

AN EMPIRICAL STUDY ON CONSUMER PERCEPTION TOWARDS E-RETAILING

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Abstract

Today in Indian society, e-commerce is the pinnacle and has affected every aspect of daily life. The way we interact and conduct business has evolved over the last 20 years as a result of increased internet and mobile phone use. The internet and mobile phone revolution are currently extensively relied upon to profoundly transform the way businesses interact with their customers. Online Shopping has become the fastest-growing segment, in this context this paper deals with the consumer's perception, consumer preferences and attitudes towards e-retailing with special reference to Agra region of Uttar Pradesh. The present study tries to analyze the various factors that can affect a consumer's perception towards e-retailing. Apart from this, the study also attempts to find out the influencing factors on customers adopting e-retailing in Agra region. According to this study, the majority of young people who are educated and have a source of income prefer online shopping over traditional shopping because of the availability of new products, the ease of browsing, the latest technology, new payment options, offers and discounts. Online retailers are advised to focus more on providing customers with a more convenient purchasing experience by simplifying the payment process, increasing the availability of new products, and ensuring prompt delivery.

Keywords: E-Retailing, Consumer perception, Online Shopping, Latest Technology, Chi-Square, Agra.

Introduction

In the past purchasing pattern of the customers is directly from stores or from traditional market but with the advent of www it has been changed adding fire to fuel integration of internet with smart phones made accessibility to technology, information and interaction through internet to the common man has changed the entire scenario of business. This has created a paradigm shift business from traditional to modern or from offline to online stores. Usage of internet by the consumers has evolved them a convenience way of doing shopping when compared to traditional system of physically visiting a shop for selecting a product. Online shopping has provided consumers to search retrieve needed information through online.

Internet has changed the way consumers buy products or services and it is a global phenomenon. E-Commerce has provided the opportunity to the customer to shop online round the clock, and it even allows customer to select a product/ service of his choice without any

geographical restriction this helped to increase the number of people adopting retailing through online. So today internet being an integral part of everyone's life we have to agree that without any second thought that internet has influenced our lives deeply in which it plays a vital and exceptional role. Keeping these changing circumstances many companies started to adopt the process of e-retailing in-order to sustain in the market and 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. In addition to this the increasing potentiality of the E-commerce market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers.

Earlier e-retailing was done by the consumers who have laptops and computers with internet connection but today smart phones with internet being a common gadget with consumers they are easily adopting e-shopping and it has becoming more popular in our country too. Consumer perception is all about the factors which influences the customer at the time of making a buying decision and forms opinion regarding what, when, where and how to buy a product or service. With the raising potential of e-retailing many retailers have been interested to see the changes that will be brought by e-retailing. To promote e-retailing in this competitive world the marketing managers are enthusiastic to identify its gains and limitations as compared to traditional shopping, and the factors influencing the adoption and usage of e-shopping (Aaker & Joachimsthaler, 2000).

Therefore, the basic purpose of the study is to evaluate the consumers' perception towards E-Retailing. Secondly, to analyze the gender differences in types of products purchased, usage of gadgets and amount of money spent per month on E-Retailing and lastly, to determine the effect of qualification and income of respondents on amount spend on E-Retailing.

Review of Literature and Development of Hypothesis

Online store visits or purchases made through websites are referred to as "online shopping" by consumers. The consumers' preferred method of shopping is online. Online purchasing is acceptable to those who find it simple to use, practical, and pleasurable. Due to its distinctive benefits for both consumers and retailers, such as shopping at round-the-clock facilities, reducing dependence on store visits, saving on travel expenses, expanding the market, and offering a wide choice of products, online shopping has seen a remarkable growth in recent years. The majority of the time, internet purchases are delivered to the buyer's doorstep. Online shopping is a practice where customers utilize the internet to buy services and goods. Additionally, a buyer may choose to make a direct purchase from an online retailer. This approach was applied for the first time with real-time processing from a national broadcast via the internet. (Zhang et al. 2011). Important issues of online consumer behavior is e-consumer conformity (Khandelwal et.al, 2018). New web-based multimedia technologies are actively used in online product presentations as a result of the development of the Internet to help consumers make purchasing decisions and evaluate products (Jiang and Benbasat 2007; Wang and Benbasat 2009). The modern day consumers are more tech savvy they are more confident of buying goods online by looking the reviews posted in the website so it is the time for the e-retailers to carefully react to the feedback given by the customers or in the changing

competitive world it would be difficult for them to retain or attract the potential customers for their websites (Santhi, 2017) Majority of customer buy the products after getting aware about them. This creates a Consumer awareness and brand image in the eyes of the customers. (Sharma, 2020).

Gender inequalities have been researched in a number of IS fields, including the IT workforce (Ahuja and Thatcher 2005; Gefen and Straub 1997; Venkatesh et al. 2004; Zhang et al. 2009) and the IT workforce (Baroudi and Igarria 1994; Adam et al. 2006; Trauthet al. 2009). The literature on gender variations in consumer behaviour and decision-making is, however, still in its infancy when it comes to e-commerce. As far as we are aware, not many research has looked specifically at gender disparities in online consumer behaviour. Rajesh and Purushothaman (2013) stated that the consumers are buying durable goods online rather than offline market due various factors like offers/ discounts, free home delivery, variety of options or products available on online, saves time and to avoid long ques. With the help of internet, consumers easily communicate other on various social platforms on various types and categories of products and other issues (Khandelwal et. al, 2021).

Pooja Kansra and Diksha Rajiva (2013) found that consumers were happy with security, privacy, product quality and they also suggested online seller if they want to attract more number of buyers they have to provide more convenience, offer variety of products at comparative prices and particularly after sales service will help them to increase their market share on the other hand Katta and Patro (2016) in their study identified that consumers are satisfied with the present services offered by the e-retailers but still they are some indicators which must be improved to retain their customers and they also suggested that the traditional shoppers with the increasing competition with the e-retailers they have to improve their product quality and offer products at a comparative price to attract customers. Wilson (2019) has determined that obtaining goods and services from merchants who offer them online over the Internet using an online strategy is the best way to go. Since the development of the World Wide Web, vendors have made an effort to market their goods to those who surf the web. Customers can comfortably visit internet retailers from the convenience of their homes. Huge potential for mobile banking but very less customer base is registered as users of mobile banking services Tiwari & Tiwari, 2020). Kumar and Ara (2015) identified and analyzed if e-retailers can improve or upgrade their services in areas such as logistics and supply chain management, understanding security requirements of consumers, customer service and providing information in local languages will help them to retain and attract potential customers. Shergill and Chen (2005) stated that in their study had identified that website reliability, customer service, payment security and website design are the key determinants which will influence a customer towards e-retailing. Saprikis et al. (2010) examined that customers' perceived internet shopping in terms of demographics, expectations of online retailers, benefits, and drawbacks. Due to the numerous consumer traits and the different sorts of goods and services, he discovered that there were many disparities when it came to online purchases. The findings revealed considerable distinctions between the two responder groups-adopters who engaged in internet purchasing and non-adopters who had no interest in it.

Adopters have higher expectations of e-marketers in terms of risk and privacy-related issues. The disparities that were discovered were associated with their individual judgments of the benefits and drawbacks of internet shopping.

So on the basis of above literature following are the hypothesis framed-

- H01: There is no significant difference between male and female in using type of gadget for placing food orders through online.
- H02: There is no significant difference between male and female on amount spent per month for online shopping.
- H03: There is no significant difference between male and female in types of products purchased through online.

Research Methodology

The sources of data for the present study are both primary and secondary data. A structured questionnaire has been designed to conduct a survey and was collected primary data Information from 100 respondents in Agra region using convenience sampling. For the analysis of data descriptive statistics have been applied. All questions are closed-ended because all possible answers were given to respondents. Cronbach's Alpha has been used to find out the level of reliability of the data. Questionnaire was used to collect the data for all the variables on Five Point "Likert Type Scale" where 1 indicates the minimum agreement and 5 shows the maximum agreement. This study was conducted through personal contact and via online (Google docs. form) by the researcher with the respondents. The Value of Cronbach Alpha for twenty-two items was found to be 0.705. Chi-Square test has been used to find the gender differences on type of products purchased, gadgets used for placing food order and amount spent per month for online shopping. Multiple Regression has been used to determine the effect of qualification and income of respondents on amount spent on E-Retailing.

Results and Discussion

For better understanding of our sample first demographic analysis have been done. Detailed investigation of demographics which comprised of Gender, Age, Education, Occupation and Income have precisely shown in table: 1.

Table- 1: "Demographic Profile of Respondents"

Variables	Options	Frequency	Percentage (%)
Gender	Male	65	65
	Female	35	35
Age	18-25	73	73
	26-35	13	13
	36-45	10	10

	Above 45	4	4
Education	10th	9	9
	12th	13	13
	Graduate	44	44
	Post Graduate	29	29
	Post PG	5	5
Occupation	Private Employees	30	30
	Govt. Employees	22	22
	Business	19	19
	House wife	7	7
	Students	22	22
Income	Up to 10000	35	35
	10001 to 15000	17	17
	15001 to 20000	15	15
	20001to 25000	20	20
	Above 25000	13	13

Table 1 shows the demographic profile of respondents belongs to Agra region. From the above table it is observed that out of 100 respondents 65% are male and 35% are female. Maximum number of respondents belongs to 18-25 years. Only 4% of the respondents have more than 45 years' age. It also observed that almost all respondents are educated. Out of 100 respondents, 44% are graduates and 29% are post graduates. Regarding occupation, the respondents are with diversified categories of occupation. We can see from the above table that 35% of respondents fall under the category of Rs. 10,000 below income per month, 17% of respondents fall under Rs. 10001to 15000 per month, 15% of respondents fall under Rs. 1500 to 20000 per month, 20% of the people fall under Rs. 20001 to 25000 per month category. Income of 13% of the people is having more than Rs. 25000.

Table- 2: “Gender differences in using gadgets while ordering food online”

	GADGET TYPE				Total	Chi- Square Value
	Smart Phone	Laptop	Desktop	Others		
Male	57	3	2	3	65	1.781 (TV: 7.815)
Female	30	2	0	3	45	

Total	87	5	2	6	100	
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Source: Compiled by author

From the above table 2 it is observed that irrespective of genders most of the people are using smart phone for placing food orders online. 87% of the respondents are using smart phones. Remaining respondents are using laptops, desktops and other gadgets. Calculated value of Chi-Square is 1.781. It is less than the table value (7.815). So we cannot reject null hypothesis. It means there is no significant difference between male and female in using type of gadget for placing food orders through online.

Table- 3: “Gender differences in types of products purchased through online”

	Less than 1000	1001 to 1500	1501 to 2000	2001 to 2500	More than 2500		Square Value
Male	30	12	7	15	1	55	9.014* (TV:7.779)
Female	4	11	9	5	6	45	
Total	34	23	16	20	7	100	

Source: Compiled by author

(*Significant at 90%)

Above table 3 shows the amount of money spends per month for online shopping among male and female. 34% of the respondents spend less than Rs.1000 per month. 20% of respondents spent amount between Rs.2001 to Rs.2500. very few respondents spent more than Rs. 2500 per month. Calculated Chi-Square value is 9.014. It is more than the Table value (7.779 at 10% level). So we cannot accept the null hypothesis. It means there is difference between male and female on amount spent for online shopping per month.

Table- 4: “Gender differences in types of products purchased through online”

	Books	Cloths	Furniture's	Cosmetics	Electronics	Groceries	Cinema / Travel Tickets	Others	Total	Chi-Square Value
Male	1	8	12	4	24	0	15	1	65	27.733* (TV214.067)
Female	3	9	2	7	6	5	2	1	35	

Total	4	17	14	11	30	5	17	2	100
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Source: Compiled by author

(*Significant at 95%)

Above table 4, shows the gender differences in products purchased through online. Calculated Chi-Square value (27.733) is more than table value (14.067). So we cannot accept null hypothesis. It means there is a significant difference between male and female in products purchased through online. Male respondents mostly buy electronics, tickets and clothes whereas most of the female respondents buys clothes, cosmetics, groceries and books items through online.

Table- 5: “Perception of respondents towards online services”

Response	Strongly Satisfied	Satisfied	Neutral	Dissatisfied	Strongly Dissatisfied	Total
Accuracy of product quality	11	64	23	2	0	100
Timely delivery of product	20	57	20	2	1	100
About product warranty/ guarantee	15	52	30	3	0	100
Satisfaction in online than Traditional Shopping	20	49	30	1	0	100
Payment method	34	54	9	3	0	100
Availability of new products	39	48	12	0	1	100
Secure Transactions	28	47	23	2	0	100

Source: Compiled by author

The above table 5 shows the satisfaction levels of respondents on various aspects related to online shopping. It is clear that 39% of the respondents are highly satisfied on the availability of new products and most respondents expressed satisfaction related to the factors in the order of product quality, timely delivery, payment process, warranty & guarantee and are preferred shopping online rather than offline shopping.

Effect of qualification and income of respondents on amount spend on E-Retailing

Regression analysis is also used to find the relationship between different factors while preferring online shopping and the following equation derived showing the Effect of qualification and income of the respondents on amount spent on e-retailing: Total Amount spent is generally depends on several factors. But we consider income and Qualification are most important factors influencing online expenditure. Qualification is an essential factor to motivate the people to use e-retailing. People with higher qualification generally opt e-retailing. Illiterates cannot use or less likely to use online services. On the other hand, level of income

also decides the amount of expenditure. Following equation shows the relationship between amount spends on e-trailing per month to qualification and income of respondents.

$$\text{Amount Spent} = 0.173 + 0.144 * \text{QUAL} + 0.701 * \text{Income}$$

(0.323) (0.0861) (0.0583)

n = 100, R-squared = 0.600

(Standard errors in parentheses)

(Source: Values retrieved using Gretel software)

From the above equation it is observed that 60% of the amount spent on e-retailing is due to qualification and income level of the respondents. Remaining 40% is due to other factors. It is also observed that one rupee changes in income leads to 0.701 percent change in amount spend. At the same time respondent with higher qualification may influence amount spend on online shopping by 0.144 times.

Conclusion, Implication and Limitations of the Study

From the study it is concluded that there existed gender differences in type of products purchased through online and amount of money spent per month for online shopping. It is also observed that most young generations who are educated and having some source of income are preferring online shopping than traditional shopping motivated by latest gadgets, convenience in browsing, availability of new products, new payment avenues and offer and discounts. It is suggested to the online shopping sites that they need to concentrate more on making customers purchasing process more convenience with easy payment process, more new products availability and with timely delivery. Also they need to concentrate on how to attract the customers of different age groups to their sites.

In order to enlighten decision-makers and suggest successful business models and tactics for online shopping websites, it is crucial to look into the elements influencing consumers' perception towards online buying. The transition to this form of shopping will be facilitated by a grasp of the dynamics of adoption. The present study is considered only few aspects where as there is further scope for research areas like focusing on the online shoppers behaviour with respect to rural and urban purchase patterns, time and occasion of online shopping, attraction towards offers etc., can help to ecommerce sites to design appropriate strategies.

From a practical perspective, our study is one of the earliest initiatives to look into perception and attitudes on online shopping. The findings of the current research study can be used by online retailers to construct effective online shopping platforms and e-marketing tactics.

Although this study is one of the few that has looked at attitudes regarding online shopping in the setting of emerging markets, it still has issues that need to be resolved in other studies. The sample size may prevent conclusions from being applied to all online customers. Online shoppers from Agra region were represented by a convenience sample of respondents. Responses from these consumers may be different from those of consumers with various socioeconomic backgrounds. To increase the reliability of the findings, additional research should employ a bigger random sample drawn from a more varied population.

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