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An analysis of online shopping and its contribution towards business development from customer's perspective with special reference to Coimbatore city

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Abstract
Online shopping is the process whereby consumers directly buy goods and services from a seller interactively in real-time without an intermediary service over the internet. Buyers today are only a click away from comparing competitor's product and attributes. Today's consumer can order almost anything online. Consumers buy a variety of items from online stores. With the development of the online revolution and the shift in buying behavior among the consumers, the increase of online shopping has become a trendy way for consumers and retailers to trade online. Several studies were conducted of online shopping attitudes and behavior in recent years. Most of them have attempted to identify factors influencing or contributing to online shopping attitudes and behavior. These studies have all made important contributions to our understanding of the dynamics of the online shopping field. However, there is a lack of coherent understanding of the impact of relevant factors of e-consumer behavior and the research aims at finding and analyzing factors that might help marketers when persuading the target group to increase their usage of Internet as a purchasing channel.

Keywords: Internet shopping, online revolution, buying behavior, E-Consumer

1. Introduction
Online shopping has become increasingly popular, due to convenience (and often lower prices). It 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.

Online purchase in particular continues to rise, as adoption and penetration levels of Internet technology continuously increase. The Internet is an open worldwide communication network, linking countless number of computer networks throughout the world, through an intensive network of telephone lines. The increased availability of Internet is influencing the growth of Internet users around the world. Companies are investing heavily in promotion of their products services via internet based marketing. But its growth rate is relatively slower as compared to other emerging technologies.

The prominent reason of slower growth than expected may be due a large proportion of population in India as well as other developing & under developed countries that people are still not aware of computers & internet technology also security concern regarding personal information on websites. Studying buying behavior, motives and intention along with the attitude of the online buyers is within the theoretical constructs of the Theory of Reasoned Action. The behaviors include: when they click on banner ads (with which site and age group), response to e-mail advertisements, way in which product information is searched using search engines and within the site, use of comparison engines, attention and time to customer review and reaction toward them, product basket, online support services, use of e-mail service, feedback form, checkout.

However, both consumers and marketers continued exploring online options. Soon more substantial business models emerged; search advertising and e-commerce were the new possibilities.

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Enhancements in targeting advertising, and understanding how websites maintain visitors, thus became relevant for researching consumer's behavior and buying, its fact are: The Internet is no longer a medium of "new economy", and "E-business" as a term has rather been rendered obsolete. The Internet is used in any and all industries, as a branding and marketing tool, as an internal communication tool, and as the start of most business transactions. Today companies use the Internet as one of the most powerful tools in a big number of ways. The Internet has unlocked a large number of search options and new ways of highlighting the important aspects of any item. Thus marketing has been redefined via the Internet, and given even small businesses a chance to promote and brand their products on a larger scale.

1.1 Review of Literature
Review of literature is an important integral part of research. Review of literature helps to avoid the rediscovery of known facts and duplication of research efforts. Over and above, review of literature also helps in deciding upon the variables that may be taken for scrutiny in the new research projects. The articles, books journals, documents pertaining to the topic were reviewed by the researcher are listed below:

Chung Hoon Park (2003), this study investigated the relationship between various characteristics of online shopping and consumer purchase behavior. Results of the online survey with indicate that information quality, user interface quality, and security perceptions affect information satisfaction and relational benefit that, in turn, are significantly related to each consumer's site commitment and actual purchase behavior.

Man Kit Changa, Vincent S.Laib (2004), the aim of the paper was to identify areas thatwould aid in developing a better understanding of the dynamics of a customer's decision to shop online. To accomplish this, a review of the empirical studies on the antecedents of online shopping was performed. From an extensive literature search, a total of 45 relevant articles were identified. The factors that have been investigated in these studies were classified according to their similarity and patterns of their findings were identified and analyzed.

Ling (Alice) Jiang (2013), the purpose of this paper is to identify the key convenience dimensions of online shopping, as convenience has been one of the principal motivations underlying customer inclinations to adopt online shopping. The authors first employ in-depth focus group interviews with online consumers to identify the attributes of online shopping convenience and then develop and validate an instrument of five key dimensions to measure online shopping convenience by analyzing data collected via a Web-based questionnaire survey.

William K.Darley, Charles Blankson, and Denise J.Luethge (1986), this paper presents a comprehensive review of recent empirical studies dealing with online consumer behavior and decision-making processes. The vast majority of studies examine the link between external factors and one or more components of the decision-making process. The findings of this study show a paucity of research on a number of components of decision making, as well as inconsistencies in the way the online environment is characterized. Finally, the findings show that student samples are prevalent among the studies identified and the research method is biased toward the survey method as opposed to experimentation.

1.2 Need Of The Study
It has been noticed that no consumer has a same mindset throughout. Consumer keeps on changing his preferences, never notices a product from one angle; sometimes price attracts and sometimes something else. It is really very difficult to say that which point does the consumer notices each time when he makes a decision to buy the product. In the era of on-line marketing, where the consumers get to see and choose their utilities on their own computers and Smartphone screens, it has become even more challenging to trap the ever changing preferences of consumers.

It is often noticed that, when a coupon is provided by on-line marketer to boost his sales, even though the product is not currently demanded by the consumer, just to avail the offer; the consumer ends up purchasing the product. All these experiences of different consumers gave provocation to study this particular topic.

1.3 Objectives of The Study
The main objective of this study is to understand the internet shopping and its contribution to business development with special reference to Coimbatore City.
- To study the awareness of internet shopping among the people in Coimbatore City.
- To find out the stage of life cycle of internet shopping in Coimbatore.
- To find the consumer's Perception of the future of internet shopping.
- To study the impact of web ads on purchase decisions of consumers.

1.4 Method of Data Collection
The method used for data collection is sample survey. Researcher was able to study the whole population but only studied the samples drawn from the population. Based on the result, the study is generalized to conclude about the entire population.

1.5 Technique of Data Collection
A structured interview schedule was used as a technique for collecting the data for the study.

1.6 Sample Size
It refers to the number of customers selected from the universe to constitute a sample. The sample size is 100 consumers

1.7 Sample Unit
Coimbatore consumers who do online shopping

1.8 Data Analysis
The primary data collected from the potential respondents (consumers) have been properly sorted, classified, edited, tabulated in proper format and analyzed by deploying appropriate statistical tools.

The following statistical tools were used for analyzing the data procured from the respondents from different locations selected for the study:

Percentage analysis: Percentage analysis has been used to analyze the frequency distribution of the sample respondents

against the awareness of shoppers in Coimbatore regarding internet marketing

Chi square tests: were applied to test whether there is any association between demographic factors like age, educational qualification of consumers and opinion regarding online shopping.

One way ANOVA: is strong statistical technique that is used to show difference between two or more means or components through significance tests. It also shows us a way to make multiple comparisons of several population means.

Rank Correlation: It is studied when no assumption about the parameters of the population is made. This method is based on ranks. It is useful to study the qualitative measure of attributes like honesty, color, beauty, intelligence, character, morality etc.

Table 1.1: Demographic Profile of Online Shoppers In Coimbatore City

S. No	Gender	Frequency	Percent
1	Male	39	39
2	Female	61	61
	Total	100	100.0

S. No	Age	Frequency	Percent
1	Below 20 years	18	18
2	21-30 years	53	53
3	31-40 years	20	20
4	Above 41 years	9	9
	Total	100	100.0

S. No	Marital status	Frequency	Percent
1	Single	85	85
2	Married	15	15
	Total	100	100.0

Source: Primary Data

From the above table, it is inferred that a majority (61%) of respondents belong to female group and 39% of respondents belong to Male Group with respect to their Gender.

From the above table, it is inferred that a majority (53%) of respondents belongs to age group of 21-30 years, 18% of respondents belongs to age group of below 20 years, 20% of them belongs to age group of 31-40 years, 9% of respondents belongs to the category of Above 41 years with respect to their age.

From the above table, it is inferred that 85% of the respondents are single, and 15% of the respondents are married with respect to their marital status.

Table 1.2: Association between frequency of purchase and salary slab of the respondents

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.408[a]	9	0.109
Likelihood Ratio	13.791	9	0.130
Linear-by-Linear Association	.130	1	0.719
N of Valid Cases	172		

a. 6 cells (37.5%) have expected count less than 5. The minimum expected count is 1.88.

H0: There is no significant association between frequency of purchase and salary slab of the respondents.
H1: There is a significant association between frequency of purchase and salary slab of the respondents.

The test was performed at 5% level of significance. The output of Chi-square test is as presented in the above table. The Pearson Chi-square significance value is 0.109 with degree of freedom 9. Therefore, alternative hypothesis is rejected and hence, it is found that there is no significant association between frequency of purchase and salary slab of the respondents. It might be also concluded that frequency of purchase and salary slab of the respondents are independent of each other. In other words, these two variables are not significantly associated with each other.

Table 1.3: Association between the products purchased and salary slab of the respondents

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.639[a]	3	0.887
Likelihood Ratio	.642	3	0.887
Linear-by-Linear Association	.001	1	0.982
N of Valid Cases	172		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.41.

H0: There is no significant association between the products purchased and salary slab of the respondents.

H1: There is a significant association between products purchased and salary slab of the respondents.

The test was performed at 5% level of significance. The output of Chi-square test is as presented in the above table. The Pearson Chi-square significance value is 0.887 with degree of freedom 3. Therefore, alternative hypothesis is rejected and hence, it is found that there is no significant association between the products purchased and salary slab of the respondents. It might be also concluded that the products purchased and salary slab of the respondents are independent of each other. In other words, these two variables are not significantly associated with each other.

Table 1.4: Association between time spent on e-shopping and salary slab of the respondents

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	86.906[a]	9	0.000
Likelihood Ratio	86.630	9	0.000
Linear-by-Linear Association	4.357	1	0.037
N of Valid Cases	172		

a. 5 cells (31.2%) have expected count less than 5. The minimum expected count is 1.98.

H0: There is no significant association between time spent on e-shopping and salary slab of the respondents.
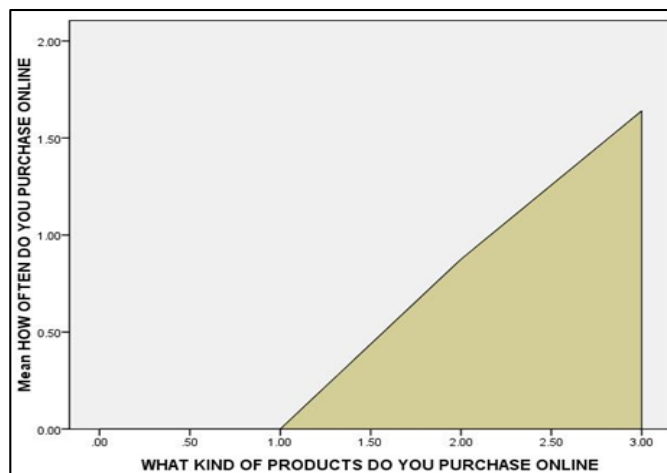**H1:** There is a significant association between time spent on e-shopping and salary slab of the respondents.

The test was performed at 5% level of significance. The output of Chi-square test is as presented in the above table. The Pearson Chi-square significance value is 0.000 with degree of freedom 9. Therefore, alternative hypothesis is accepted and hence, it is found that there is significant association between the time spent on e-shopping and salary slab of the respondents. It might be also concluded that time spent on e-shopping and salary slab of the respondents are dependent with each other. In other words, these two variables are significantly associated with each other.

Table 1.5: Anova

How often do you purchase online?					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	54.570	3	18.190	90.620	.000
Within Groups	19.270	96	.201		
Total	73.840	99			

Graph

Table 1.6: Rank correlation, Order of priority and reasons for shopping online

Options	R1	R2	D	D2
Security	6	8	2	4
Ease of range	7	5	2	4
Saving time and energy	3	1	2	4
Reliability	8	7	1	1
Wide range of products	1	2	1	1
Easy payment/ credit facilities	4	6	2	4
Convenient	5	4	1	1
Quick delivery	2	3	1	1
			Total	20

The relations between the options are positive at 0.76.

1.9 Findings
The researcher has traced out the following important findings from the study.
- Majority (61%) of respondents belong to female group.
- Majority (85%) of respondents are single with respect to their marital status.
- Majority (53%) of respondents belongs to the age group of 21-30 years
- There is no significant association between frequency of purchase and salary slab of the respondents
- There is no significant association between the products purchased and salary slab of the respondents.
- There is significant association between the time spent on e-shopping and salary slab of the respondents

- There is a positive (0.76) relation between the options in order of priority and reasons for shopping online among the respondents.

1.10 Suggestions

From this study it is recommended that the marketing managers must concentrate more on the profile of the consumers to understand the e-shoppers buying behavior and the factors that influence them to make online shopping.

- The changes in profile variables explain the changes in online shopping behavior to a higher extent among the consumers
- The changes in the perception on factors leading to choose online marketing explain the changes in online shopping behavior among the youngsters to a higher extent.
- The service qualities of the marketing managers also influence the buying behavior of the consumers in online shopping.
- The ease of accessing the internet sites (Shopping websites) also plays a major role in the online shopping pattern of the consumers.

2. Conclusion

People have dubious attitude towards e-shopping of product & services mainly due to security concern related to privacy of personal information. Personal information privacy should be given preference by the companies involved in online marketing of product & services. Companies involved in online trading should focus on building their brand awareness among people so that trust-worthy relationship can be developed between producers & consumers.

From our analysis it is clear that most companies are aware that the Internet provides options not available from elsewhere. Whether conscious choice or random chance or even a need to "follow suit", most companies try to keep their sites easy to navigate, with focus on language and information. Consumers also utilize the benefit of having much information available at any given time; however, there are several ways to broaden this, especially with regard to historic products and events. Also the way a website is build can reflect on the demand. The easier something specific can be reached, the better.

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