"A STUDY ON CUSTOMER'S PERCEPTION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO NILAMBUR TALUK"

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ABSTRACT

Shopping through Internet is relatively a new way of shopping formed from 1994 and it is getting more familiar in today's society. Customers and prospects like to visit online stores. They enjoy the convenience, the speed and therefore time-saving, ease of transport (i.e. delivery), the way they can compare prices and check product reviews, the lack of pressuring by sales people and, of course, the infinite choices. While some people use the internet to research services products, and then buy from a physical store, many buy everything they need from online stores. Online business is becoming a high income generating activity, now taking a significant portion of GDP in many countries. The Indian e-commerce industry has been on an upward growth direction and is expected to surpass the US to become the second largest e-commerce market in the world by 2034. With growing internet penetration, internet users in India are expected to increase from 481 million as of December 2017 to 829 million by 2021. Online shopping is slowly creeping into India. As of now, a large number of people prefer buying everything from groceries to clothes online. Not so long ago, the Indian audience was cautious of shopping online owing to potential thefts etc. However, that has changed, now millions of happy online shoppers are there in our country. There are a large number of online shopping portals out there. Flipkart, Amazon, Myntra, snapdeal, Shopclues, etc are some of the popular sites used by online shoppers.

The study is conducted in Nilambur Taluk by collecting information from 120customers by using snow ball sampling technique with the objective to study the perception of customer's towards online shopping. Scheduled questionnaire was used for collecting primary data. The study is relevant because it gives a clear picture on customer's perception towards online shopping and the various factors influencing them. And the study found out that people mostly prefer Amazon and flip kart site for shopping and product quality and security is the major problem faced by them.

Keywords: ONLINE SHOPPING, E-COMMERCE, CUSTOMER'S PERCEPTION, CUSTOMER

INTRODUCTION

In the present scenario, all over the world internet and information technology has made a tremendous contribution for business transformation. This gave birth to E-commerce which encloses several pre-purchase and

post-purchase activities leading to exchange of products or services or information through electronic systems such as the internet and other telecommunication networks.

Online shopping has grown much popularity over the years, mainly because people find it more convenient and easy to access from the comfort of their home or office. Online shopping is a type of E-commerce used for B2B and B2C transactions. The convergence of maturing internet technologies in the e-commerce space will lead to a more integrated, empowering shopping experience across many mainstream shopping destinations. As the younger generations become more familiar with computers, online shopping is getting popular among the young ones as well.

India's e-commerce market, which stood at $2.5 billion in 2009, reached $8.5 billion in 2012 and rose 88% to touch $16 billion in 2013.The survey, estimates the country's e-commerce market to reach $56 billion by 2023, driven by rising online retail. This growth is because of aggressive online discounts, rising fuel prices and availability of abundant online options. Amazon, Flipkart, Myntra, Shopclues, etc is some of the common online sites visited by the consumers.

For developing country like India, e-commerce offer considerable opportunity for growth. E-commerce leads to a boon for the current economic downturn. The present study is conducted to know the customer's perception towards online shopping.

STATEMENT OF THE PROBLEM

Internet shopping has gained much popularity over the past few years. E-commerce is a large number of online shops which have been set up in the recent years. Tough competition exists between the companies to become the best online shopping site. Almost all the online shopping stores provide commodity at discounted prices which include the customers to buy more.

Even though a large number of potential customers visit online shops a number of times, they often does not make the purchase decision. So, to convert the potential customers into actual customers, the marketers need to study what are the factors which influence customers to shop online and their attitude towards online shopping.

Nowadays, online shopping is becoming popular among people; they have become tech-savvy and feel very comfortable in using internet. So, online shopping has becoming a trend that is why it is necessary to make a study on the perception of customers towards online shopping. And the study is also dealt with various factors that influence online shopping habits and its merits and demerits, and it also gives a clear picture on the future of online markets in India and the emerging trends in this particular field.

OBJECTIVES OF THE STUDY

- ❖ To study the customer's perception towards online shopping.
- ❖ To examine the problems faced by the consumers through online shopping.
- ❖ To study the factors influencing the customers preference in online shopping

RESEARCH METHODOLOGY

The present study is descriptive in nature which is based on survey method conducted in Nilambur Taluk which carried out with the help of secondary and primary data. Secondary data is collected from published books, websites and journals. The primary data is collected through scheduled questionnaire from the samples of 120 customers from the specified area. The method of sampling used is non-random sampling. The all samples are collected through snowball sampling method, because the total number of customers in this area is unknown. The collected data were analyzed through weighted average method and percentage method.

DATA ANALYSIS AND INTERPRETATION

Table 1: Preference in Online shopping website

Sl. No	Website	No. of Respondents	%
1	Flipkart.com	60	50
2	Amazon.com	30	25
3	Snapdeal.com	5	4
4	Myntra.com	16	13
5	others	9	8
Total		120	100

Source: primary data

Interpretation:

The table 1 shows that most of the customers (50%) prefer Flipkart.com for online shopping and the least preference is made on snapdeal for online shopping.

TABLE 2: Habit of visit different online stores before actual purchasing

Sl. No	Visit different online stores	No. of Respondents	%
1	Yes	85	71
2	No	35	29
Total		120	100

Source: primary data

Interpretation:

The table 2 reveals that the most of the respondents (71%) are visiting different online stores before making actual purchase.

TABLE 3: Types of product searched over internet

Products	Numbers of respondents	percentage
Books and stationary	7	6
Electronics	48	40
Clothing	36	30
Furniture and kitchen appliances	20	17
Others	9	7
Total	120	100

Source: primary data

Interpretation:

The table 3 depicts that most of the customers (40%) use internet for searching electronic products and 30% of customers use internet for searching clothing. And the least search is made on books and other stationeries.

TABLE 4: Factors influencing online shopping

Sl. No	Factors	No. of Respondents	Weighted average	Rank
I	**Pre-purchase decision factors**			
	Price of the product	120	4.6	**1**
	Quality of the product	120	4.32	**2**
	Product review	120	4.25	**3**
	Different choices of payment methods	120	4.18	**5**
	Product differentiation	120	4.2	**4**
	User-friendly websites	120	3.58	**8**
	Attractive discounts	120	3.83	**7**
	Availability of latest items	120	3.9	**6**
II	**On purchase decision factors**			
	Delivery period	120	4.05	**1**
	Security of payment	120	3.83	**2**
III	**Post – Purchase decision**			
	Product return & refund policy	120	4.16	**1**
	After sales service	120	4.01	**2**
IV	**Others decision factors**			
	Website quality	120	3.7	**4**
	Customer support	120	2.82	**6**
	Online advertisement	120	3.03	**5**
	More choice of second handed items	120	4.01	**3**
	Money saving	120	4.12	**2**
	Previous experience	120	4.35	**1**

Source: primary data

Interpretation:

The table 4 depicts that in the case of pre-decision factors, the most influencing factor is price of the product hence it is given first rank and the next factor is quality of the product so it is given second rank and the third rank is given to product review.

In the case of on purchase decision factor, the most influencing factor is delivery period, hence it is given rank one and the next influencing factor is security of payment so it is given second rank.

In the case of post-purchase decision majority of the respondents opined that product return and refund policy is the most influencing factor so it is given rank one and the next factor is after sales service, hence it is given second rank.

In the case of other decisions, previous experience is the most important influencing factor hence it is given first rank and the second and third rank is given to money saving and more choices of second handed items.

TABLE 5: Problems faced by the customers towards online shopping

Factors	Numbers of respondents	Weighted average	Rank
Product quality	120	4.72	1
Bargaining power	120	3.00	10
Significant discount	120	4.16	4.5
Delay delivery product	120	3.52	9
Price comparison	120	3.82	7
Save money	120	4.16	4.5
Less time to get delivery than retail store	120	3.54	8
Value for money	120	4.42	2
Branded product	120	4.36	3
Save time	120	3.88	6

 Source: Primary data

Interpretation:

The table 5 reveals that the most important problem faced by customers in online shopping is product quality. Hence it's given rank 1. The next important problem is online shopping is not providing value for money, which gives rank 2.The table also that branded product is also a problem faced by customers in online shopping, hence its positioned at rank 3.

TABLE 6: Customers confidence on the major features of online shopping

Factors	Numbers of respondents	Weighted average	Rank
Improvements in security of online payment systems	120	5.64	1
Creating awareness of online security	120	4.64	3
Detailed information about vendor company	120	5.2	2
Better consumer awareness of their rights	120	4.42	4
Regulated by recognized body	120	3.62	5
Delivery methods	120	3.56	6
Others	120	2.44	7

 Source: Primary data

Interpretation:

The table 6 depicts the customer's confidence in online shopping. The majority of the respondents are clearly pointed out their confidence level for purchasing products through online only for improving different security measures for their payment system, hence it was ranked 1. The second rank is for detailed information about Vendor Company. The third rank mentioned creating awareness of online security to the customers before making their purchases through online. .

TABLE 7: Satisfaction level towards online shopping

Degree of satisfaction	Numbers of respondents	percentage
Highly satisfied	53	44
Satisfied	35	29
Neutral	20	17
Dissatisfied	7	6
Highly dissatisfied	5	4
Total	120	100

Source: primary data

Interpretation:

The table 4 depicts that most of the customers (44%) are highly satisfied in online shopping and only 4% of respondents are highly dissatisfied.

FINDINGS

The following are the major findings of the study:
- The study found that majority of the customers is favoring Flipkart for online shopping.
- As per the analysis 71% of the respondents are visiting different online stores before making actual purchase.
- The study found that most of the respondents use online sites for searching electronic products.
- The study found that, in the case of pre-decision factors, the most influencing factor is price of the product hence it is given first rank and the next factor is quality of the product so it is given second rank and the third rank is given to product review.
- As per the analysis, in the case of on-purchase decision factor, the most influencing factor is delivery period, hence it is given rank one and the next influencing factor is security of payment so it is given second rank.
- The study found that, in the case of post-purchase decision majority of the respondents opined that product return and refund policy is the most influencing factor so it is given rank one and the next factor is after sales service, hence it is given second rank.
- As per the analysis, in the case of other decisions, previous experience is the most important influencing factor on online shopping, hence it is given first rank and the second and third rank is given to money saving and more choices of second handed items.
- The study found that most of the respondents face the problem in product quality delivered to customers through online shopping.
- As per the analysis majority of the respondents are suggested that, to improve good security measures for their online payment system. So, it can create the confidence level of customers for purchase of products and services through online mode.
- Most of the respondents in the study are highly satisfied in online shopping

SUGGESTIONS

- The websites should prevent duplication of products and ensure safety and security of online transactions to gain the confidence of online customers..
- The product displayed in the website and the product delivered to the customer should be the same without even minor differences.
- The online vendor should start service centers in all major cities. This could help to rectify the customer's problem within a short span of time. This will create customer confidence on online vendors and service providers.
- The online shopping websites should provide more promotional offers such as discount coupons, free shipping, etc to attract more customers to the website.
- The respondents face major problems on theft of credit card information and lack of security on online payments. Implementing precautionary steps to solve these problems shall create customer confidence on online shopping.

CONCLUSION

In the past, customers had sufficient time to visit shopping centers for searching products. Today there is a radical change in the entire scenario. Everything in today's world is internet oriented like EDI, e-mail, e-business and e-commerce. In the present high cost situation, e-commerce can be used as a competitive strategy.

Online shopping is becoming more popular day by day with the increase in the usage of internet and smart phones. Understanding customers need, online shopping has become a challenge for marketers. In the present study,

an attempt has been made to analyze the customer's perception towards online shopping and also to know the problems faced by them.

In the study majority of the customer's prefer various online shopping sites for purchasing goods and services. Some factors like price and quality of the product, product review, delivery period, product return and refund policy, etc are influencing their purchase decision. The main problem faced by them was product quality and lack of security through online payment. It is better to take necessary remedial measures for the problems faced by the customer's in online shopping.

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