Empirical Study of buying behavior of youth regarding online shopping

National Seminar on ACHIEVING CORPORATE EXCELLENCE in Changing Times

At Jaipuria Institute of Management, Indore

29 April 2017

Sub Theme: Marketing

E-Commerce and Consumer Behavior

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Introduction

Every marketing activity starts with the customer and ends with the customer. The customer is the ultimate target for a marketer. (Kulkarni, 2015).It is the endeavor of all marketing organizations, to aim at customer satisfaction. Thus profit or gain through customer satisfaction has been the strongest theme in all the marketing efforts. As a result, quality delivery, value delivery and customer satisfaction through the delivery of quality and value have been the cornerstones of marketing studies (Kulkarni, 2013) Companies seeking to expand their profits and sales must spend considerable time and resources searching for new customers. It is not enough to attract new customers; the company must also keep them and increase their business. (Kulkarni, 2013)

Consumer Behavior is the study of how individuals, groups and organizations select, buy, use and dispose of goods, services, ideas or experiences to satisfy their needs and wants. Marketers must fully understand both the theory and reality of consumer behavior. (Kotlar Philip, 2007) Customer needs and behavior are evolving, in response to changing demographics and lifestyles. Research into customer needs and priorities can provide vital insights. (Kulkarni, 2013). Successful marketing requires that companies fully connect with their customers.

Change is the only permanent thing, which is so true about consumer behavior. All businessmen will be happy to know what people want and cater to their whims and fancies so that business flourishes and success is guaranteed. To understand the buyer and to create a customer through this understanding is the main purpose of buyer behavior studies. To design an appropriate marketing strategy the marketing manager must know the buying motives, buying habits and the process of buying. He has to find answers to the questions such as what motivates the buyer? What induces him to buy? Why does he buy a specific brand from a particular shop? Why does he shift his preferences from one shop to another or from one brand to another? How does he react to a new product introduced in the market or a piece of information addressed to him? What are the stages through which he passes before he reaches the buying decision? (Kumthekar, 2008)

With passage of time new business models have emerged. E-business is the current emerging trend. The potential is huge and each business is trying to get larger pie of this opportunity. Use of internet is increasing year after year. Technology has changed the way of doing business in many ways and has created a new channel of offering products online. Consumers are shifting from traditional ways of purchasing from brick and mortar shops to e-commerce. Young generation is more tech savvy and has adopted the new ways of buying things from various websites offering a large variety of products. This offers convenience and cost benefits to buyers.

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers. As of 2016, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers and smartphones.

Impact of reviews on consumer behavior

One of the great benefits of online shopping is the ability to read product reviews, written either by experts or fellow online shoppers. The Nielsen Company conducted a survey in March 2010 and polled more than 27,000 Internet users in 55 markets from the Asia-Pacific, Europe, Middle East, North America, and South America to look at questions such as "How do consumers shop online?", "What do they intend to buy?", "How do they use various online shopping web pages?", and the impact of social media and other factors that come into play when consumers are trying to decide how to spend their money on which product or service. According to the research, reviews on electronics (57%) such as DVD players, cellphones, or PlayStations, and so on, reviews on cars (45%), and reviews on software (37%) play an important role in influencing consumers who tend to make purchases online. Furthermore, 40% of online shoppers indicate that they would not even buy electronics without consulting online reviews first.

In addition to online reviews, peer recommendations on online shopping pages or social media websites play a key role for online shoppers when they are researching future purchases. 90% of

social media. Each day, over two million buyers are

India Story

Driven by a young demographic profile, increasing internet penetration and relative better economic performance, India's e-Commerce revenue is expected to jump from $30 billion in 2016 to $120 billion in 2020, growing at an annual rate of 51%, the highest in the world, according to a joint ASSOCHAM-Forrester study paper. With annual additions of 25 million internet users, India is ahead of countries like Brazil and Russia even within the BRICS nations. India has an Internet user base of 400 million in 2016 whereas Brazil has 210 million internet users and Russia has 130 million of internet user. Interestingly, about 75% of online users are in the age group of 15-34 years since India is one of the youngest demography globally. "This is expected to be a continuing trend in coming years, given the age distribution in India", said D S Rawat, ASSOCHAM Secretary General. It is not surprising to see the growth among categories focused on younger audiences in the last 12 months, added the paper. The maximum online shoppers are from the 15-24 years of age group, comprising both of males and females. Increasing internet and mobile penetration, growing acceptability of online payments and favorable demographics has provided the e-commerce sector in India the unique opportunity to companies connect with their customers, it said. Branded apparel, accessories, jewelry, gifts, footwear among the major hits on the e-commerce shopping, which is moving up fast on the mobile phones applications.

In India roughly 60-65 per cent of the total e-commerce sales are being generated by mobile devices and tablets, shopping online through smart phones is proving to be a game changer, and industry leaders believe that m-commerce could contribute up to 70 per cent of their e-commerce revenues. (17Fe)

Research Design

Empirical study was conducted to understand the trends and perceptions of young people from Jalgaon, a tier II city, from Maharashtra, which may represent many such semi urban places all over India.

...actors of respondents to find out how it affects their ...hopping are covered to understand the facts and opinions of respondents. Awareness, experience, impressions, frequency of purchasing, website popularity, product range, mode of payment, trigger factors and satisfaction levels were covered to comprehensively understand and predict responses. This will provide insights into the expectations and help in better planning for future expansion of online business.

Research Methodology

Primary data was collected from 100 respondents, through questionnaire, using convenience sampling method. The data so collected was analyzed using SPSS software. The results of the study are described in data analysis.

Data Analysis

54 respondents were male and 46 were female.50 respondents were between the age group of 20-25, i.e. 50%, followed by 23 respondents below 20 years of age.13 respondents were from 25-30 years followed by 8 in 30-40 years age group. Only 6 respondents were above 40 years of age.48 respondents were post graduate students and 27 were undergraduate students. It means 75% respondents were students. 20 respondents have completed post graduation and 5 have higher educational qualifications. We can say that the respondents were well educated.

Since large majority is that of students, they are dependent on parents and family for financial support. 57 were dependent and 29 were independent. 14 respondents belong to both categories i.e. they earn for self and get financial support from others also. 35 respondents get income upto 1000/-Rs per month, only one gets between 1000-2000 Rs per month. 19 respondents earn more than 20000/-Rs per month and similarly 19 get 5000-10000/-Rs income per month. 13 respondents each earn 10000-20000/-Rs and 2000-5000/-Rs per month. Number of dependents is zero for 50% of the respondents, while 14 are responsible for themselves. The number of dependents is 1 for 6 respondents, 2 for 10 respondents, 3 for 13 respondents and for 7 respondents it is more than 3.

99% with the exception of 1 respondent, were aware about E-shopping.98 respondents have done E-shopping before. 46 respondents were doing online shopping for more than 2 years, while 36

ng from last year. Only16 of them have started online ty of them are familiar with online shopping. Those who visit websites everyday is 16% and maximum respondents (32%) browse websites only occasionally.20% respondents do it once a week, 15% twice a week and 17% said the frequency is once a month which is very low. Highest number of respondents, nearly half (47%) browse websites as and when necessary, followed by 36%, who are not regular in visiting websites.8 respondents spend about an hour every day for browsing and only 9 spend more than an hour everyday for visiting websites.

50% of the respondents make price comparisons and 28% said that they compare prices some times; only 22% do not make price comparison. This means price sensitivity of respondents is quite high. Those who have received loyalty benefits and those who have not, the proportion is same:50-50. Majority respondents (66%) are satisfied with online shopping experience, while 29% were satisfied sometimes. Only 5% were not satisfied with online shopping. 10% of the respondents were not happy with refund policy, while 26% were sometimes happy about refund policy. A large number (64%) is satisfied about refund policy which is a positive aspect but there is lot of scope for further improvement.

65% of the respondents are positive about future growth; where as 34% were not able to give any definite opinion. Only one was negative with regard to future growth of online shopping. When asked whether they will recommend others to do online shopping, 81% said yes and remaining 19% were not sure about it. This is a positive sign for future growth and expansion of online shopping.

92% of respondents use smartphone, 10% have Iphones and only 6% use Tabs. 41% have laptops and only 24% of the respondents have PCs. Maximum number of respondents (89%) preferred using Flipkart for online shopping followed by Amezon-56% , Snapdeal-52%, Myntra-26%, Jabong-14%, Ebay-13%, Homeshop18-8% and Infibeam-1%. 14% of the respondents have preferred other websites also. Highest number of respondents (73%) visit websites for the purpose of purchasing the goods offered, while 47% said the purpose was for getting information. 32% respondents make comparisons and 11% consider it as timepass activity. Only 4% said there are other reasons for browsing websites.

ed mode of payment by 77 respondents, followed by ts prefer Internet Banking for making payments while 6 use Mobile Banking. 9 respondents opted for Payment Apps and only one has chosen other alternative. This shows that E-payments are not very popular even among E-shoppers.

Cloths are the most popular product category (55) browsed by respondents, another popular product is mobile-46, followed by Electronic goods-38. Watches and Shoes both are browsed by 36, Books by 27 and Jewelry by 21 respondents. Only 11 browse for Sports goods and similarly 11 go for other products. When it comes to actual purchasing, it was observed that 56 respondents purchased Cloths, 51 Mobiles and Accessories, 36 Watches, 35 Footwear, 27 Books, 24 Electronic Goods and 15 purchased Jewelry. Only 2 Laptops were purchased and 10 other products by the respondents.

73 respondents believe that online shopping helps in saving time,61 consider it provides variety of products, 50 respondents feel online shopping saves money, 42 find it convenient while only 16 respondents find good quality as the advantage of online shopping. 6 respondents feel there are other advantages than mentioned above for preferring online shopping.

Suggestions

There were some issues that respondents are concerned about. The most important relates with quality of product. The impressions given and actual performance may have gaps. Purchasing branded products from reputed websites can solve the problem to some extent. The websites should be more user friendly. Senior citizens may not be tech savvy and will have problems in operating procedures. There was issue of security raised regarding personal information. More information about products to be shared for better decision making is a common demand. Good videoøs can make it more attractive and easy to understand. More variety and reasonable price are the demands of majority. Sellers should take cognizance of varied unfulfilled expectations and try to make their offer better than before.

Conclusion

In general we find very positive impression about online shopping and its future among the youth. Awareness level is very high and respondents have experience of online shopping. The

experience as well as individual perceptions. Satisfaction means scope for improvement further. As respondents are happy, they are positive about recommending online shopping to others.(81%). This will lead to further increase in number of people doing online shopping. Refund policy is good but needs further improvements. Loyalty benefits may be enjoyed by more people in future. For this suitable changes in policies are to be considered by e-commerce companies. Customers are price conscious and sensitive. Pricing strategy should consider this aspect. The total experience matters to the customer and so at every stage improvements will lead to sustainable growth.

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