A Comprehensive Project on "A Comparative Study on Online Shopping Website from Customers' Perspective"

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ABSTRACT: *The main objective of this research was to analyse the consumers' perception about the online shopping websites. We have taken Valsad district of South Gujarat as a sample for research. The data for the research was collected from questionnaires distributed through google form. Pie charts are used for data analysis, data interpretation and better understanding. For descriptive study we have studied many of the research papers. Nowadays online shopping has been enhanced with many of the new technological ideas and with better involvement of customers. In the first decade of the 21st century, online shopping took over a significant segment of the retail market. India is the second largest internet market in the world. This led to curiosity about the consumers' perception of online shopping websites.*

1. INTRODUCTION

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 2020, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers and smartphones.

An online shop evokes the physical analogy of buying products or services at a regular "bricks-and-mortar" retailer or shopping center; the process is called business-to-consumer (B2C) online shopping. When an online store is set up to enable businesses to buy from other businesses, the process is called business-to-business (B2B) online shopping. A typical online store enables the customer to browse the firm's range of products and services, view photos or images of the products, along with information about the product specifications, features and prices.

Online stores usually enable shoppers to use "search" features to find specific models, brands or items. Online customers must have access to the Internet and a valid method of payment in order to complete a transaction, such as a credit card, an Interac-enabled debit card, or a service such as PayPal. For physical products (e.g., paperback books or clothes), the e-tailer ships the products to the customer; for digital products, such as digital audio files of songs or software, the e-tailer usually sends the file to the customer over the Internet. The largest of these online retailing corporations are Alibaba, Amazon.com, and eBay.

As of 2020, there are roughly 7.8 billion people in the world. And just over a quarter (26.28 percent) of them are online shoppers. Also there are over 20 million online shopping platforms worldwide as of now till 2020.

Digital buyers worldwide from 2014 to 2021 (in billions)

Source: Statista.com
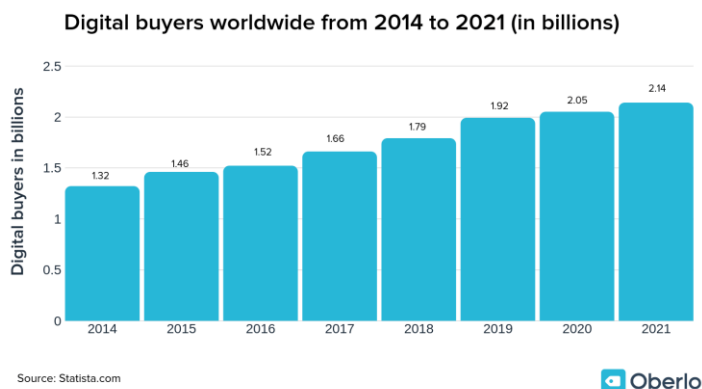
As you can see, there's been a considerable increase in the number of digital shoppers over the years, where it's climbed from 1.32 billion in 2014 to 2.05 billion in 2020.

It is also worth noting that the vast majority of people who shop online do so quite frequently. Research from Statista found that:

- 20% sopn online once a week
- 24% shop online once every two week
- 31% shop online once a month
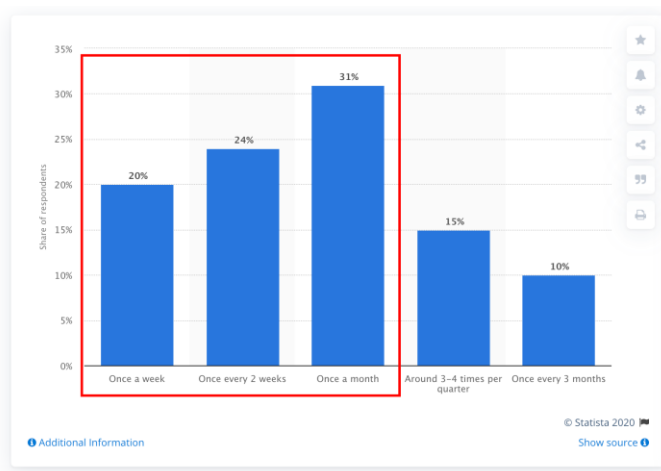
By comparison a fewer number (15%) shop 3-4 times per quarter and only 10% shop once every three months. The point here is that online shopping is becoming the norm.

Researchers identified different types of online shoppers, Rohm & Swaminathan identified four categories and named them "convenience shoppers, variety seekers, balanced buyers, and store-oriented shoppers". They focused on shopping motivations and found that the variety of products available and the perceived convenience of the buying online experience were significant motivating factors. This was different for offline shoppers, who were more motivated by time saving and recreational motives.

The first World Wide Web server and browser, created by Tim Berners-Lee in 1989, opened for commercial use in 1991. Thereafter, subsequent technological innovations emerged in 1994: online banking, the opening of an online pizza shop by Pizza Hut Netscape's SSL v2 encryption standard for secure data transfer, and Intershop's first online shopping system. The first secure retail transaction over the Web was either by NetMarket or Internet Shopping Network in 1994. Immediately after, Amazon.com launched its online shopping site in 1995 and eBay was also introduced in 1995. Alibaba's sites Taobao and Tmall were launched in 2003 and 2008, respectively. Retailers are increasingly selling goods and services prior to availability through "pretail" for testing, building, and managing demand.

2. LITERATURE REVIEW

A Comparative Study of Selected Online Shopping Websites from Customer's Perspective in the city of Ahmedabad - (2016)

In this research paper following is the finding- due to the sharp growth in the number of people using the internet, online shopping in India also has taken a sharp shot with increasing trends. Educated people specially who are working in the private sector and are time scarce; prefer to shop online for various reasons. A study conducted by BCG suggests that during the year 2013; out of 1220 million Indians, 169 million Indians were active internet users. The study indicates that by the year 2018 this figure of internet users will shoot up and reach up to 583 million. The popularity of the online shopping trend gave an idea of undertaking this research work to know the preference of people to shop from the three popular shopping websites i.e. Amazon.com, Flipkart.com, Snapdeal.com; one Global Company and two Indian Companies. Wherein, the „convenience" sample of 100 internet users in the age group of 18 to 40 years from Ahmedabad city was chosen. A structured questionnaire was given to each one of them to know the preference of websites in the city of Ahmedabad along-with the personal interviews. Descriptive research design was used to know the preferences. The findings revealed that majority of the male as well as female internet users preferred Amazon.com (55%) following Flipkart.com (32%) on the various attributes, factors or services offered by these websites. Amazon topped among the three, on variables like: best payment options for all the products, wide range of products, quality products, variety of products. Flipkart was considered as having the best customer care services among the three and Snapdeal was considered as offering the good packaging. The suggestions from the respondents were that all the companies should display original products, offer better product return policies and provide full and actual product description.

Comparative Study on Factors Influencing Online and Offline Shopping(with special reference to Kanyakumari district of Tamil Nadu) - (2017)

In this research paper the study tries to recognize how consumers measure channels for their purchasing. Specifically, it progresses a conceptual model that addresses consumer value perception for using the internet shopping versus the traditional shopping. Earlier study showed that perceptions of price, product quality, service quality and threat strongly impact perceived value and purchase intents in the offline and online network. Observations of online and offline buyers can be evaluated to see how value is constructed in both channels. It is hitherto to recognize what factors influence online and offline shopping choice progression. The objective of this study is to provide an impression of the online shopping decision process by comparing the offline and online decision making and identifying the factors that motivate customers to decide whether to do online shopping or go for offline shopping. Consumer's shop when and where they want, where they are comfortable with the products and the choice of shopping. The study finds that females are more into online shopping than male. Since the last two years as the population is more aware of the technology the online shopping has increased immensely. The

people from the age group 35 and above are less likely to do online shopping because they are less aware of the technology. However the respondent said that they will love to purchase from online shopping if only the price of the product is less than the market. They revealed that it is fairly important to go for e-shopping.

Factors Influencing Online Shopping Behavior: The Mediating Role of Purchase Intention – (2015)

In this research paper internet shopping is a phenomena that is growing rapidly nowadays. A peep into the exponential growth of the main players in this industry indicates there is still a large reservoir of market potential for e-commerce. The convenience of online shopping is rendering it an emerging trend among consumers, especially Gen Y. The prevalence of online shopping has raised the interest of the retailers to focus on this area. Therefore, this study was to determine the relationship between subjective norm, perceived usefulness and online shopping behavior while mediated by purchase intention. University students aged between 18 and 34 that are currently pursuing their studies in University Malaysia Perlis were selected as the subject of analysis. 662 out of 800 sets of questionnaires distributed were valid for coding, analyzing and testing the hypothesis. Collected data were then analyzed using SPSS version 18.0 and AMOS version 16.0. Structural Equation Modeling to examine the model fits and hypothesis testing. The conclusion can be depicted that subjective norm and perceived usefulness significantly positively influence online purchase intention but subjective norm insignificant influence shopping behavior in a negative way. It is interesting to note that perceived usefulness also insignificantly influences online shopping behavior. Finding also revealed that purchase intention significantly positively influences online shopping behavior. For future research, samples from working adults and other variables that related to online shopping were to be included to minimise sampling bias.

A Study on online shopping and customer satisfaction on Myntra - (2019)

In this research paper Internet Marketing in its simplest terms refers to the marketing and selling of goods and services using the internet as the sales and distribution medium. The Internet has reduced the world into a global village, has made distance irrelevant and time zones little more than an inconvenience. Businesses in the remote parts of India can easily service clients in the bright cities of America, while goods produced in China are sold to consumers in all parts of the world. Internet Marketing offers anybody over a certain age with access to a computer and access to an Internet connection, the opportunity to go into business for themselves with little or no start-up costs.

Consumer Behavior in Online Shopping: A Study of Aizawl - (2019)

In this research paper online shopping has obtained a very important position in the 21st century as most of the people are busy, loaded with hectic schedules. In such a situation online shopping became the easiest and most suitable mode for their shopping. The Internet has changed the way of consumer's shop, and has rapidly developed into a global perspective. An online shop arouses the physical similarity of buying products as well as services from internet shops and this process of shopping is called business-to-consumer online shopping. The present paper is based on assumption of classical model behavior. This paper examines the behavior and perception of online customers in Aizawl.

Determining Sample Size; How to Calculate Survey Sample Size - (2019)

In this research paper the sample size is a significant feature of any empirical study in which the goal is to make inferences about a population from a sample. In order to generalize from a random sample and avoid sampling

errors or biases, a random sample needs to be of adequate size. This study presents a summary of how to calculate the survey sample size in social research and information system research.

3. PROBLEM STATEMENT

Study the perception of the customer towards online shopping websites.

4. OBJECTIVES OF THE STUDY

● To find what products customers prefer shopping online.

● To find out which shopping website the customers prefer for shopping online.

● To find what attributes of the website attract the customers.

● To study the effect of demographic factors on preferences towards online shopping websites.

● To analyse what factors affect the consumer to shop online.

● To study the perceptions of consumers towards online shopping.

5. RESEARCH METHODOLOGY

Population –

The internet users of South Gujarat i.e. Valsad district is taken as the population of the research.

(Population of Gujarat is taken because I live in Valsad district of Gujarat so I can easily collect data from the respondents and conduct the study with ease)

Sampling Size –

151 respondents from all over the district are taken as the sample.

Sampling Method –

Convenience sampling method

(We have selected this method because it will be easy for us to contact people for data collection)

Type of Study –

Descriptive study

(It is selected to describe and reveal the perception of consumers towards online shopping)

Data Collection Sources –

Questionnaire

(With the help of questionnaire data collection is relatively cheap, quick and efficient)

Statistical Analysis –

Pie charts & Bar graph

(These two statistical analysis are used to summarize large set of data in visual form)

Statistical Methods & Tools –

MS Excel

(This tool is helpful to easily compile the descriptive statistics and parametric analysis)

Data Collection Method –

Primary – Questionnaire

(primary collection method in form of questionnaire is selected to get the data directly from consumers)

6. HYPOTHESIS TESTING

Q 1: Would you rather shop online or offline?

Q 2: How much do you shop online?

Solution

H0: Significants are not to shop more online rather than offline

H1: Significants are more to shop online rather than offline

Chi-square Test

Observation Frequency

	Everyday	Once or twice A week	Once in a Month	Once in 3 – 4 months	**Total**
Online	0	16	73	35	**124**
Offline	0	1	8	18	**27**
Total	**0**	**17**	**81**	**53**	**151**

Expected Frequency

	Everyday	Once or twice A week	Once in a Month	Once in 3 – 4 months	**Total**
Online	124*0 /151 =0	124*17 /151 =13.96	124*81 /151 =66.52	124*53 /151 =43.52	**124**

Offline	27*0 /151 =0	27*17 /151 =3.04	27*81 /151 =14.48	27*53 /151 =9.48	**27**
Total	**0**	**17**	**81**	**53**	**151**

Data		O	E	(O – E)	(O – E)²	(O – E)² / E
Online	Everyday	0	0	0	0	0
	Once or twice A week	16	13.96	2.04	4.1616	0.298108883
	Once in a Month	73	66.52	6.48	41.9904	0.631244738
	Once in 3 – 4 months	35	43.52	-8.52	72.5904	1.667977941
Offline	Everyday	0	0	0	0	0
	Once or twice A week	1	3.04	-2.04	4.1616	1.368947368
	Once in a Month	8	14.48	-6.48	41.9904	2.899889503
	Once in 3 – 4 months	18	9.48	8.52	72.5904	7.65721519
					Total	**14.52338362**

Degree of Freedom (d.f) = (r – 1) * (c – 1)   [r = rows   c = colums]

= (2 – 1) * (4 – 1)

= (1) * (3)

d.f = 3

For this study we will use 95% of the level of confidence. So we will check Chi-square table @ in 0.05%

Percentage Points of the Chi-Square Distribution

Degrees of Freedom	Probability of a larger value of x^2								
	0.99	0.95	0.90	0.75	0.50	0.25	0.10	0.05	0.01
1	0.000	0.004	0.016	0.102	0.455	1.32	2.71	3.84	6.63
2	0.020	0.103	0.211	0.575	1.386	2.77	4.61	5.99	9.21
3	0.115	0.352	0.584	1.212	2.366	4.11	6.25	7.81	11.34
4	0.297	0.711	1.064	1.923	3.357	5.39	7.78	9.49	13.28
5	0.554	1.145	1.610	2.675	4.351	6.63	9.24	11.07	15.09
6	0.872	1.635	2.204	3.455	5.348	7.84	10.64	12.59	16.81
7	1.239	2.167	2.833	4.255	6.346	9.04	12.02	14.07	18.48
8	1.647	2.733	3.490	5.071	7.344	10.22	13.36	15.51	20.09
9	2.088	3.325	4.168	5.899	8.343	11.39	14.68	16.92	21.67
10	2.558	3.940	4.865	6.737	9.342	12.55	15.99	18.31	23.21

In the above situations the Null Hypothesis is not accepted because here the calculation value is greater than the table value of the chi square table, so in this case the null hypothesis is rejected.

$$\chi^2_{tab} > \chi^2_{cal}$$
$$7.81 < 14.52$$

So, from the above hypothesis testing we can observe that there are not more shopping online the persons can shop online or offline both.

7. FINDINGS OF THE STUDY

The research that was conducted revealed the following findings:

- There are still some individuals(17.9%) who would prefer offline shopping over online shopping.
- It was found that the students(53%) were the majority of online shoppers. Others were either doing jobs or self employed.
- The consumers of age group 21-25 years were the majority in shopping online.
- The study also revealed that the income of the individual didn't affect the online shopping trend as the majority of them were students.
- It was found that 53.6% of the respondents shopped online once every month while 11.3% of them shopped once to twice in a week.
- The number of respondents that buy the following items are:
  - Clothes- 133 out of 151
  - Footwear- 85 out of 151
  - Cosmetics- 62 out of 151
  - Electronic devices- 62 out of 151
  - Accessories- 53 out of 151
  - Books- 32 out of 151
- The study shows that the main reasons why people shop online are:
  - It saves their time
  - Service at doorstep
  - discounts/deals/coupons
  - Wider selection available

○ Prices are better than that in traditional shopping

○ Orders can be cancelled, exchanged and returned

- 70.2% of the respondents preferred to make payment through cash on delivery option.
- Most widely used platforms are amazon and myntra.
- When asked why they use the shopping websites they had selected they responded that it was because they were genuine, trustworthy, provided good quality of products and were of good reputation.
- It was seen that out of 9 characteristics, amazon topped in 7 characteristics with myntra and flipkart being second or third. It was seen that the characteristic of 'graphically appealing' had a tie between amazon and myntra with almost equal numbers of preferences.

8. CONCLUSION

Online shopping is becoming more popular in India with the advent of internet facilities. The major demographic factor affecting the choice of online shopping websites is Income level of the respondents. Amazon, myntra and flipkart are found to be the most used online shopping platforms.It was also observed that Amazon leads almost all the characteristics i.e. 7 out 9 about the features and services. This leads to the conclusion that Amazon is the most preferred online shopping platform. It was also observed that the consumers when asked for what changes they would like to make to make their experience a better one, almost 60% suggested for faster delivery in rural areas. They also suggested that the product images and their description should be more accurate and that the size measurement charts should be more detailed. It was also observed that when the consumer's use online payment methods they face issues in the payment process. Hence they suggested looking into those issues.

9. BIBLIOGRAPHY

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