A study on Consumers' Attitude towards Online Shopping

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Abstract : *In the era of globalization electronic marketing is a great revolution. Over the last decade maximum business organizations are running with technological change. Online shopping or marketing is the use of technology (i.e., computer) for better marketing performance. And retailers are devising strategies to meet the demand of online shoppers; they are busy in studying consumer behavior in the field of online shopping, to see the consumer attitudes towards online shopping. Therefore we have also decided to study consumer's attitudes towards online shopping and specifically studying the factors influencing consumers to shop online. The population selected for the research is Kanyakumari District of Tamil Nadu, the sample size selected for this research is 100 and we have used convenient sampling method. Our findings indicated that among the four factors selected for this research the most attractive and influencing factor for online shoppers in Kanyakumari District is Website Design/Features, following convenience the second most influencing and thirdly time saving. Results have also showed that security is of important concern among online shoppers in India. The research has also found that there are some other factors which influence online shoppers including, less price, discount, feedback from previous customers and quality of product. For the second research question i.e. who are online shoppers in term of demography: the correlation results for the age and attitudes towards online shopping has showed that elderly people are not so keen to shop online. Whereas for education it is concluded that higher education makes online shopping less attractive, for the income the correlation results are so weak hence we could not conclude anything out of it. It is expected that this study will not only help retailers in India specially Tamil Nadu to devise successful strategies for online shoppers but it will also provide a base for similar studies in the felid of consumer attitudes towards online shopping.*
Keywords: *Online, Shopping, Attitude, Factors, Business–to-Business, Business-to-Consumer.*

I.   Introduction

Generally speaking the trend of e-commerce has been increased rapidly in the recent years with the development of internet and due to the easy accessibility of internet usage. Easy access to internet has driven consumers to shop online. Globally more than 7271 million people have done online shopping so far, World's biggest online shoppers include Germans and British. Books, airline tickets/reservations, clothing/shoes videos/games and other electronic products are the most popular items purchased on the internet. Through electronic marketing and internet communication business firms are coordinating different marketing activities such as market research, product development, inform customers about product features, promotion, customer services, customer feedback and so on. Online shopping is used as a medium for communication and electronic commerce, it is to increase or improve in value, quality and attractiveness of delivering customer benefits and better satisfaction, that is why online shopping is more convenience and day by day increasing its popularity.

Not only benefits but also risk is associated with online shopping. Generally speaking internet users avert online shopping because of credit-card fraud, lack of privacy, non-delivery risk, lack of guarantee of quality of goods and services. Concerned authorities are devising policies to minimize the risk involved in e-business. "Fraud- free electronic shopping" was introduced by UK in the early 1995 and after two years Europe and Singapore introduced secured electronic transaction (SET).

On the other hand E- commerce has been grown very fast because of many advantages associated with buying on internet because of lower transaction and search cost as compared to other types of shopping. Through online shopping consumers can buy faster, more alternatives and can order product and services with comparative lowest price. Therefore Marketers have carefully analyzed the consumers' attitude and behavior towards the online shopping and spend billions of dollars to facilitate all the demographics of online shoppers.

Consumer's attitude towards online shopping refers to their psychological state in terms of making purchases over the Internet. Online buying behavior process refers to the products purchased online. The process of online buying behavior consists of five steps and it is similar to traditional shopping behavior. For instance, consumer recognize the need for buying some product (book), they refers to the internet to buy online and start to search for the information and look for all the alternatives and finally make a purchase which best fits to their needs. Before making final purchase consumers are bombarded by several factors which limits or influence consumers for the final decision.

The main theme of the study is to know the factors that influence the consumer's attitudes and behaviors towards online shopping. Researchers will also focus on how consumers form such attitudes with the help of models and who are truly the online shoppers. "Internet knowledge, income, and education level are especially powerful predictors of Internet purchases among university Students".

Our problem area that is Consumers attitude towards online shopping will determine the attractive factors that influence consumers to shop online and those factors will help marketers to formulate their strategies towards online marketing respectively. As our area of research will be on India and specifically on Kanyakumari District of Tamil Nadu so our research will not only be helpful for the marketers in general but specifically will be helpful for the marketers in India. Researchers will precede this work with primary data which will help them in covering the subject area in more diversified way.

II.   Statement Of The Problem

"An increasing number and variety of firms and organizations are exploiting and creating business opportunities on the Internet". Above mention statistics indicate the rapid growth in the field of virtual shopping. With this emerging field of shopping the interest of marketers is also increasing in studying what actually motivates consumers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping. In order to gain competitive edge in the market, marketers need to know the consumer behavior in the field of online shopping. So it is important to analyze and identify the factors which influence consumers to shop online in order to capture the demands of consumers. Other than the factors which influence consumers to shop online, online shopper's demography in terms of Age, gender, income and education is equally important to define their strategies accordingly. As online shopping is a new medium so the consumer behavior in the field of online shopping is also pretty diverse in nature compare to traditional consumer behavior, so it is equally important for one to identify what factors influence consumers to shop online. In order to reach towards purchase decision, it consists of several factors which influence consumers to shop online. These factors are important for retailers to compete in the market and to make their product more compatible.

Purpose and research questions

The prime purpose of the research is to identify and analyze the factors influencing of consumers to shop online. Besides the factors influencing another purpose of the study is to analyze who are online shoppers in terms of demography. The findings of this research will not only help to marketers to formulate their marketing strategies for online shoppers but will also increase the knowledge and research in field of online shopping.

i) What factors influence consumers to shop online?

ii) Who are online shoppers in terms of demography?

One of our research objectives is to work on factors that influence consumers to shop online, researchers have decided to study four factors such as Convenience, Time Saving, Website Design/Features and Security. While it is important to investigate the motivation behind consumer purchasing but it is equally important to find as how the consumers form attitudes and behaviors towards online buying because consumer attitude towards purchasing online is a conspicuous factor affecting actual buying behavior. When marketers get to know the factors affecting online Indian specially Kanyakumari District of Tamil Nadu buyer's behavior then it create huge opportunity for the marketers to develop the marketing strategies accordingly and turn the potential customers into actual one and retain the exiting buyers. However, consumers' willingness to purchase online could be affected by one's individual needs and these needs can be "Need for Cognition" and "Need to evaluate". All the needs are strongly affected by different Situational factors i.e. can be cognitive involvement (indicates one's personal relevance with the Internetas a medium of shopping. More cognitively involved persons usually believe that the Internet can also raise their shopping efficiency) and affective involvement (affective involvement include affective factors, such as hedonic and symbolic expectations, can also influence the personal relevance of a shopping medium.)

III.   Objectives Of The Study

The following are the important objectives of the study

✓ To analyse the Consumer's attitudes towards online shopping.

✓ To study the factors that influence consumers to shop online.

IV.   Limitations Of The Study

Almost every study has some limitations and so as in our study. One of the limitations in this study is time limit. At the same time cost is also another limitation in our study. In the beginning we had a plan to comparative analysis between Kanyakumari and Trunelveli online shoppers. But later on considering time and budget we changed our mind, so we have made survey about online shoppers in Kanyakumari District. Another

limitation in our study is the simple random sampling; due to unavailability of data on Kanyakumari district we could not draw stratified random sampling. And most of our respondents are Kanyakumari district online shoppers so generalization is also limited but this study provides a base for further extension in the field of online shopping in general in Tamil Nadu and specifically Kanyakumari District. Lastly the sample size is also not so much high as only sample of 100 online shoppers is taken.

V.   Research Method

Our research regarding Consumer's attitude towards online shopping is a descriptive as well as survey research because we just want to draw a picture of our topic as what are the factors that influence consumers to shop online. In general two types of research methods are being used quantitative and qualitative. We would like to go for quantitative method in our research as it is a precise way. Quantitative research can be faster as compare to qualitative as it is possible to forecast the time schedule, whereas qualitative can be relatively long in duration. Research normally done for academic reasons are limited to time as our research is also being done for academic purpose and is time limited so that is why we are going to prefer quantitative approach.

VI.   Data Collection

When it comes to data collection there are two methods in general used by researchers to collect data, primary and secondary method. If we talk about primary data it includes observation method, Interview/ questionnaire method, case study method, projective techniques and sociometery. Whereas, secondary data is one which is already collected by some other researcher not for the reason for particular study or research.

We would like to go for primary data collection method that will include questionnaire from consumers as what are the factors that influence consumers to purchase online. As our study covers Kanyakumari District online shoppers so we feel it would be easy for us to distribute the questionnaire and then analyze the situation. As our respondents are geographically scattered anduse of questionnaire may be the only choice of data collection as if respondents are geographically scattered.

VII.   Sampling

In general there are two types of sampling techniques probability sampling and non-probability sampling. In Probability sample there is a nonzero equal chance for each population element to be selected. There are four types of probability sampling are simple random sample, systematic sample, stratified random sampling and multi stage cluster sampling.

Whereas, in non-probability sampling there is no random sampling. There are three types of non-probability sampling i.e. Convenience Sampling, snowball sampling and quota sampling. Convenience sample is one that is conveniently available to the researcher with its goodness of accessibility. The problematic facet of this type of non-probability sampling is that it is impracticable to generalize the results but at the same time in words convenience sampling more remarkable role than supposed. In business and management field this technique is more worthy as compare to sample based on probability sampling. By keeping in view the limitations of time, resources and population writers have decided to apply convenience sampling technique for the purpose of collecting empirical material. As time and resources are one the constraints faced by the researchers convenience sampling is helpful, and it seemed suitable for our research purpose as we are unaware of the online shoppers in Kanyakumari District and besides this we could not get the list of online shoppers as it was difficult to get the list from any kind of administration of Kanyakumari District so we decided not to draw a random sample. We have decided to distribute our questionnaire among the online shoppers in Kanyakumari District, so convenience sampling would be helpful for the writers to approach the respondents and collect the data on time and also to avoid low response rate, as we are expecting at least 100% response rate.

VIII.   Sample Design

In particular research a procedure that is being followed for selecting a sampling unit is called sample design. The procedure that is being followed by the writers to select a sampling unit is a mixed process. A mixed process means distributing survey online as well as in person to online shoppers. The population selected by the writers for the study is mainly online shoppers from Kanyakumari District. As mentioned in above paragraph writers have selected convenience sampling technique so sample is designed accordingly by approaching the online shoppers and distributing the questionnaire to online shoppers and general public Kanyakumari District. The purpose of using the mixed process is to collect empirical data conveniently and on time, as time and resources are also kept in mind by writers at every step of this research work.

IX.   Sample Size

The population for the research is Kanyakumari District online shoppers and people in Kanyakumari District and keeping in view the limitation of time and resources writers have decided to take the sample of 100 online shoppers from Kanyakumari District. Questionnaires were distributed both by online and by hand to respondents and enough time given to respondents to fill the questionnaire to reduce sampling error. Questionnaire is constructed in simple language in order to reduce the risk of ambiguity.

X.   Questionnaire Design

The questionnaire is carefully designed to meet the requirements of the research. The questions are taken from previous literature on Consumer's attitudes towards online shopping with a view to validate the research more and some of the questions are self-structured to cover the diversity of research problems. The questionnaire consists of two main parts and one sub part, first part is mainly focused on questions pertaining to factors that influence consumers to shop online. Second part of the questionnaire will cover one of our research question that is who are online shoppers in terms of demography and to see are there any difference in relation to factors that influence Kanyakumari District consumers to shop online.

DATA ANALYSIS AND INTERPRETATION

Attitude and Behaviour	V.G	G	N	L	V.L	Total Weights	Mean	Rank
Convenience			*Frequency*					
I get on-time delivery by shopping on-line	20	15	20	30	15	295	2.95	*XI*
Detail information is available while shopping online	25	20	15	25	15	315	*3.15*	*VIII*
I can buy the products anytime 24 hours a day while shopping online	40	25	20	10	05	385	*3.85*	*I*
It is easy to choose and make comparison with other products while shopping online.	30	25	20	05	20	340	*3.40*	*IV*
Website Design/Features								
The website design helps me in searching the products easily	20	10	30	30	10	300	*3.00*	*X*
While shopping online, I prefer to purchase from a website that provides safety and ease of navigation and order	15	20	25	24	16	294	2.94	*XII*
The website layout helps me in searching and selecting the right product while shopping online	30	25	30	10	05	365	*3.65*	*III*
I believe that familiarity with the website before making actual purchase reduce the risk of shopping online	20	25	20	15	20	310	*3.10*	*IX*
I prefer to buy from website that provides me with quality of information	27	22	18	18	15	324	*3.24*	*VII*
Time Saving								
Online shopping takes less time to purchase	35	20	30	10	05	370	*3.70*	*II*
Online shopping doesn't waste time	29	20	18	18	15	330	*3.30*	*VI*
I feel that it takes less time in evaluating and selecting a product while shopping online	32	17	18	16	17	331	*3.31*	*V*
Security								
I feel safe and secure while shopping online	10	20	30	30	10	290	*2.90*	*XIII*
Online Shopping protects my security	05	10	42	38	05	272	*2.72*	*XV*
I like to shop online from a trustworthy website	12	20	25	30	13	288	*2.88*	*XIV*

Source: Primary & Calculated data

XI.   Findings And Suggestions Of The Study

Researcher have found another important attribute that is price of the product or services and discount, as they perceive while shopping online they get items in lower prices and the get better discounts while shopping online. As one of the respondent said "the main benefit for me is that prices are lower in online

shops", another said "I guess shopping onlinedepends on the price of product, otherwise I will go myself to the shop. If the shop is far away and the product is cheaper buying it online then I will shop online otherwise i will prefer to go to the shop, evaluate the product properly myself and make a decision to buy or not". One can signify that price is another important factor which influences consumers to shop online. Convenience is also important factor as our study also indicated and one of the respondent said" Living on Kanyakumari makes it sometimes hard to find certain things anywhere but by online Shopping is probably my strongest reason for shopping online".

Feedback from previous buyers is also seen to influence online shoppers, as one of the respondent said "the feedback from previous users I found it very helpful to minimize the risk". Online shoppers are also concerned about security issue and quality and reliability of information as one respondent claims "The biggest problem I have with online shopping trusts the product quality and delivery, especially since you rely totally on second hand information i.e. someone is giving you information about the product rather than you seeing it for yourself". People are also concerned about the website design and we have also found from our study as to be the most attractive factor in our study and one respondent believes "The major influence is the display of the product. Prefer products with many pictures from different positions. So after analyzing the statements writers have found that other than four factors 1) Price and discount 2) feedback from previous users 3) Product quality and quality of information are also important factors which influence consumers to shop online.

Researcher have also worked on demographic factors of online shoppers in Kanyakumari District, to see a correlation within demography factors such as Age, Income and Education; this will also give an insight to online retailers to see the online shopping attitudes within these demographic factors.

The findings that I have gained in this research are as follows; starting from demography the results of correlation results of age indicated that there is a quite strong negative correlation between age and attitude to online shopping, i.e. elderly people are not so keen to shop on-line. This will help online retailers to make strategies according to different age brackets. Correlation is also done on Education to see the trend of online shoppers with different education level, the results is very high negative correlation between education and attitudes towards online shopping and would indicate that higher education makes online shopping less attractive. The correlation results between income and attitudes towards online shopping is very weak i.e. it shows very weak relationship so we cannot conclude anything out of it. The second part of the analysis is done on factors influencing consumers to shop online.

XII.   Conclusion

Online shopping is becoming more popular day by day with the increase in the usage of World Wide Web. Understanding customer's need for online selling has become challenge for marketers. Specially understanding the consumer's attitudes towards online shopping , making improvement in the factors that influence consumers to shop online and working on factors that affect consumers to shop online will help marketers to gain the competitive edge over others. Therefore our study has focused mainly on two research questions, i) what are factors that influence consumers to shop online and to see what factors are most attractive for Kanyakumari District online shoppers. ii) Who are online shoppers in terms of demography? We foresee that our findings will give a clear and wide picture to onlineretailers and will help them understand the specific factors that influence consumers to shop online, so they can build up their strategies to cater online shoppers in Kanyakumari District.

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