypothesis. Thus, there is a relation between gender and preferred mode of shopping.

4) Objective – To determine if there is a relation between income and shopping frequency.

To find whether there is a relation between income and buying frequency, chi square test is used. The current study hypothesizes that-

H0: There is no relation between income and shopping frequency.

H1: There is a relation between income and shopping frequency.



Figure 5.3.10

| Case Processing | Summary |
|-----------------|---------|
|-----------------|---------|

| | Cases | | | | | | |
|---|-------|---------|---------|---------|-------|---------|--|
| | Valid | | Missing | | Total | | |
| | Ν | Percent | N | Percent | Ν | Percent | |
| Kindly indicate your yearly family income * How frequently you shop from your preferred online store? | 52 | 100.0% | O | 0.0% | 52 | 100.0% | |

Figure 5.3.11

Kindly indicate your yearly family income * How frequently you shop from your preferred online store? Crosstabulation

| | | | How frequently you shop from your preferred online store? | | | |
|----------------------|---------------|----------------|--|------|------|-------|
| | | | 2.0 | 3.0 | 4.0 | Total |
| Kindly indicate your | 0-5 Lakh | Count | 1 | 4 | 9 | 14 |
| yearly family income | | Expected Count | 2.2 | 4.0 | 7.8 | 14.0 |
| | 5-10 Lakh | Count | 0 | 3 | 7 | 10 |
| | | Expected Count | 1.5 | 2.9 | 5.6 | 10.0 |
| | 10-15 Lakh | Count | 1 | 3 | 7 | 11 |
| | | Expected Count | 1.7 | 3.2 | 6.1 | 11.0 |
| | Above 15 Lakh | Count | 6 | 5 | 6 | 17 |
| | | Expected Count | 2.6 | 4.9 | 9.5 | 17.0 |
| Total | | Count | 8 | 15 | 29 | 52 |
| | | Expected Count | 8.0 | 15.0 | 29.0 | 52.0 |

Figure 5.3.12

Chi-Square Tests

| | Value | df | Asymptotic Significance (2-sided) |
|---------------------------------|--------------------|----|---|
| Pearson Chi-Square | 8.781 ^a | 6 | .019 |
| Likelihood Ratio | 9.491 | 6 | .148 |
| Linear-by-Linear Association | 5.059 | 1 | .025 |
| N of Valid Cases | 52 | | |

a. 8 cells (66.7%) have expected count less than 5. The minimum expected count is 1.54.

Figure 5.3.13

Analysis – It can be seen that the asymptotic significance value comes out to be 0.019. This value is smaller than our p(significant) i.e. 0.05. This leads to the rejection of null hypothesis. Thus, there is a relation between income and frequency of shopping.

5) Objective- To determine if there is a relationship between gender and shopping frequency.

To find whether there is a relationship between gender and buying frequency, chi square test is used. The current study hypothesizes that-

H0: There is no relation between gender and shopping frequency.

H1: There is a relation between gender and shopping frequency.



Figure 5.3.14

Case Processing Summary

| | Cases | | | | | | |
|---|-------|---------|---------|---------|-------|---------|--|
| | Valid | | Missing | | Total | | |
| | N | Percent | Ν | Percent | Ν | Percent | |
| Gender * How frequently you shop from your preferred online store? | 52 | 100.0% | 0 | 0.0% | 52 | 100.0% | |

Figure 5.3.15

| | | | | How frequently you shop from your preferred online store? | | | |
|--------|--------|----------------|-----|--|------|-------|--|
| | | | 2.0 | 3.0 | 4.0 | Total | |
| Gender | Female | Count | 2 | 7 | 16 | 25 | |
| | | Expected Count | 3.8 | 7.2 | 13.9 | 25.0 | |
| | Male | Count | 6 | 8 | 13 | 27 | |
| | | Expected Count | 4.2 | 7.8 | 15.1 | 27.0 | |
| Total | | Count | 8 | 15 | 29 | 52 | |
| | | Expected Count | 8.0 | 15.0 | 29.0 | 52.0 | |

Gender * How frequently you shop from your preferred online store? Crosstabulation

Figure 5.3.16

| Chi-Square Tests |
|------------------|
|------------------|

| | | Value | df | Asymptotic Significance (2-sided) |
|---|---------------------------------|--------------------|----|---|
| | Pearson Chi-Square | 2.303 ^a | 2 | .032 |
| | Likelihood Ratio | 2.394 | 2 | .302 |
| - | Linear-by-Linear Association | 2.100 | 1 | .147 |
| | N of Valid Cases | 52 | | |

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 3.85.

Figure 5.3.17

Analysis – It can be seen that the asymptotic significance value comes out to be 0.032. This value is smaller than our p(significant) i.e. 0.05. This leads to the rejection of null hypothesis. Thus, there is a relation between gender and frequency of shopping.

| S. No | Preferred store | No of respondents |
|-------|-----------------|-------------------|
| 1 | Amazon | 37 |
| 2 | Flipkart | 6 |
| 3 | Snapdeal | 0 |
| 4 | Others | 7 |



Table 5.3.2



Figure 5.3.18

Analysis – According to the results, 75% of the respondents prefer Amazon online store. It is followed by Flipkart, which is preferred by 13.5% of the respondents. We can see that Amazon leads by a very high percentage.

7) Objective – To determine if there is a difference in means of quality rating of various preferred online store

Mean value of attribute ratings has been found out. ANOVA is used to find out if there is a difference in the mean value or not. The current study hypothesizes that:

H0: All means are equal

H1: At least one mean is unequal



Figure 5.3.19

| | | | | Descrip | tives | | | |
|-------|---------------------------------|-------|--------------------|----------------|--------------------|-------------|---------|---------|
| | ould you rate quality of ser | | d by your preferre | d online store | 9? | | | |
| | | | | | 95% Confiden Me | | | |
| | Ν | Mean | Std. Deviation | Std. Error | Lower Bound | Upper Bound | Minimum | Maximum |
| 2.0 | 39 | 4.154 | .6704 | .1073 | 3.937 | 4.371 | 2.0 | 5.0 |
| 3.0 | 6 | 3.833 | .4082 | .1667 | 3.405 | 4.262 | 3.0 | 4.0 |
| 4.0 | 7 | 4.000 | .5774 | .2182 | 3.466 | 4.534 | 3.0 | 5.0 |
| Total | 52 | 4.096 | .6343 | .0880 | 3.920 | 4.273 | 2.0 | 5.0 |

Figure 5.3.20

Test of Homogeneity of Variances

How would you rate the

overall quality of service provided by your preferred online store?

| Levene Statistic | df1 | df2 | Sig. |
|---------------------|-----|-----|------|
| .912 | 2 | 49 | .408 |

Figure 5.3.21

ANOVA

How would you rate the overall quality of service provided by your preferred online store?

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|-------------------|----|-------------|------|------|
| Between Groups | .609 | 2 | .304 | .749 | .478 |
| Within Groups | 19.910 | 49 | .406 | | |
| Total | 20.519 | 51 | | | |

Figure 5.3.22

Analysis- It can be seen from Figure 5.3.21, that the asymptotic significance value comes out to be 0.408. This value is greater than our p(significant) i.e. 0.05. It leads to the rejection of alternate hypothesis. Thus, there is no difference in the means of quality ratings of different preferred online stores.

8) Objective- To measure customer loyalty towards their preferred brand

| S. No | Switching frequency | Respondents percentage |
|-------|---------------------|------------------------|
| 1 | Sometimes | 82.70% |
| 2 | Never | 13.50% |
| 3 | Frequently | 3.80% |

Table 5.3.3



Figure 5.3.24

Analysis – The results suggests that only 13.5% customers never switch their preferred online store. 82.7% of them, switch it sometimes.

If a product is not available on the preferred store, 75% of the customers buy it from some other online store. Whereas, only 15.4 % wait for the product to be available again in the preferred online store.

Thus, it can be concluded that majority of customers do not show high loyalty towards their preferred online store. Maximum of them show moderate loyalty. They do not hesitate to buy the product which is unavailable on their preferred store from some other online store.

CHAPTER 6

6.1 FINDINGS

Online shopping has emerged as a big force in 21st century because of the large number of benefits associated with it. It is utmost important for the researchers to know the consumer decision making in this sector. This study aims to understand the consumer behavior and the dependence relation between various variables involved.

This study suggests that the main motivational factor to buy products online is convenience and time saving. 51.9% of people rated for this factor. It is followed by wide range of products (26.9%), price (19.2%) and easy payment. Thus, the e-retailers should keep these factors in mind while advertising or promoting the online store. Advertisements should clearly mention the associated convenience and wide range products benefits.

The research suggests that both age and gender have a relation with preferred mode of shopping. There is also a relation between income and frequency of shopping. It helps us to identify which gender, age segment and income level people prefer us over traditional mode of shopping. So, our focus should be more on these segments. We should make strategies to turn them into loyal customers. We should also do research to understand the main reasons why the other segments are not preferring us. By understanding their various requirements and bringing a little modification in our product variety and cost range, we can increase our customer base.

We find out that Amazon is the preferred online brand in India. In our study, 75% rated it as their preferred brand. Second is Flipkart with 37.5% votes.

The study suggests that a very few numbers of customers (13.5%) show high brand loyalty towards their preferred online store. 82.7% customers show moderate loyalty. 75% of the customers do not hesitate to buy the unavailable product from another online store. E-retailers should devise some ways to increase customer loyalty.

6.2 IMPLICATIONS

It has been that maximum percentage of research in online consumer behavior is focused on knowing the various factors which influence the decision making of customer. The present study also takes into the account the dependence relation between various variable involved like age, gender, income, preferred shopping mode.

This study allows researchers and academicians to accept that there is a relation between age, gender and preferred mode of shopping. The frequency of shopping is influenced by the yearly family income and the gender of the customer. This research explains that a majority of customers are not showing high loyalty towards their preferred online store. This research provides a base to the researchers for doing further study on customer loyalty and effect of other demographic variables on shopping preference.

This research has some practical implications for the E-retail companies. It will help them to know which age group and gender prefer them over offline mode. Special strategies need to be formulated for the segment which shows a bit reluctance to buy. Digital marketing and special incentives should be provided to lure those segments. The companies can understand the main motivational factor for customers to buy online and can pitch the idea in advertisements and posters. The findings from this research can help them to formulate suitable strategies to attract new customers and retain the old one. This study also suggests the businesses to pay attention to the customer loyalty. As, very low percentage of customers never switch their store.

6.3 Limitations and Direction of further study

This research has a few numbers of limitations. We have surveyed people from Delhi city only. To get a clearer picture, we need the input from all major states. Hence, the results obtained from the study can't be easily generalized.

We have used convenient sampling technique. We have only surveyed the people who are in close proximity. We can do further research by using stratified sampling technique to get more authentic results. The result from this study can be applied only to developing countries. As, citizen's income are higher in developed countries.

Further studies could examine the relation between all other variables used. We can measure the various factors leading to customer dissatisfaction.

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ANNEXURE

• Survey Questionnaire

| Questions Responses 52 | |
|--|--|
| An academic survey to understand Consumer behaviour in online retail As a part of a research project, I am conducting a survey that investigates consumer behaviour in online shopping. Kindly spare a few minutes to complete this survey.Information provided will remain strictly confidential. Thank you! | ⊕ ₽ T |
| O Prefer not to say | |
| | Ø |
| Age * 18-24 25-34 35-44 Above 45 Kindly indicate your employment status * Student Corporate Employee Government Employee Self employed | ⊕ ÷ ™ Ш |

| Kindly indicate your yearly family income * |
|---|
| 0-5 Lakh |
| 🔵 5-10 Lakh |
| 🔵 10-15 Lakh |
| O More than 15 Lakh |
| |
| Have you ever bought anything online? * |
| |
| ~ |
| ○ Yes |

| What is your preferred mode of shopping? * | |
|--|----------|
| Online | |
| Offline | \oplus |
| | Ð |
| | Tr |
| What is your main motivational factor to buy a product online? st | |
| Wide range of products | Þ |
| O Price | 8 |
| O Convenience and time saving | |
| Easy payment | |
| | |

| Snapdeal | |
|--|----------|
| Shapdean | |
| Amazon | \oplus |
| Flipkart | Ð |
| Others | Tr |
| | |
| | Þ |
| How frequently you shop from your preferred online store? st | |
| At least twice a week | |
| Weekly | |
| Monthly | |
| Occasionally | |

| What kind of products you shop from from your preferred online store? st | |
|---|----------|
| Books | |
| Electronics | \oplus |
| Lieutomes | Ð |
| Apparels and jewellery | Tr |
| Personal care products | |
| Sports and fitness equipments | 4 |
| | 8 |

| Please rate Amazon o | on the given at | tributes on a sca | ale of 1(very poo | r) to 5(excellent |) * | |
|----------------------|-----------------|-------------------|-------------------|-------------------|------------|----------|
| | 1 | 2 | 3 | 4 | 5 | \oplus |
| Website design | 0 | \bigcirc | 0 | 0 | 0 | Ð |
| | | | | | | Tr |
| Range of produ | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Price and disco | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | ► |
| Ease of payment | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | 8 |
| Delivery services | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Customer service | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| | | | | | | |

| Please rate Flipkart or | n the given at | tributes on a sca | le of 1(very poor |) to 5(excellent) | * | |
|-------------------------|----------------|-------------------|-------------------|-------------------|------------|----|
| | 1 | 2 | 3 | 4 | 5 | ÷ |
| Website design | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | Ð |
| Range of produ | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | Tr |
| Price and disco | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Ease of payment | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Delivery services | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Customer service | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| | | | | | | |

| Please rate Snapdeal | on the given | attributes on a sc | ale of 1(very po | or) to 5(excellen | t) * | \oplus |
|----------------------|--------------|--------------------|------------------|-------------------|------------|----------|
| | 1 | 2 | 3 | 4 | 5 | Ð |
| Website design | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | Tr |
| Range of produ | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Price and disco | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Ease of payment | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Delivery services | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| Customer service | \bigcirc | \bigcirc | \bigcirc | \bigcirc | \bigcirc | |
| | | | | | | |

| Never Sometimes Frequently What you do when your desired product is unavailable/stockout on your preferred online store?* Buy from some other online store Buy a substitute/similar product from the same online store Wait for it to be available again in the preferred online store | How often do you switch your preferred online store? * | |
|--|---|----------------|
| Sometimes Frequently What you do when your desired product is unavailable/stockout on your preferred online store?* Buy from some other online store Buy a substitute/similar product from the same online store | O Never | () |
| What you do when your desired product is unavailable/stockout on your preferred online store? * Buy from some other online store Buy a substitute/similar product from the same online store | O Sometimes | - |
| What you do when your desired product is unavailable/stockout on your preferred online store? * Buy from some other online store Buy a substitute/similar product from the same online store | C Frequently | Tr |
| What you do when your desired product is unavailable/stockout on your preferred online store? * Buy from some other online store Buy a substitute/similar product from the same online store | | - |
| Buy from some other online store Buy a substitute/similar product from the same online store | What you do when your desired product is unavailable/stockout on your preferred online store? st | ► |
| | O Buy from some other online store | |
| Wait for it to be available again in the preferred online store | O Buy a substitute/similar product from the same online store | |
| | Wait for it to be available again in the preferred online store | |
| | | |

