**Project Dissertation Report on** 

# Analysis of Factors that Affect the Purchase Decision of an Online Shopper in India

Submitted By:

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# Abstract

The consumer beliefs and attitudes toward online shopping are crucial to the success of e-commerce enterprises. Using demographic and regional data to achieve a broader knowledge about consumer behaviors could assist discover existing pain points and promote the e-commerce sector's growth. This project is a step in that direction. This study will aid in the statistical analysis of the aspects that affect an online shopper's buying decision in India. The goal of this study is to determine the elements that influence online shoppers' decisions to buy or not buy online.

We would go deeply into the understanding of many elements that may be used to develop a best practice guide for online shops.

The study's goal is to reveal the influence of intangible forces in numerous aspects that drive the e-commerce sector's growth. Understanding the elements that drive client purchase decisions can assist predict what they expect, opening new ways to get closer to customers and transforming e-commerce products from a pricing consideration to a value consideration.

## DECLARATION

## Title of Project Report: Analysis of Factors that Affect the Purchase Decision of an Online Shopper in India.

I, **Chetan Sharma Moulekhi** student of Executive Master of Business Administration from Delhi Technological University, Main Bawana Road, Delhi hereby declare

(a) That the work presented for assessment in this Dissertation Report is my own, that it has not previously been presented for another assessment and that my debts (for words, data, arguments, and ideas) have been appropriately acknowledged.

(b) That the work conforms to the guidelines for presentation and style set out in the relevant documentation.

Date

Chetan Sharma Moulekhi 2K19/EMBA/514 4<sup>th</sup> semester, Batch-2019-21

## CERTIFICATE

This is to certify that Chetan Sharma Moulekhi pursuing Executive Master of Business Administration (EMBA) from Delhi School of Management affiliated to Delhi Technological University has completed the Dissertation Report on "Analysis of Factors that Affect the Purchase Decision of an Online Shopper in India" under my guidance.

Date.....

Mr. Chandan Sharma

## ACKNOWLEDGEMENT

I would like to express my sincere thanks to Mr. Chetan Sharma Moulekhi who helped me in completion of the project, without whose help the project would not have been completed.

I, therefore, acknowledge my indebtedness to all who generously helped by sharing their valuable time and experience with me and for giving me a great opportunity to work on the project and solving the problems, doubts, queries, which I had during the making of my project.

> Chetan Sharma Moulekhi 2K19/EMBA/514 4<sup>th</sup> semester, Batch-2019-21

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## **1. Introduction**

It is not the strongest of the species that survive, nor the most intelligent that survives, it is the one that is most adaptable to change.

Every industry has seen turbulence as a result of the ongoing technological shifts and the rapid growth of the internet. With the growth of the internet, every basic essential is now available at the push of a button, and these services are now merely hygiene aspects for the contemporary age. The growth of the Internet and its global accessibility provide the foundation for expanding entrepreneurship into new areas.

This has ushered in a new age in human development, in which data is more easily accessible. The most common movement on the Internet these days is the sharing of information or services. The old method of shopping has been superseded by online shopping, which involves the purchase and sale of goods and services over the Internet. There are no restrictions on the location of the stores or their opening and closing hours in this new mode. It can be viewed at any time and from any location.

As a result, it is reasonable to conclude that the internet has enormous untapped potential as a universal platform for the interchange of products, services, and knowledge.

There are various advantages to shopping online are:

- It is practical and time saving.
- Product attributes comparison.
- Time and money are saved during travel.

- There's a lot to choose.
- User reviews for the same product are available.
- Product customization.
- Access to things that are sold all over the world
- Touch less Transactions

Despite how simple and convenient the process is, internet shopping accounts for the smallest percentage of total internet usage in India. Customers are hesitant to buy online because of perceived hazards. Because nearby there is no bodily interaction, developing faith is problematic, so to figure out how to take advantage of this opportunity and promote online.

Customers used to learn about the features of a product by looking at it on the shelf before using it and having the experience that came with it before the e-commerce era. On the contrary, today, before committing to a purchase (online or offline), a customer usually conducts research on the product he or she wishes to purchase; and at this time, the customer usages a information basis such as laptop, mobile phone, or other similar device to contact the internet to study around a original merchandise or provision that he or she wishes to acquisition. Furthermore, customers now have access to reviews (on blogs and social media) from other customers who have used a similar product.

We seek movie reviews from friends on social media, we read blogs to study about the possibilities of emerging new technology, and we even watch product reviews on video sites like YouTube. Word of mouth has always been powerful, but because to the digital era, it has now become one of the most powerful and rapid outlets. We now learn and make decisions collectively and individually at a rate that was previously unheard of.

The entire process of making a purchase decision has changed dramatically. A multichannel discovery has replaced the once-dominant sales funnel. Messages alone are no longer sufficient. Companies must now encourage people to talk about their brand. Nowadays, shoppers are eager to share knowledge. To achieve a paradigm shift, marketers must first comprehend the elements that drive a customer's product research, as well as the elements that drive an online shopper's purchase choice. When a buyer buys something online, there are essentially two main elements that impact their decision.

- The stimulus That creates a genuine need for the goods, such as word of mouth, Google ads, and so on.
- The research Customer research into product features, such as reading customer reviews, watching YouTube reviews, and so on.

In today's digitally sophisticated world, a thorough awareness of these aspects can assist marketers in developing an innovative marketing mix that supports their company's growth. The client is well-informed and aware of his needs, so he searches for information on new media. As a response, marketeers who can pitch their items at this vital time will be successful.

Customers' faith in television publicity is eroding, and the internet has the potential to appear as a far more truthful standard, thanks to the unfiltered customer voices that are driving this trend.

It is clear that traditional marketing and advertising are losing favor, and we must seek out disruptive and inventive tactics that will not only attract client attention but also significantly improve product buy intent.

# 2. Literature Survey

There are extremely few research publications available on the topic. The following are a few excerpts from the research articles.

### 2.1 India's E-retail scenario

According to MSL Group's analysis on the future of e-commerce in India, online transactions in India will be valued \$200 billion by 2022-23. This trend has been going on for a decade and is only becoming bigger. E-commerce has a small market chunk of only 6.48 percent; however it was 2<sup>nd</sup> good behind internet, which accounted for 80 percent in market. According to studies, electronic commerce auctions have been growing at a rapid pace and will continue to do so in the future. JIS College's Doctor Suman Kumar and Doctor Kar feel that the Internet might be efficient way for retail brand expansion in India.

They feel that India's e-commerce market is rapidly expanding, and that one of the most difficult difficulties is customer retention. It is exceedingly simple to misplace an internet buyer. Therefore, advertising and customers must do more than simply lure the customer to their offer.

There should also be a convincing rationale, which might range from safety to word of mouth around the goods. Online customers, they feel, are more sensitive and knowledgeable, making retention much more challenging.

Jhamba and Kirana conducted a SWOT investigation of the India's trade market and discovered that the newer group is aware of changing retail trends. They also discovered that the most critical element determining prepared retail in India is location, and that a fine location indicates well business. The internet is a fantastic option since it makes spending informal for today's ease-oriented customer. Most Indian e-commerce operators that are up to speed with the modern technology across the creation employ search engine marketing. As a result, India is prepared for the e-commerce boom, with growing landscape and improving gradually.

## 2.2 Customer Behavior Influencing Factors

According to the findings of a study conducted by Yasmin and Nik (2013), there is a significant link between online purchase intention and website features. The quality of a website's design or its features have a direct impact on customers' online purchase. It also implies that elements such as social media advertising, customer reviews, and product discounts have a major impact on a customer's buying choice.

The main affecting variables, according to Muhammad Umar Sultan and MD Nasiruddin (n.d.), are product discounts and trustworthy delivery. Low prices supplied by online retailers, price discounts, feedback from friends or relatives, and product reviews, as well as information given on the website, are all key influences on online purchasing.

### 2.3 Effects theory Hierarchy

Most theories propose an outline for comprehending the pressure to conform to societal norms when shopping online, with the minimum excellence standards needed to influence a buyer's decision. " The Hierarchy of Effects Model, developed by Robert J. Lavidge and Gary A. Steiner in 1961", is another theory or framework. Although, this model provides six stages between the incentives made by inspecting an announcement and the real purchasing result. Vendors must successfully exploit each stage so that the greatest number of individuals can transition from one to the next.

The first phase in this perfect is alertness, which mains to the inspiration of doing a buying and, as a result, to the subsequent phases of Information, Partiality, Favorite, and Faith, of which are product research elements. When a consumer comes into physical or virtual touch with a product and agrees to buy it, belief and purchase play a significant part.

# 3. Research

## 3.1 Worth of the study

We will assess the aspects that influence an online shopper's buying decision in India with the aid of this study.

We'll also look at the numerous stimuli that cause a client to want to buy anything online, as well as how successful these stimuli are for a consumer who wants to buy anything online.

This quantitative study will focus on analyzing our respondents' responses, with a emphasis on objectivity and accuracy.

This research will also aid in determining the effectiveness of Internet advertising and word of mouth vs traditional advertising on television, print, radio, and other media.

## 3.2 Research Objectives

- To determine the most important aspects that influence an Indian working buyer's decision to purchase a specific creation from a specific website.
- To recognize the numerous impulses that lead to the desire to make an online purchase.
- Finally, draw conclusions and make recommendations that will aid in the development of a framework for enhancing the growth of the ecommerce industry through the use of effective stimuli.

### 3.3 Research Methodology

The investigation is both measurable and quality in nature. The research was conducted using a survey methodology in order to achieve our goals. Primary was the data source. Consumers from various groups received the forms. The data was then evaluated, and inferences were drawn using statistical tools. The participants received a note that reminded them of the necessity of honesty in their answers and informed them that their responses will be used to draw inferences for the study's aims, in order to decrease the hypothetical bias inherent in any survey process. The quantitative part of the study is descriptive, exploratory, and diagnostic.

The investigation model will essentially trace the major powerful forces and abolish the less significant factors among these factors in order to create an effective framework with a higher likelihood of appealing buyer answer for online exploration entries, that is the quality share of the exploration plan.

### 3.4 Research Design

Various factors have been defined, and these factors which will be transformed for a particular club of queries performing random sampling on 112 those who responded to an questionnaire; the goal of the study is to discover the best methods among many stimuli that direct to an intention to buy something online, as well as various product research factors that influence consumer purchase behavior and the different incentives offered by e-portals to entice customers.

Traditional promotion (TV, newspaper, etc.) vs. internet promotion, as well as some of the products that may be marketed online, are compared.

Descriptive statistics, such as standard deviation and mean, were used as a quantitative tool to examine the best practices in the domains among the above-mentioned criteria..

# Evaluation is based on several variables.

## > <u>Demographic Parameters</u>

- Age
- Gender
- Profession

## > <u>Stimuli Factors</u>

## > Offline stimuli

- Traditional marketing
- Referrals from friends and relatives
- A chance meeting in a store
- Prior experience

## Online stimu li

- Using Google Adwords
- Using YouTube to advertise
- Using a social media platform to advertise
- User/expert evaluations on the internet
- Prompts from the e-mailer

## Product Research Factors

> Offline (Physical Interpretation to friend's relatives)

## Online

- Internet search engines
- Assessment Webpages
- Portal for the brand
- A variety of options are available
- Expert Blogs/User Reviews
- Word-of-mouth on social media
- Videos on YouTube
- Customer service representative

## > <u>Incentive Factors</u>

- Discount coupons
- Name of the company
- Website Aesthetics
- Time for Delivery
- Recommendation
- Advertising on the internet

### 3.4.1 Purpose of the questionnaire

I. To obtain replies from respondents who use and do not utilize online shopping sites.

II. In the case of those who utilize, we aimed to identify the stimuli, product research elements, and company incentives that they favor.

III. As a result, be bright to provide measurable values for the study model adjustable.

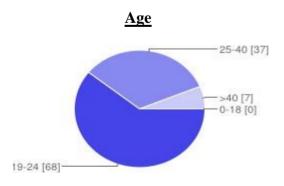
### 3.4.2 Sample Frame and Characteristics

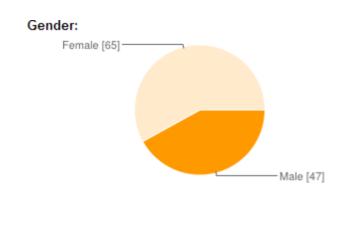
Anyone who utilizes the internet on a regular basis was the target audience. It was mailed to 160 people, and 112 of them answered.

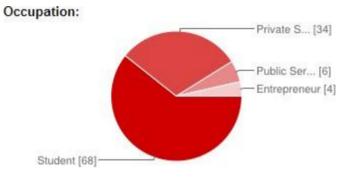
Random sampling was used, which meant that everyone had an equal chance of receiving same enquiries built on their selections, and it will be unbiased ahead of others.

68 of the 112 responders ranges between the 19 and 24 of ages, 37 were between the ages of 25 and 40, and seven were over the age of 40. There were 47 men and 65 women that took part in the survey. With 68 respondents, the most prevalent occupation was that of a student. Amongst total, 34 were employees in private sector, 6 government employees, and 7 business owners.

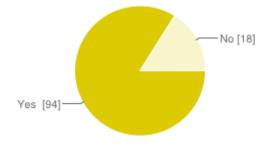
When asked if they do any internet shopping, 94 of them said yes and 18 said no. The pie-charts below illustrate all of these facts:







Do you engage in online shopping?



## 3.4.3 Questionnaire Structure

- Multiple-choice questions: To fully examine respondents' preferences, they should be provided a wide range of options to start from. As a result, we've created a set of various questions that ask users about their online habits such as rarely, occasionally, frequently, frequently, and virtually usually. This relaxes them, allowing them to express themselves clearly while responding.
- Ordinal Scale: It's a measure in which different figures correspond to unlike standards of answer options. This aids in determining if an object has less or more of a specific attribute without focusing on the amount of the difference. As a result, it can only show the relative location of the variables, not the size of the difference between them. As a result, it's an excellent tool for determining a respondent's liking for a certain variable in relation to others.
- Exposing questions: In the case of online shoppers, an open-ended question was posed at the end of individually samples, asking them for a product or service that they would like to see offered online but isn't yet. All of this was done in order to create a more complete framework for ultimate recommendations.
- Branching of questions: In order to further examine the user's behavior and construct a precise architecture for effective performance appraisal, additional branching questions needed a yes/no response from the user.

## 4. Analysis of Data

## 4.1 Reliability test for Cronbach's Alpha

This test demonstrates the questionnaire's internal consistency. It's a common method for determining the validity of a research instrument with a large number of participants.

The value of test ranges from 0 to 1, with a higher value indicating that the sample is more dependable due to the amplified number of interrelations amongst the examples. Cronbach alpha values that are commonly accepted are listed below. However, this is not the case for all samples:

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.8 \leq \alpha < 0.9$	Good
$0.7 \leq \alpha < 0.8$	Acceptable
$0.6 \leq \alpha < 0.7$	Questionable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

Stimuli values, Product research values, and Incentives were the three types of samples from which Cronbach alpha could be calculated. In each scenario, the Cronbach alpha result is shown below:

#### Stimuli

#### **Reliability Statistics**

nbach's Npha	Cronbach's Alpha Based on Standardized Items	N of Items
.722	.711	9

#### **Product Research Values**

#### **Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.645	.654	8

#### **Encouragement Sample**

# Cronbach's Alpha Based

	Alpha Based	
	on	
Cronbach's	Standardized	
Alpha	Items	N of Items
.799	.793	7

On reviewing all the models for uniformity and inside evenness, it can be concluded that they are acceptable because the chief is better than.7 in two belongings along with .654 in one. Therefore we may approach to the next unit of the examination.

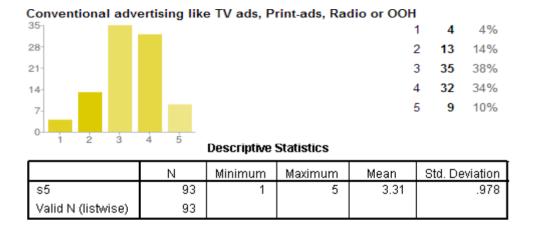
## 4.2 Variable wise Mean along with Standard Deviation

For each variable, we'll calculate the mean (weighted average) along with variable wise standard deviation. After which all the values of means with calculated deviations, for the components will be arranged in three categories to identify the finest performs in each model, namely: Incentives, stimuli, and product research.

## 4.2.1 Stimuli

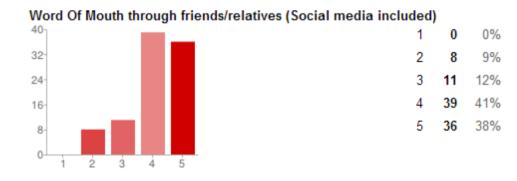
### **Offline Provocations**

### > <u>Conventional Advertising</u>



Thus, we can see that mean for conventional advertising is 3.31 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

#### Promotion through groups/families



#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
s4	94	2	5	4.10	.917
Valid N (listwise)	94				

Thus, we can see that mean for Word of Mouth is 4.10 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Pretty Often* and *Almost always*.

#### Chance encounter in shop

n

Saw the brand somewhere (Stores, Shopping mall) and decided to buy it online 40 1 10 11% 32 2 14% 13 24 3 21 23% 16 4 39 42% 5 10 11% 8

#### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
s8	93	1	5	3.28	1.164
Valid N (listwise)	93				

Thus, we can see that mean for Chance encounter is 3.28 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.

#### > <u>Previous Information</u>

#### I usually felt a need for something, so I looked online for that kind of a product 35 3 3% 1 28 2 3 3% 3 21 22% 21 4 33 35% 14 5 34 36% 7 0 3 5 ż à

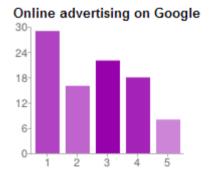
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
s9	94	1	5	3.98	1.005
Valid N (listwise)	94				

Thus, we can see that mean for Prior Knowledge is 3.98 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.

#### **Online Stimuli**

 $\geq$ 



Advertising on Google

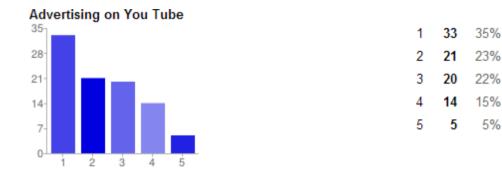
1	29	31%
2	16	17%
3	22	24%
4	18	19%
5	8	9%

#### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
s1	93	1	5	2.57	1.338
Valid N (listwise)	93				

Thus, we can see that mean for Advertising on Google is 2.57 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

#### Promotion on YouTube

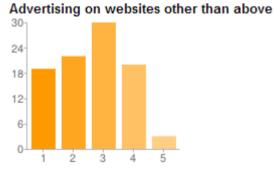


#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
s2	93	1	5	2.32	1.252
Valid N (listwise)	93				

Thus, we can see that mean for Advertising on YouTube is 2.32 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

#### Promotion on social media website



1	19	20%
2	22	23%
3	30	32%
4	20	21%
5	3	3%

**Descriptive Statistics** 

	N	Minimum	Maximum	Mean	Std. Deviation
s3	94	1	5	2.64	1.125
Valid N (listwise)	94				

Thus, we can see that mean for Advertising on any other website is 2.64 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between Sometimes and Often.

2%

#### Online User Reviews or Expert blogs and Discussion sites 45-1 2 36 2 11 12% 27 3 19 20% 4 44 47% 18 5 18 19% 9 0 2 i. ż 4 5 Descriptive Statistics N Minimum Maximum Mean Std. Deviation s6 94 5 1 3.69 .984 Valid N (listwise) 94

#### **Online Worker/Professional Assessments** $\geq$

Thus, we can see that mean for Online reviews are 3.69 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between Often and Pretty Often.

#### **E-mailer reminders**



E-mailer prompts sent by sites like flipkart, jabong etc.

#### Descriptive Statistics

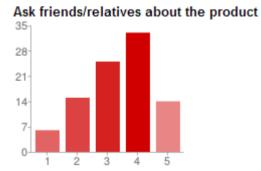
	N	Minimum	Maximum	Mean	Std. Deviation
s7	92	1	5	2.75	1.219
Valid N (listwise)	92				

Thus, we can see that mean for e-mailers are 2.75 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as a stimulus for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

## 4.2.2 Product Research Factors

These will be the components that occur after a reaction was being generated and until a buying choice is made, when customers seek product information.

#### **Word of Mouth of friends**



1	6	6%
2	15	16%
3	25	27%
4	33	35%
5	14	15%

**Descriptive Statistics** 

	N	Minimum	Maximum	Mean	Std. Deviation
z1	93	1	5	3.37	1.121
Valid N (listwise)	93				

Thus, we can see that mean for word of mouth of friends/relatives is 3.37 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source during online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.



#### Search Engines

1	2	2%
2	10	11%
3	9	10%
4	45	48%
5	28	30%

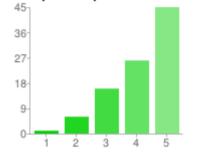
#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
z2	94	1	5	3.93	1.008
Valid N (listwise)	94				

Thus, we can see that mean for search engines is 3.93 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.

#### Assessment Sites

#### Compare its price on various sites



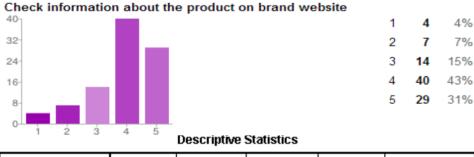
1	1	1%
2	6	6%
3	16	17%
4	26	28%
5	45	48%

#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
z3	94	1	5	4.15	.994
Valid N (listwise)	94				

Thus, we can see that mean for comparison sites is 4.15 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Pretty Often* and *Almost Always*.

#### > Brand Website



	N	Minimum	Maximum	Mean	Std. Deviation
z4	94	1	5	3.88	1.066
Valid N (listwise)	94				

Thus, we can see that mean for brand website is 3.88 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.

### <u>User reviews/Expert Blogs</u>



1	1	1%
2	9	10%
3	19	20%
4	29	31%
5	35	38%

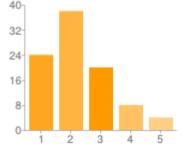
#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
z5	93	1	5	3.95	1.036
Valid N (listwise)	93				

Thus, we can see that mean for user reviews/expert blogs is 3.95 on a 5-point scale with values -1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Often* and *Pretty Often*.

#### > Social media Word of Mouth





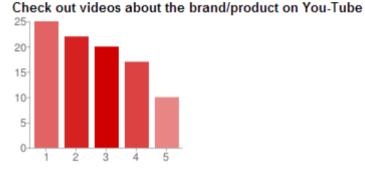
24	26%
38	40%
20	21%
8	9%
4	4%
	38 20 8

#### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
z6	94	1	5	2.26	1.067
Valid N (listwise)	94				

Thus, we can see that mean for social media word of mouth is 2.26 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: <u>Pretty Often 5</u>: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

#### YouTube Videos



1	25	27%
2	22	23%
3	20	21%
4	17	18%
5	10	11%

#### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
z7	94	1	5	2.63	1.336
Valid N (listwise)	94				

Thus, we can see that mean for YouTube videos is 2.63 on a 5-point scale with values-1: Rarely 2: Sometimes 3: Often 4: Pretty Often 5: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *Sometimes* and *Often*.

#### Customer Care Executive



#### **Descriptive Statistics**

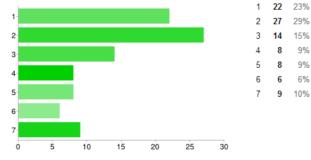
	N	Minimum	Maximum	Mean	Std. Deviation
z8	94	1	5	1.97	1.102
Valid N (listwise)	94				

Thus, we can see that mean for Customer Care executive is 1.97 on a 5-point scale with values- 1: Rarely 2: Sometimes 3: Often 4: <u>Pretty Often 5</u>: Almost always. Thus, as an information source for online shopping, for most of the respondents it lies between *rarely* and *sometimes*.

## 4.2.3 Incentives Factors

### > <u>Coupons</u>

Rank the given options on how important they are in influencing your decision to buy from a particular online retail portal: [Discount Coupons]

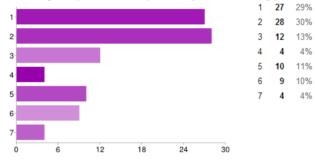


	N	Minimum	Maximum	Mean	Std. Deviation
11	94	1	7	3.07	1.947
Valid N (listwise)	94				

On a 7-point rating system, the mean for Discount Coupons is 3.07, with 1 being the greatest and 7 being the worst. This suggests that most individuals consider it a major benefit of shopping online over alternative methods.

### Brand Names Available

Rank the given options on how important they are in influencing your decision to buy from a particular online retail portal: [Brand Name]



#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
i2	94	1	7	2.84	1.862
Valid N (listwise)	94				

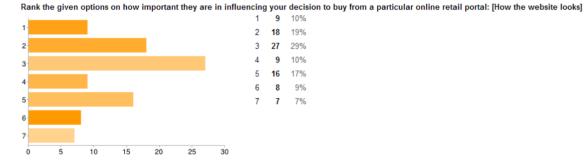
On a 7-point rating system, the mean for Product names convenience is 1.862, with 1 being the highest and 7 being the other. This suggests that most individuals consider it a major benefit of shopping online over alternative methods.

### > Range of Choice

	w important they	1	21	23%			ige of energe aranab
		2	19	20%			
		3	17	18%			
		4	12	13%			
		5	7	8%			
-		6	13	14%			
		7	4	4%			
	- -						
0 4 8 12	16 20	Descriptive	Sta	atistics			
	N	Minimum	Ν	/laximum	Mean	Std. Deviation	
i3	N 93	Minimum 1	N	Maximum 7	Mean 3.22	Std. Deviation 1.864	

On a 7-point rating system, the mean for Range of option offered is 3.22, with 1 being the best and 7 being the worst. This suggests that most individuals consider it a major benefit of shopping online over alternative methods.

#### > <u>Aesthetics of Website</u>

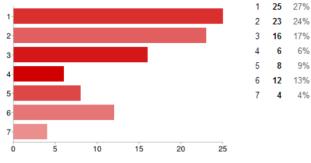


Descriptive	Statistics
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	N	Minimum	Maximum	Mean	Std. Deviation
i4	94	1	7	3.61	1.724
Valid N (listwise)	94				

On a 7-point rating chart, we can see that the average for website aesthetics is 3.61, with 1 being the best and 7 being the worst. This indicates that the majority of individuals consider it to be the most compelling reason to shop online over alternative choices.

### Delivery Time



Rank the given options on how important they are in influencing your decision to buy from a particular online retail portal: [Delivery time]

6%

9%

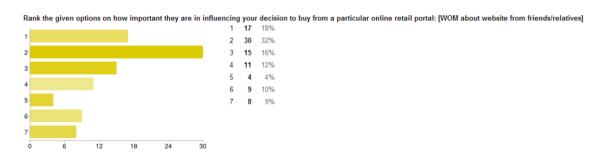
4%

		Descriptive	statistics		
	N	Minimum	Maximum	Mean	Std. Deviation
i5	94	1	7	3.01	1.892
Valid N (listwise)	94				

Departments in Etatiotica

On a 7-point rating scale, the mean for Delivery time is 3.01, with 1 being the highest and 7 being the other. This suggests that most individuals consider it a major benefit of shopping online over alternative methods.

#### **Popularity of website amongst friends/relatives** $\geq$

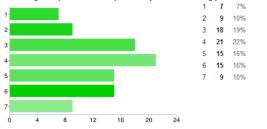


Descriptive S	Statistics
---------------	------------

	N	Minimum	Maximum	Mean	Std. Deviation
i6	94	1	7	3.15	1.889
Valid N (listwise)	94				

On a 7-point ranking table, the mean fame of a website among people is 3.15, with 1 being the best and 7 being the worst. This suggests that most individuals consider it a major benefit of shopping online over alternative methods.

#### Advertising on other websites $\geq$



Rank the given options on how important they are in influencing your decision to buy from a particular online retail portal: [Advertisements of the website on other sites]

#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
i7	94	1	7	4.16	1.706
Valid N (listwise)	94				

As a result, we can observe that the average fame of a website among people is 4.1600 in a 7-point scale, with 1 for the greatest and 7 being the other. It suggests that utmost individuals consider "medium" encouragement for shopping operational when compared to alternative possibilities.

# 4.3 Research Findings

As a result, a ultimate positioning table for provided three things is generated, which is as follows:

### Stimuli Rankings

Stimuli Drivers	Mean	Standard- deviation	Rank
Conventional advertising methods	3.31	0.978	4
Word of Mouth	4.10	0.917	1
Chance Encounter	3.28	1.164	5
Prior Knowledge	3.48	1.005	3
Google Advertising	2.57	1.338	8
YouTube Advertising	2.32	1.252	9
Advertising on social media website	2.64	1.125	7
Reviews, blogs and discussion sites	3.69	0.982	2
e-mailed alerts	2.75	1.219	6

As a result, we can see that human promotion is well ahead of the competition in terms of features that encourage people to shop online. According to the concept of planned behavior, our peer group influences many of our purchasing decisions.

The next most popular results are reviews, specialist blogs, and discussion forums. People seek reassurance from others, particularly experts and opinion leaders such as celebrities, which is compatible with the notion of reasoned action.

Remarkably, previous information, or the fact that when consumers confront a product scarcity in their everyday lives, they resort to the internet to get it, is the third most prevalent factor. This component has nothing to do with advertising in any way.

Because traditional advertising such as television and print still increase awareness, they are the next best stimulus.

Chance meetings with the brand at shopping malls, shopping centers, and other venues are next, followed by surprisingly typical online incentives like e-mail notification with alert and promotion on Google, Instagram, Facebook, YouTube,

TikTok and other websites. This shows that word of mouth and conventional advertising are considerably more essential than Internet advertising in the awareness-building stage.

Product Research	Mean	Standard-	Rank
factors		deviation	
Word of Mouth	3.37	1.121	5
Search Engine	3.93	1.008	3
Comparison Sites	4.15	0.994	1
Brand Website	3.88	1.066	4
User reviews	3.95	1.036	2
Ask people on	2.26	1.067	7
social network			
YouTube videos	2.63	1.336	6

### Product Research Factors

Completed the merger of stimuli, the information gathering phase, which decides where to get and what to buy, is the natural next step, and it is at the center of our study. Product review websites are chosen by respondents above the elementary performance of looking for items on a platform like Google, to search, which is positioned third behind user evaluation blogs, reflecting Indian buyers' moneyconscious mindset.

It goes on to illustrate that most Indian online consumers know precisely what they want to purchase, however the concern is platform from where to buy and the class of the items available there. As a result, for this group, the Brand website is the fourth most popular destination to look at things.

Word of Mouth, which was first in the stimulation phase, is now ranked fifth. Word of mouth is effective at eliciting a need or want, but logic determines the flow for most of the audience.

Interestingly, speaking with a client service representative ranks low on this list. It could be because individuals are unwilling to make the effort to call or speak online with an unknown individual but are willing to trust the expert advice of unknown who have tried the product.

## Incentive Rankings

Incentives	Mean	Standard-	Rank
		Deviation	
Discount Coupons	3.07	1.947	3
Brand names	2.94	1.862	1
available			
Range of Choice	3.22	1.864	5
available			
Aesthetics of	3.61	1.724	6
website			
Delivery time	3.01	1.892	2
Popularity of	3.15	1.889	4
website			
Advertisements	4.16	1.706	7
on other websites			

We must keep in mind how these incentives are the most regularly employed in online advertising to entice customers. They were also ranked on a scale, with the lower the value, the better the inducement.

Surprisingly, in this scenario, practically all of them have significant standard deviations and are extremely close to one other. As a result, we may argue that all incentives are roughly similar in their effectiveness.

Interestingly, the availability of product names on the digital platform or portal is the best inducement to choose one website over another, according to this survey. As a result, portals that carry unknown products should do poorly in comparison to portals that carry well-known brands.

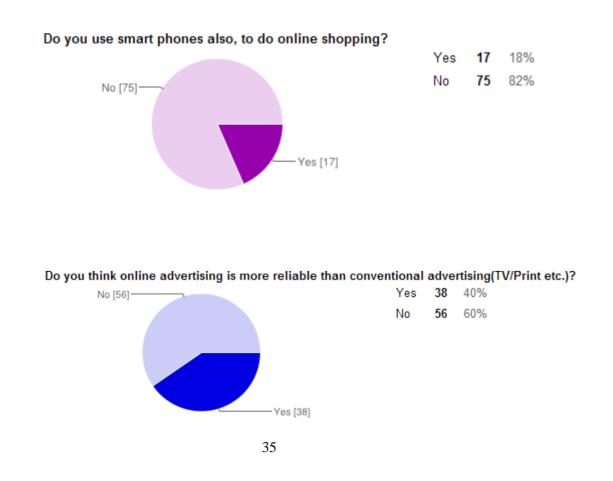
The second most crucial factor is delivery time, and the site that guarantees faster delivery will certainly be selected above others. The popularity of the website comes in third, followed by discount coupons.

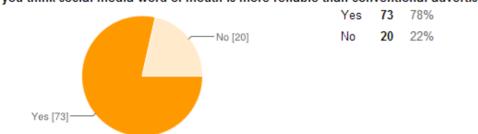
It shows clearly that, however public opinion may have an influence in the early stages of online buying, customers usually choose a website based on it. After a specific task is completed, the client selects his/ her own preferred website based on a variety of features. This is evidenced in the fact that when respondents were asked to name the first e-commerce site sprung to mind, exactly 16 responses were given out of a sample of 93 individuals.

Below is a list of the various responses to the review. Announcements on additional site, that are a supplemental to boost the website's appeal, originated in latter, despite its standard position coming around 4, although not a significant motivation when linked to others, it is enough on its own.

### 4.4 Additional Information gathered

We also gathered additional information by asking online buyers to compare the effectiveness of traditional and internet promotion, and also term on social media. We also wanted to know if internet shoppers utilized their phones to shop. The following are some of the responses we got:





Do you think social media word of mouth is more reliable than conventional advertising?

As a result of these findings, we can see that 17 out of 93 people utilize a smartphone while buying online. It demands a high degree of involvement, as well as demonstrating that these individuals often purchase online. In online shopping, phone marketing is also quite crucial. As a response, a large number of these retail websites are digital and understand the importance of mobile ads.

Another noteworthy finding was that 60% of consumers thought online ads was less trustworthy than traditional advertising however, internet media word of mouth is far more reliable. It goes on to illustrate that believe in advertising is much lower than faith in word of mouth, even if it comes from someone you don't know and who may have only tried the goods once. It goes on to say that no publicity is bad publicity, and that brands should need to try to build platforms where brand conversations may reach a bigger market. Traditional advertising, such as push marketing, is rapidly losing its credibility, according to this study, and the need of the hour is to instill word of mouth, which is the most important component in producing a stimulant for buy and also an important factor in the understanding messages received. Both questions were posed in order to aid in the development of a framework for quality standards.

# **5. Suggestions**

From the inferences drawn from this study, we can formulate following suggestions

- Online stores nowadays spend a lot of money on advertising on Google and YouTube. They are ineffective stimuli for developing an ability to gain products, even though they are excellent for enhancing awareness and memory value for new websites. As a result, often well websites such as FlipKart should cut back on online advertising, newcomers should surely do so in order to improve memory.
- It is ideal to propagate publicity through Facebook groups and other social media for websites that have already established themselves. They also may foster a sense of community, something Zappos has done exceptionally effectively in the US market.
- Rewarding to customers who share their excellent shopping experiences on social media networks is a great way to drive word-of-mouth marketing. Individuals are primarily rewarded with discount coupons and early access to the portfolio's better-known brands via e-mail and smartphone reminders.
- Sales promotion is an excellent way to build trust. The proportion of participants thought that the initial thing comes to mind when they supposed of an online shopping platform was FlipKart, first online trade company in India to capitalize in traditional advertising.
- Companies like olx.com have taken a similar strategy to build a reputation since then. Amazon and eBay spend so much money on traditional advertising in the United States, such as billboards. It also boosts the brand's popularity, it's been shown to be a powerful factor for people to buy from a particular website. The typical advertising expenditure may be reduced as the brand's credibility develops.
- Expert opinions, blogs, and discussion forums are all great ways to boost credibility. Over and above any promotion, an online shopper vouches for the words of another online shopping service provider. These reviews are among

the best possibilities for product research and should be heavily invested in. In this area, no publicity is false publicity. Even if a customer posts a poor review, the corporation has a great chance to put things right in opposite of masses of public. This provides the idea that the company genuinely cares about its consumers, and numerous of your consumers will become faithful who will promote your business for free on your behalf without charging you anything by spreading the word about your business through word of mouth, which will result in a large number of new clients also, As a consequence of our research, the conclusion is associate promotion is an effective product research component. Comparison shopping websites that promote your goods put you in front of millions of customers looking for the greatest value. As a result, investing in a partnership with these comparison websites is critical. When Amazon wanted to enter the Indian market, it purchased junglee.com.

- Comparative modelling is a great business model for a new website since it is the primary component of product research from which sample respondents enquired before using search engines like Google.
- Aesthetics and awareness of a website are less significant than earlier delivery times also the obtainability of quality products with a superior range of selections. The main reason people shop online is to get something they want that isn't widely available elsewhere as soon as possible. As a result, these attributes are more important than the website's appearance or the volume of advertisements it places on other websites.

# 6. Limitations and Future Scope

- In-depth interviews should be conducted followed by a thorough content analysis to gain a better knowledge of the consumer. It was not achievable because of less time and the vast number of responses needed due to study's choice.
- The bulk of those who responded were students, mostly females. This type of study should break down the results into different demographics to see how each of them reacts in similar situations.
- In determining the efficiency of the components in relation to one another, the weighted average is not a very useful metric. Regression and correlation would have revealed which components are very effective when they are combined.
- Because the study was directional in design, it only signifies the digital opinions for participation, rather than all Internet users in general.
- The role of mobile and smartphone technology as product research elements could be the focus of future research.
- The diversity of digital opinions throughout India's geographical locations, as well as how specialized web portals flourish in establishing a big subsequent in few areas but flop to do so in others, could be future themes.

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