

# **Major Research Project On**

## **CONSUMER PREFERENCE TOWARDS**

## **ONLINE GROCERY STORES**

Submitted By

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23/DMBA/55

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## CERTIFICATE

This is to certify that the project titled "**Consumer Preference towards Online Grocery Stores**" is an academic work done by "**Jatin Mitra**" bearing roll number 23/DMBA/55 submitted in the partial fulfillment of the requirement for the award of the degree of Masters of Business Administration from Delhi School of Management Studies, Delhi Technological University, under my guidance & direction

To the best of my knowledge and belief the data & information presented by her in the project has not been submitted earlier

(Signature)

Dr Deepali Malhotra  
Assistant Professor

## **STUDENT DECLARATION**

This is to certify that I have completed the Project titled **“Consumer Preference towards Online Grocery Stores”** under the guidance of **Dr Deepali Malhotra** in partial fulfillment of the requirement for the award of the degree of **Master of Business Administration** at **Delhi School of Management Studies, Delhi Technological University** This is **an original piece of work, and I have not submitted it earlier elsewhere**

JATIN MITRA 23/D

MBA/55

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## EXECUTIVE SUMMARY

From the way we network, to the way we get our news – we're slowly but surely moving everything online. And shopping is no exception.

In the past few decades, online shopping has gone from being nonexistent to becoming a multibillion-dollar industry. Buying things online has become a common practice among millions of people around the world. Recently the number of people buying goods and services online has increased more than ever before.

One of the reasons why online shopping has grown so much over the years is because of the experience that businesses are able to provide to their customers. We're constantly seeing businesses add new features and services for online shoppers, with the intent of providing them the same support and comfort that they would have during an in-person shopping experience. Consumers are now looking for more convenient ways that enable them to make purchases anytime and anywhere just by connecting to the internet.

E-

Commerce is defined as the internet or online business in which there is the process of buying and selling of the goods as well as the services through the internet. The transfer of money and data are executed online. Due to the global pandemic around the world and everyone being inside their homes, the use of e-commerce is high in number compared to other situations. The main concern of people during the pandemic was daily groceries.

Online grocery has provided a better way for people to make and purchase groceries. Online grocery allows consumers to buy fresh and packaged food t

hat will be delivered to our doorstep. The growth of online groceries has exponential growth of 15% in the last two years. Online grocery shopping will be the next popular sector in electronic commerce. Recently, businesses are encouraging consumers to build up the habit of purchase groceries online. Some reports discovered that 26% of online consumers are more willing to buy fresh groceries only.

## TABLE OF CONTENT

<u>Contents</u>	<u>Page No</u>
<b>Title Page</b>	
<b>Certificate from internal guide</b>	
<b>Declaration</b>	
<b>Acknowledgement</b>	
<b>Executive Summary</b>	
<b>Chapter 1 - Introduction</b>	
<b>Chapter 2 – Literature Review</b>	
<b>Chapter 3 – Research Methodology</b>	
<b>Chapter 4 – Case Study</b>	
<b>Chapter 5 – Conclusion</b>	
<b>Bibliography</b>	
<b>Annexure</b>	

# CHAPTER – 1

## INTRODUCTION

### 1.1 About the topic (background)

#### 1.1.1 Online Grocery

Grocery shopping is considered as one of the most vital and regular task of every household. People purchase groceries irrespective of the country's economic condition. People may stop going to vacations, restaurants, movies, etc but they cannot stop buying the basic necessity goods such as fruits and vegetables, oils, breads, etc. However, in the hustle and bustle of modern lifestyle, people are unwilling to spend their time and energy on purchasing groceries. People associate shopping at grocery stores as tiresome and stressful. In addition to heavy traffic and long working hours, many people avoid buying groceries. Ankarc et al. (2002) claim that "consumers generally dislike shopping for groceries; they have a desire to accomplish the task as fast as possible" (p 215). A survey by Peapod.com, one of the world's largest e-grocer showed that individuals dislike grocery shopping as a job next to visiting a dentist (Huang and Oppewal, 2006; Wu and Teng, 2011).

Luckily, the emergence and development of e-commerce has opened new ways of doing business. Thus, online grocery shopping is becoming more and more popular (Ankarc et al, 2002; Wu and Teng, 2011).

With the growing Internet connectivity, clientele and rising popularity of electronic shopping, entrepreneurs have seen the opportunity of opening online grocery stores. Various e-grocers like BlinkIt, Amazon Fresh, Jiomart, etcetera have emerged in the Indian online grocery market.

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India is undoubtedly one of the fastest-growing economies in the world. In fact, it is projected to become the third-largest economy by 2030. Among the sectors responsible for India's tremendous growth, the retail sector accounts for over 10% of India's GDP. Out of that, the grocery market, in particular, has turned into a pillar of support for the economy.

onomy

Due to constantly evolving consumer lifestyles, growing urbanization, the advent of a tech-savvy generation with busier lifestyles, and growth in disposable incomes, there has been increased acceptance for online grocery shopping. A report shows that the global online grocery industry is expected to grow by 60% from 2023 to 2026.

Today, the online grocery market amasses a significant market share in India's food and grocery market and is valued at \$2.9 billion as of 2022. With favorable government policies and rising demands in the market, the market is predicted to outgrow itself in the coming years. The preference for online grocery delivery skyrocketed during the COVID-19 pandemic.

After all, online grocery shopping is convenient, safe, and adheres to social distancing standards. All these make consumers throng to online grocery platforms for their daily needs. With a large section of the workforce working from home and a general apprehension to venture out, online grocery shopping has become more of a necessity than a luxury.

Most of us will recall the horrible sight of thousands of Americans rushing to stores in panic and bagging every essential commodity in their sight.

Despite that, grocery businesses swiftly adapted to the new normal and pivoted to provide safe shopping experiences. This led to the onset of several new shopping patterns to manage the increased customer expectations. The bar to thrive had suddenly risen for all of them. People were changing to different retailers for different reasons post the pandemic.

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One of the biggest impacts of the pandemic on the grocery industry has been the boom in online ordering. This was mainly driven by the increase in essential shopping during this period.

1.1.2 A push towards personalization coupled with ease of shipping has made online shopping the most preferred mode for most people Industry Introduction

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets.

Companies also use the Internet to convey communications and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business.

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

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

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Along with the development of E-retailing, researchers continue to explain E-

consumer's behavior from different perspectives. Many of their studies have posited new emergent factors or assumptions which are based on the traditional models of consumer behavior, and then examine their validity in the Internet context.

### 1.1.3 Online shopping in India

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

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

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

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

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Indians are also increasingly taking to mobile devices for not only search but shopping as well. The number of smartphone users is rapidly increasing in India and with 4G services about to take off it's expected to get even more people going online. There are currently about 900 million mobile subscribers and this number is expected to touch 1.2 billion by 2015. Of these about 27 million are estimated to be active mobile internet users. More importantly, 20% users indicated intent to buy products through their mobile phones as against the current

4% and this number is expected to only increase in the next two to three years

Innovation is helping e-commerce companies break the inertia for online shopping by offering benefits to customers not traditionally available in a brick and mortar store. Business models include no question asked return policies ranging from 7 days to 30 days, free product deliveries and the industry dynamics changing “cash on delivery” model.

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

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

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

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More importantly the report indicates that urban Indian consumers are now confident enough to make online purchases of up to US\$500 as against US\$40-

100 in the recent past. So not only are the numbers of online shoppers projected to increase but there has been a real increase in the total value being spent online.

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

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

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

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

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India-

an upcoming super power has more than 100 million internet users which is keeping on growing by introduction of 2G and 3G. They want to be online always b

y any internet enabled gadgets People are moving from street bargaining to online web bargaining The common Indian Mentality of “seeing and believing” or “how it will look” is changing by introducing some creative business models like “cash on delivery” by major e-commerce sites

#### **1.1.4 Factors with respect to Women in Online Shopping**

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

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

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Naturally, the same woman when she would visit an online retail store will look for these factors in her subconscious mind She would love to get the same feeling as she derives from the en

vironment of her favorite retail store. She will unknowingly demand these from your online shopping store.

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

- Save time: You should give her the navigational freedom and easy roam around options in your store; give her instantly whatever she wants
- Get a better selection: Your product should be the best in the designated price bracket
- Complete product details: Do not describe your products in single words; give as much detail as possible
- Better value/offer: Your freebies should be 'useful' enough and the discount should be noticeable
- Logistics: You must deliver the product right at her doorsteps and nowhere else!
- Flexible return policy: Many times a woman takes a second opinion and you should respect this nature. Be flexible if she asks you to replace what she has bought

## 1.2 Problem statement

In recent years, the Indian retail landscape has experienced a significant transformation with the advent of online grocery platforms. The convenience, time-saving benefits, and wide variety of choices have attracted millions of urban consumers to adopt online grocery shopping as an alternative to traditional brick-and-mortar stores. This shift has been further accelerated by factors such as increased inte

ernet penetration, the growth of smartphone usage, digital payment infrastructure, and changes in consumer lifestyles

Moreover, the COVID-

19 pandemic drastically altered consumer shopping behavior, pushing even the most reluctant buyers toward digital platforms. The post-pandemic period has continued to show an increasing reliance on online grocery services, with platforms like BigBasket, Blinkit, Zepto, Amazon Fresh, and JioMart becoming household names. These platforms now offer not just groceries, but a complete assortment of daily essentials with fast delivery, discounts, and convenience at the fingertips of the user.

However, despite the growth in this sector, consumer preference remains highly variable and influenced by multiple factors. While some consumers have fully transitioned to online platforms, others remain skeptical or use them selectively. Issues like product quality, trust in delivery services, lack of physical inspection, inconsistent availability of fresh produce, delivery charges, and return policies continue to challenge the growth of the segment.

Furthermore, platform loyalty is weak. Many consumers switch between apps based on discounts or delivery speed, while others prefer local stores for specific items such as fresh fruits and vegetables. There is also an emerging trend of hybrid shopping behavior, where consumers use both online and offline options based on convenience and need.

Another dimension that complicates the scenario is the diversity of consumer segments—working professionals, homemakers, students, and senior citizens—all with different expectations and pain points. While some consumers value express delivery (like that offered by Zepto and Blinkit), others look for bulk discounts and monthly planning (offered by BigBasket or JioMart).

Therefore, despite the rising popularity of online grocery stores, a clear gap exists in understanding what truly drives consumer preference in this segment. There is a need to explore:

- Why consumers prefer certain platforms over others
- What specific factors (such as delivery speed, price, UI, product variety, etc ) influence their decision
- What prevents occasional users from becoming regular customers
- How platforms can enhance loyalty and trust

Hence, this study aims to analyze consumer preferences toward online grocery shopping in urban India by examining the motivations, concerns, usage patterns, and satisfaction levels associated with various platforms. The research seeks to provide insights that can help online grocery businesses understand consumer behavior better and improve their offerings to align with market needs.

This problem becomes even more significant in a competitive landscape where customer retention, brand differentiation, and personalized service are becoming critical success factors. Understanding consumer preferences is no longer optional—it is essential for survival and growth in the digital retail ecosystem.

### **1.3 Objectives of study**

- To understand consumer preferences toward online grocery platforms:  
This objective aims to explore what specific features and services influence consumer choices when selecting an online grocery store. It includes factors such as delivery speed, convenience, discounts, app experience, and platform trust.
- To examine consumer expectations from online grocers:  
This includes understanding what customers ideally look for—such as quality assurance, wide product variety, accurate delivery timing, customer support, flexible payment options, and consistent availability of items.
- To evaluate customer satisfaction levels with online grocery services:  
The study seeks to assess how satisfied consumers are with their overall shopping experience. It examines satisfaction in terms of delivery efficiency, product freshness, return policies, ease of use, and after-sales service.
- To analyze key factors influencing buying behavior in the online grocery market:  
This involves identifying both psychological and practical factors—like price sensitivity, convenience, time-

saving needs, promotional campaigns, peer influence, or trust in digital platform s—that affect online purchase decisions

- To compare consumer preference between online grocery shopping and tradition al offline methods:

The study aims to find out how consumers perceive both shopping methods and what prompts them to prefer one over the other. It considers aspects such as phys ical product inspection, immediate availability, and habitual buying pattern

- To determine the frequency and nature of purchases made via online grocery stor es:

This objective examines how often consumers make purchases— whether it's for daily needs, weekly stock- ups, or monthly groceries. It also aims to identify what kinds of products are mor e likely to be bought online

- To study consumer buying behavior before, during, and after the COVID- 19 lockdown period:

This objective highlights the shift in consumer attitudes and purchasing habits ac ross three critical phases—pre- pandemic, during the lockdown when online shopping became essential, and pos t-pandemic, as habits continued to evolve

#### 1.4 Scope of study

The scope of this study revolves around understanding consumer preferences toward online grocery shopping platforms, particularly in the context of urban India. The res earch focuses on exploring the behavioral patterns, influencing factors, and platform- specific choices that drive online grocery purchases

To begin with, the study is geographically limited to urban cities in India, where inter net connectivity, smartphone usage, and digital payment systems are well- developed. Cities like Delhi, Mumbai, Bengaluru, and Hyderabad are expected to pro vide relevant data due to their higher adoption rate of online services. The study may further narrow down to a specific metro city (like Delhi NCR) for primary data colle ction, depending on feasibility

The research focuses on consumers aged 20 to 50 years, which includes a wide demographic such as college students, working professionals, homemakers, and young families. These segments are active users of mobile technology and e-commerce platforms and have shown diverse behaviors when it comes to grocery shopping online. Their varying needs, time constraints, and shopping habits offer rich insights for the study.

This study includes a variety of online grocery platforms such as BigBasket, Blinkit, Zepto, Amazon Fresh, JioMart, and Swiggy Instamart. These platforms are among the most widely used in India and differ in terms of business models—some offering express delivery services while others focusing on monthly grocery planning. The research will aim to understand how consumers choose between these platforms and what makes them loyal or disloyal to a particular one.

An important part of the study is to examine the factors influencing consumer decisions. These factors include delivery time, availability of products, pricing and discounts, app interface, payment options, customer service, return/replacement policies, and the quality of items received—especially perishable goods like fruits and vegetables. By analyzing these factors, the study will aim to understand what makes a consumer prefer one platform over another.

The study also intends to understand the frequency and purpose of online grocery purchases. It will cover whether consumers prefer buying small items on demand or whether they use these platforms for monthly or weekly stock-ups. The research will explore whether consumers rely completely on online grocery platforms or if they still prefer visiting physical stores for certain needs.

From a methodological perspective, the study will involve primary data collection through online surveys, possibly interviews, and secondary research using published reports and academic articles. Responses from at least 100—

200 consumers will be collected and analyzed to understand broader trends and behavior patterns

Time-

wise, the scope is restricted to consumer experiences and shopping behavior within the past 6–

12 months, ensuring that the insights reflect current market trends and preferences. This will also account for any recent shifts in behavior due to changes in platform offerings, technology improvements, or post-pandemic recovery

Overall, the scope of this study is well-

defined yet broad enough to capture different aspects of consumer behavior, preferences, and satisfaction levels toward online grocery platforms. The insights derived will be useful for e-

commerce companies, digital marketers, and strategists aiming to enhance customer experience and build stronger brand loyalty in the online grocery segment

## CHAPTER – 2

### LITERATURE REVIEW

- Mortimer et al (2016)

He stated that online grocery shopping differs from general online shopping because of the perishability and variability of the shopping activity's product and frequency. The online grocery will be considered a part of online electronic commerce because it enables the user to purchase goods and household supplies such as food and various cooking ingredients regarded as perishable goods.

- Chaffey (2011)

He defined electronic commerce as "all electronically mediated information exchanges between an organization and its stakeholders".

- Liebmann (1988, p 25)

He noticed that despite the fact that customers are regularly shopping at more outlets, —these same consumers repeatedly tell us they are time-pressed and want more convenience-oriented and added value services that will save them time. In reference with the above need for convenience and increasing penetration levels of internet

- Huang and Opperwal, 2006

They believe that consumers would welcome the benefits offered by online grocery shopping. Since the mid-1990s, researchers have shown different opinions about the suitability of groceries for e-commerce. Some researchers gave their outlook of grocery shopping to emerge as a big business opportunity (Andersen Consulting, 1998). However, there are others who are negative about the success of online grocery shopping.

ing in the online environment

- Sherah Kurnia, Ai-Wen Jenny Chien, 2003

Online grocery services have been trying to take a hold in the market however due to the lack of availability in some areas and due to the traditional habits of the consumers, a large audience has not been able to gain the benefits of it. It was observed that people use OGS due to the perceived ease of use. Nevertheless, online grocery shopping is still a new concept and therefore people cannot relate to it or they do not have a clear understanding of the risks involved in it.

- Wolfinbarger and Gilly, 2001

Shopping experience has been assessed by consumers along two central values: utilitarian value ‘in which consumers are rational, task oriented and desire to obtain utilitarian outcomes; and 2) hedonic value ‘which can be associated with the consumers ‘need to obtain fun such that the fulfillment of a task may not be very essential’.

- Dawon et al (1990)

He points out that social interaction offered by shopping is one of the major reasons for people to go shopping. It has been indicated that shopping at stores is often treated as an opportunity for people to spend time with their friends or family members and also take pleasure from the social activities whilst shopping.

However, few online shoppers do not want to be bothered while they are shopping online. The technology interface offered online provides them with the convenience to browse for products without being disturbed by sales.

- Childers et al (2001)

Research on the technology acceptance model proves that the perceived ease of use and perceived usefulness are considered a strong predictor for online grocery shopping.

cery shopping. Additionally, using the online grocery system to shop allows the consumer to compare prices between goods efficiently. This system has delivered benefits for the consumer to have worldwide selection and products without searching them physically. A study conducted by Galante et al. (2013) further concluded that online grocery shopping appears to have more convenience than traditional grocery shopping.

- Robertson (1967)

He classifies innovations as continuous, dynamically continuous and discontinuous. Critically, discontinuous innovation not only involves the innovation of a new product but also triggers a significant change in the customers' behaviour. Online grocery shopping is debatably a discontinuous innovation (Hansen, 2005), involving a significant change in behaviour (Robertson, 1967): online shoppers give up the social interaction at supermarkets and the ability to inspect the quality of groceries prior to purchase. For the advancement of online grocery shopping beyond its existing —niche! size, retailers not only need to understand what makes the customers to change their behaviour but also the degree to which their shopping experience online strengthens the adoption process (Hand et al., 2008). Thus, there is a direct relationship between the customers' 'perception of an innovation and its rate of adoption. For example: Perceived convenience brought by online grocery shopping has a positive influence on its adoption by the time-pressed consumers.

- Bell et al, (1998)

The study by Bell et al, (1998) shows that shopping costs comprise of both fixed and variable costs. The travelling distance from the customers' 'house to the supermarket, customers' 'loyalty and innate preference towards a store constitutes fixed cost of shopping. While, variable costs are dependent on the customers' 'shopping list. Transportation costs such as petrol and parking expenditure, and travel time discourage consumers to purchase from a supermarket and encourage them to purchase goods online (Forman, Ghose and Goldfarb, 2009; Chintagunta, Chu and Cebollada, 2012). However, majority of the consumers hate to pay premium in the form of delivery fee for everyday necessity products like

groceries (Baker, 2000; Kacen, Hess and Chiang, 2003) A survey conducted by OMD snapshots revealed that about 20 percent of online groceries shoppers deterred to shop online due to the delivery charges (Anonymous, 2001)

- Ranganathan and Ganapathy, 2002

Couple of risks emerge in online shopping such as the risk of losing money by means of credit card stealing or privacy risk which shows the unwillingness of the customer to give away personal information A study conducted by Ranganathan and Ganapathy, 2002 revealed that security and privacy factors came forward to be the most important predictors for distinguishing the high and low purchase intent purchasers However, another study by (Swaminathan, Lebowksi-

White and Rao, 1999) displayed opposing results that the consumers did not show much concern over the transactions ‘security

- Aylott and Mitchell, 1998

Convenience is related to forms of non-monetary costs like time, stress and effort and psychological cost Study conducted state that convenience and times saving are the two major reasons for the consumers to purchase groceries online Online shopping offers greater convenience to consumers as consumers can shop from anywhere at any time and provides customers with an opportunity to save time by making trips to physical retail stores

- Ramus and Nielsen (2005)

A study conducted by Ramus and Nielsen (2005) shows that online grocery shopping relieves the customers from the burden of carrying heavy groceries home from the supermarket They found crowding and queuing to be the two major stressors when buying groceries at the supermarket or grocery store Crowding is not liked by customers as it does not let customers achieve their task as easily and quickly they like while queuing adds to the customer ‘s level of frustration as they have to waste their time standing in a long queue for checkout

- Geuens et al , (2003) and Ring and Tigert (2001)

Geuens et al , (2003) report that online shoppers may find difficulty in obtaining relevant information about groceries online before purchasing the product Additionally, as proposed by Ring and Tigert (2001), many online grocery websites are difficult to navigate around and shop A study conducted on electronic grocery consumers revealed that —easiness to order groceries| might have a positive influence on the consumers ‘preference to select an e-grocery store If the customers find what they are looking for but fail to carry out the transaction, they are likely to cancel their order

## **CHAPTER – 3**

### **RESEARCH METHODOLOGY**

Research methodology is a systematic approach to solving research problems. It involves collecting data using statistical techniques and interpreting the conclusions about the research data. Research data is collected from various sources considering the purpose.

The purpose of this section is to describe the process you must follow to get the job done. Methodology plays an important role in any research work. The effectiveness of research work depends on the accuracy and effectiveness of research methods.

The study is conducted in a systematic procedure starting from selection of the topic to the final report preparation. The integral part was to identify and collect data; they were classified, analyzed, interpreted and presented in a systematic manner to find the vital points.

The overall process of the methodology followed in the study is explained further.

#### **3.1 Methods of Data Collection**

Data collection is the systematic approach to gathering and measuring information from a variety of sources to get a complete and accurate picture of an area of interest.

There are two types of data that is collected:

1. Primary
2. Secondary

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Primary data is the type of data which is collected by the researcher himself for the first time i.e., it has not been collected previously and published. Pr

imary data is collected for a specific purpose, which means, it is critically analyzed to draw a general conclusion or to find answers to a specific problem. Tools to collect primary data include Survey Method, Interview Method, etc.

Secondary data refers to the data previously collected for any other purpose but can be used in the current study i.e., it has been collected and published in journals, magazines, newspapers, etc., already.

### **3.2 Type of Research and Research Design**

This research is a theory-based design method which is created by gathering, analyzing, and presenting collected data. This helps to provide insights into the why and how of research. It is a descriptive research design. People's perception and reaction towards online grocery stores is studied and the reason behind this perception is identified. In this research paper the effects of Covid-19 have also been considered.

The approach of gathering **primary data** was conducted using the online survey tool Google Forms and the respondents were reached through online communities frequently visited by the sample.

### **3.3 Data Collection Tool Used**

The data collection method used was the Survey Method which is usually incorporated for collection of raw information. The survey method is advantageous as it is easy to analyses the responses and draw conclusions. In addition, it is easy for respondents to answer.

### **3.4 Instrument Used**

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Google drive is used for online questionnaire (Google Forms) and collecting responses. The questionnaire consists of closed ended questions.

### **3 5 Sampling Methodology**

Sampling is a process used in statistical analysis in which a predetermined number of observations are taken from a larger population. The methodology used to sample from a larger population depends on the type of analysis being performed, but it may include simple random sampling or systematic sampling.

### **3 6 Sample Design**

With random sampling, every item within a population has an equal probability of being chosen. It is the furthest removed from any potential bias because there is no human judgement involved in selecting the sample.

### **3 7 Sample Frame**

The respondents consist of males and females of all ages. Samples are taken from university students, friends, relatives and different households.

### **3 8 Sample Size**

Though a large sample size gives a better result but due to lack of time and availability of technology, the sample size is 150.

## CHAPTER – 4

### CASE STUDY

#### 4 1 Introduction to the Case

In the age of digitization, online shopping has transformed traditional retail landscapes across the globe. India, with its rapidly growing internet penetration and tech-savvy population, has embraced e-commerce at a remarkable pace. Among various sectors of online retail, grocery shopping has emerged as a key area witnessing substantial consumer interest. This case study aims to explore and analyze the consumer preferences, satisfaction levels, and behavioral patterns associated with online grocery shopping in India.

The concept of online grocery shopping became particularly significant during the COVID-

19 pandemic when restrictions on physical movement pushed consumers toward digital platforms. Brands like Blinkit, Amazon Fresh, Big Basket, JioMart, and Swiggy Instantmart adapted to meet the growing demand. However, the question remains: Will this behavior sustain in the post-pandemic world?

The study explores various dimensions such as convenience, trust, product range, and pricing that influence consumer preferences. Furthermore, it attempts to understand how demographics and consumer habits play a role in shaping this trend.

#### 4 2 Data Collection (Sources and Approach)

##### 4 2 1 Primary Data Collection

Primary data was collected through a structured online questionnaire created using Google Forms. The questionnaire was distributed via email and social media platforms to ensure broad participation. The questions included multiple-choice and Likert-scale based queries to capture quantitative and attitudinal data.

##### 4 2 2 Secondary Data Collection

- Secondary data sources include:
- Research articles and journals
- Government and industry reports
- Online articles from reputed websites such as Investopedia, Economic Times, and Grand View Research

#### **4 2 3 Sampling Methodology**

The study adopted a **random sampling method**, targeting respondents from different age groups, income brackets, and professional backgrounds to ensure diversity. The **sample frame** consisted of university students, working professionals, and homemakers primarily from urban regions.

#### **4 2 4 Sample Size and Design**

Out of 150 responses received, 100 were considered valid for detailed analysis as they confirmed using online grocery platforms. The sample was balanced in terms of gender and income categories.

### **4 3 Data Analysis**

The data collected from the online questionnaire was analyzed using basic statistical tools and visual representation methods such as pie charts, bar graphs, and line graphs.

#### **4 3 1 Demographics**

- 58% of respondents were male, and 42% were female
- Income distribution:
- Less than ₹20,000: 14%
- ₹20,000-₹45,000: 47%
- ₹45,000-₹70,000: 31%
- Above ₹70,000: 8%

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#### **4 3 2 Grocery Spending**

- Majority spent ₹2500-₹5000 monthly (59%)

- Only 7% spent more than ₹8000

#### 4 3 3 App Preferences

- Amazon Fresh: 29%
- Blinkit: 28%
- Swiggy Instamart: 13%
- Others: 18%

#### 4 3 4 Buying Patterns

- Pre-COVID: Rare usage (38%)
- During COVID: Frequent usage surged to 28%
- Post-COVID: Continued moderate usage with 21% frequent users

#### 4 3 5 Satisfaction and Trust

- 65% of respondents were satisfied or very satisfied
- 90% of users trusted products offered
- 66% disagreed that online grocery is a hassle

#### 4 3 6 Consumer Motivation Factors

- Discounts (34%)
- Trustworthy payments (26%)
- Easy return policy (19%)
- All-inclusive product range (9%)

### 4 4 Findings and Recommendations

#### 4 4 1 Key Findings

- A significant number of consumers (67%) use online grocery platforms
- Amazon Fresh and Blinkit are leading apps in terms of preference
- The pandemic significantly influenced consumer behavior towards digital grocery shopping

- Safety, convenience, and trust were major factors in adoption
- Consumer preference has shifted moderately post-lockdown but remains high
- Consumers demand discounts, secure payments, and a smooth return/exchange policy

#### **4.4.2 Recommendations**

- Enhance Digital Experience:
- Simplify user interface across mobile apps
- Add voice-assisted search and AI recommendations
- Offer Loyalty Programs:
- Retain frequent users through cashback, points, or exclusive offers
- Focus on Trust:
- Clear product details, images, and user reviews
- Secure, diverse payment options (UPI, cards, wallets)
- Expand Product Range:
- Include local produce, organic goods, and specialty items
- Promote Hygiene & Safety:
- Ensure sanitized, contactless delivery
- Train delivery personnel for safe handling
- Rural and Tier-II Expansion:
- Create awareness campaigns

- Overcome logistical challenges with local partnerships

## **4.5 LIMITATIONS OF STUDY**

1. Limited Sample Size: The sample of 150 may not represent the broader Indian population
2. Urban Bias: The study predominantly includes responses from urban regions
3. Time Constraints: Short survey period limited data granularity
4. Self-Reported Data: Assumes honesty and accuracy in responses
5. Dynamic Preferences: Consumer behavior may shift with market trends, which this static study may not fully capture

## **CHAPTER – 5**

### **CONCLUSIONS AND RECOMMENDATIONS**

- Online grocery shopping is a fast-growing industry and has a bright future in India, specifically in metropolitan cities with good accessible grocery stores for easy delivery
- The customers are the main asset for any organization, without attracting them, no organization can run well in the long run. This study tried to identify the consumer preference towards online-grocery shopping
- From the data analysis, it can be concluded that consumers while buying goods from e-commerce websites keep in mind factors such as offers and discounts, trustworthiness, payment options, user friendliness, etc
- Out of the respondents who buy grocery from online websites, most agreed that they prefer online grocery shopping than traditional grocery shopping
- The recommendations will not only be beneficial for the consumer but also to the firm as it will allow firms to run profitably in the long run keeping in mind the well-being of the consumers
- This study may help e-grocers to design their business models and marketing strategies to suit the consumers. As well they can improve in their areas where they are lacking to provide the best services to the consumers, whether in terms of safety, hygiene
- There is a lot of scope for online grocery shopping in today's world. Effective delivery plans should be created by the companies
- When an e-grocer launches its app, he should take the consumer's point of view and preference into consideration

- Awareness about online grocery shopping should be encouraged
- There is a certain level of disinterest in terms of shopping grocery from online apps
- Hence, grocers should look into solving this
- Trustworthy payment options should be provided by e-grocers for consumers
- Good replacement and exchange policy will encourage consumers to use online grocery stores more
- Delivery partners should take care of their hygiene in order for consumers to trust e-commerce apps
- E-grocers should bring all kinds of product to their apps for consumers to prefer it

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## ANNEXURE

# Survey to analyze preference of people towards online grocery stores.

This form will be used for my Research Project required for completion of my undergraduate degree.

Kindly fill it genuinely and with accuracy.

*\*The responses will be used to analyze each question and draw a generalization of consumer preference towards online grocery stores.*

 jatinmitra7124@gmail.com(not shared) Switch accounts 

**\*Required**

Gender \*

Male  
 Female

Do you use online grocery apps? \*

Yes  
 No

What is your monthly income? \*

- Less than ₹20,000
- ₹20,000 - ₹45,000
- ₹45,000 - ₹70,000
- More than ₹70,000

How much do you spend on grocery monthly? \*

- Less than ₹1000
- ₹1000 - ₹2500
- ₹2500 - ₹5000
- ₹5000 - ₹8000
- More than ₹8000

Which app would you prefer the most for online grocery shopping? \*

- Amazon Fresh
- BlinkIt
- Swiggy Instamart
- Big Basket
- JioMart
- Other

How often did you use online grocery stores pre-COVID? \*



How often did you use online grocery stores during lockdown? \*

1	2	3	4	5		
Frequently	<input type="radio"/>	Rarely				

How often did you use online grocery stores post-lockdown? \*

1	2	3	4	5		
Frequently	<input type="radio"/>	Rarely				

I prefer shopping grocery from online stores more than traditional grocery shopping \*

1	2	3	4	5		
Strongly Disagree	<input type="radio"/>	Strongly Agree				

I find shopping groceries online convenient and safe. \*

1 2 3 4 5

Strongly Disagree

    

Strongly Agree

I trust the products offered by online grocery stores. \*

1 2 3 4 5

Strongly Disagree

    

Strongly Agree

How satisfied are you with online grocery stores? \*

1 2 3 4 5

Very Dissatisfied

    

Very satisfied

Shopping grocery online is a hassle. \*

1 2 3 4 5

Strongly Disagree

    

Strongly Agree

Online Grocery shopping is the future. \*

1 2 3 4 5

Strongly Disagree

    

Strongly Agree

What would encourage you to use more/shift towards online grocery shopping? \*

- Discounts
- Easy to use apps
- All types of grocery items
- Trust worthy payment options
- Good exchange and/or replace policies
- All of the above

**Submit**

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Google Forms

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