

# Consumer Behavior in Online Shopping: A Study of Aizawl

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## ABSTRACT

Online shopping has obtained very important position in the 21<sup>st</sup> century as most of the people are busy, loaded with hectic schedule. In such a situation online shopping became the easiest and most suitable mode for their shopping. Internet has changed the way of consumer's store, and has rapidly developed into a global perspective. An online shop arouses the physical similarity of buying products as well as services from internet shop 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.

## Keywords

Online shopping, e-marketing, e-store, customer satisfaction.

## 1. Introduction

Online shopping is a form of e-commerce which permits consumers to directly purchase goods or services from a seller by using the Internet. Other names are: e-shop, e-store, Internet shop, web-store, virtual store and online store. An online shop arouses the physical similarity of buying products as well as services from internet shop and this process of shopping is called business-to-consumer online shopping. Online shopping is the practice in which consumers decide to buy the product through internet.

Internet has developed into a new distributive channels for many products. Using the internet to shop online has become a primary reason to use the internet, combined with searching of products and finding information about them. Therefore internet have developed a highly competitive market, where the competition over consumers is fierce.

In some social networking site like E Bay, e- shopping is being done, where some retail online shops are

available. The use of Internet in India offers a growing prospect for e- shopping. If E-customers know the factors that affect online behavior, and the relationships between these factors, further they can build their new marketing strategies to transform probable customers into lively customers, Consumer behavior is treated as an applied discipline because some decisions significantly affects customers behavior and expected actions. The two main views that seek solicitation of its awareness are societal and micro. Internet has changed the way of consumer's store, and has rapidly developed into a global perspective. Many companies started using online shopping with the aim of reducing marketing costs, that will lead to reduce the price of their products in order to stay forward in very highly competitive markets. Companies also use the Internet to deliver, connect and distribute information and products. Customer uses the Internet in so many ways not only for buying the products, but also to compare product structures, prices, warranties and delivery services. Many specialists are positive about the future of online marketing business. In accumulation to the wonderful potential of the E- market, the Internet provides a unique opening for companies to additional efficiently to reach existing and possible customers. Although maximum income of online dealing comes from business-to-business trade, the practitioners of business-to-consumer trade should not lose their confidence. Researchers and practitioners of e-commerce regularly struggle to develop an improved vision into consumer behavior. Along with the development of E-retailing, scholars continue to explain E-consumers' behavior from diverse perspective. Many of the studies have assumptions which are based on classical models of consumer behavior, and then study the validity of e-marketing.

## 2. Review of literature. Review of literature

Kuester, Sabine (2012) in his study considers, Consumer behavior as the study of individuals, groups, process and organizations they use to secure, select, and arrange of experience, products, services, experiences, or ideas to satisfy the consumer and society. It balances components from sociology, psychology, management and economics. It tries to know the decision-making processes of consumers,

both exclusively and in clusters. It makes emphasis on individual consumers and their characteristics such as demographics and behavioral variables to understand customers' want. It also tries to assess the effects on the consumer from family, friends, groups, and also society in general.

Petrovic Dejan (2006) in his study on Analysis of consumer behavior online explained that the most appropriate behavioral appearances of online customers and inspect the ways they find, associate and estimate product information. Comparison of survey data with the present customer performance theory stemmed in detection of an amount of issues related to an explicit customer group. The objective of this report is to transform these results into a set of execution activities at strategic and technical level. Implementation of these recommendations will end in better adaptation of customers.

Shun & Yunjie (2006) in their study revealed that there are different kinds of product, which are additional possible to be sold online such as book, software, electronics and music. Motive for such belongings is that when buying these kinds of products, one does not need individual examination, if not all products, can be drawn in the product explanation and descriptions. Most goods in the mobile phone family fit to this group. According to the new study on customer behavior, there are four different customer groups with diverse purposes and motivations. They also found that regular efficient collection of music videos. A great level of technical assurance inside this cluster tends to be an hopeful feature when it comes to product evidence research online.

Anita desai (2003) in her study E-tailing is the practice of selling retail goods on the Internet explores that e-marketing is the reduced version of "electronic retailing" which basically creates business to buyer business. While the concept of e-tailing is no longer in its budding stage; it remains to change, as progressive e-commerce requests act as a strong promoter in developing e-marketing. The idea of e-marketing differs from a diverse range of products and services as against direct shopping experience. Therefore, e-tailing/online marketing is just not restricted to consumers purchase. As consumers are well-informed, they can take good decisions. This includes a fair price comparison, product research, and proving the credibility of the e-store online shopping.

Jarvenpaa, Tractinsky and Vitale (2000) explore how customers professed store size and status inspire their trust in risk perception, attitudes and willingness to purchase from the specific store. They realize that there is a positive correlation between customer belief in internet stores and the stores supposed reputation and

scope. Higher customer belief correspondingly decreases perceived risks related to internet shopping and produces more promising attitudes near to shopping at a specific store, which in turn raises readiness to buying from store.

Li, H., Kuo, C., and Russell, M. G. (1999), in his study found that consumers who are buying from internet stores more frequently are more suitability oriented and less practice concerned. These customers respect suitability throughout shopping as the most significant factor in buying decisions since they have time constrained and do not notice purchasing products without touching or sensitivity.

### 3. Objective of the study

The present paper focuses on the study of consumer perception and behavior towards online shopping.

### 4. Data Collection Method

The method selected by the researcher for exploring the consumer perception and behavior towards online shopping is survey research. The research starts with identification of different variables related to responsible for building consumer perception. Research included both primary and secondary data. Primary data for this study was collected by means of a survey conducted in Aizawl, the sample size was 30. The Questionnaire was used to collect primary data.

### 5. Analysis and Interpretation

#### 5.1 Age wise distribution of customer

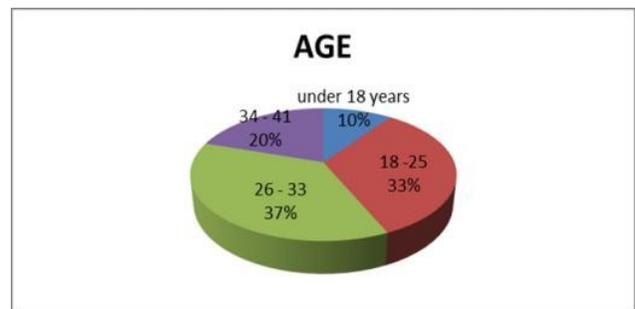


Figure1- Customers age

The above diagram shows us the percentage in the age of respondents. As it shows that from age under 18 years the number of respondents are 10% and from age of 18 to 25 it is 33% and from 26 to 33 it is 37%, lastly is 34 to 41, it is 20%.

#### 5.2. Profession of online customers

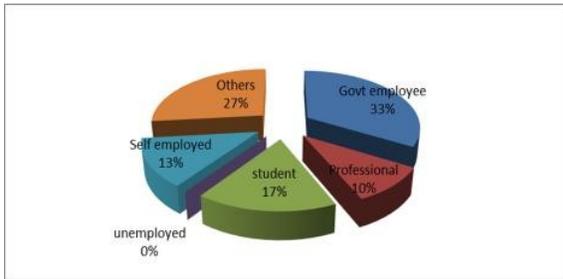


Figure2- Customers profession

This graph help us to know the occupation of the respondents, this is to know that which segment of people are buying more products on the internet whether they are the segment of students or government employees or professional , the above graph shows that the segment of the govt. employees is 33%. are using internet and use to buy online product.

### 5.3. How frequency of online purchase

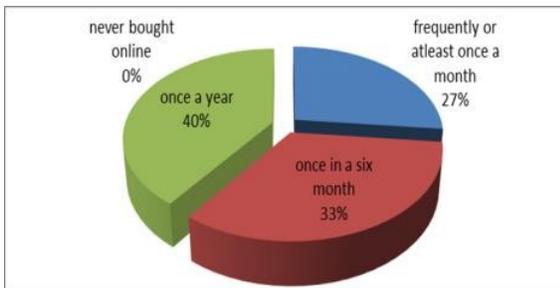


Figure3-Customers profession

From the above pie chart purchase of product is highest where online consumer buys once a year i.e. 40% of the respondent which shows us that products are not purchase frequently i.e. 27%

### 5.4. Main Reason for online Shopping



Figure 4- Online shopping reasons

The above pie chart shows that online shopping is mainly opted by the respondents due to the price as 40% utilizes online shopping and 33% are mainly due to the convenience and time saving .while fast shipping and trust is very low in online shopping.

### 5.5. Methods of payments

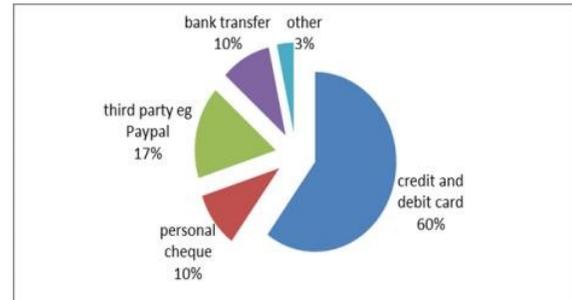


Figure 5- Payment methods

This diagram shows that mostly people uses credit card and debit cards to pay their payments 60% people use to pay by credit/debit card and 10% through bank transfer and 17% through papal and 10% by personal cheques.

### 5.6. Motivational factors to buy product online



Figure 6- Payment methods

This graph shows us what motivates the people to buy internet, as from above result we found out that easy payment is the main thing which motivates the people to buy products online. Easy payment and avoidance of travel is big motivational factor in online shopping.

### 5.7. Prices between websites prior to making your purchase decision

From the above chart, 60% of the respondent compares prices between websites selling the same product while making the final purchase decision and 13% does not make any other references.

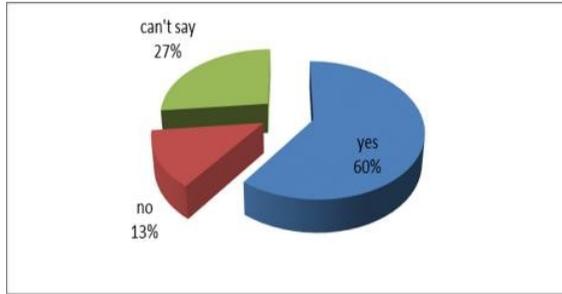


Figure7- Price Comparison

### 5.8. Satisfactions with using online shopping in terms of payment, delivery, and product

With regard to the overall satisfaction of making a purchase online, 50% of the respondent are quite satisfied with the price, delivery etc. and 37% are not so sure and lastly 13% are dissatisfied.

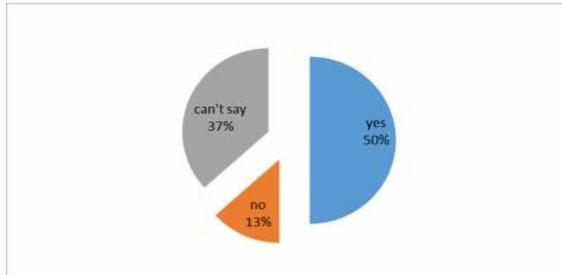


Figure8- Online customer's satisfaction

### 5.9. Online shopping Vs shopping at physical brick

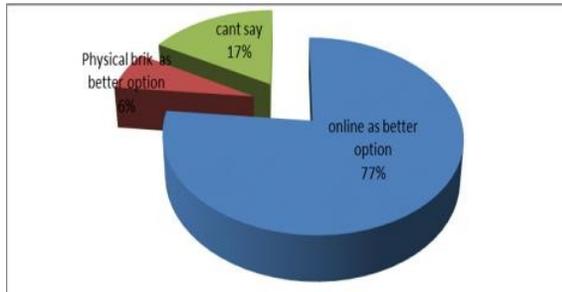


Figure9- opinion about online shopping

After analyzing the above graph shows that the people are in favor of that online shopping is better than physical store, the percentage of people who says online shopping is better is 77% and the people who says it not good is 6%. Still the percentage of people who says yes is more than other who says no.

## 6. FINDINGS

- The online shopping is getting popular among the young generation as they feel it more comfortable, time saving and convenient. It is analyzed from the survey that when a consumer makes a mind to purchase online goods he or she is affected by multiple factors. The main crucial identified factors are time saving, the best price and convenience.

- People compare prices in online stores and then review all feedbacks and rating about product before making the final selection of product and decision.

- The main barrier in the process of online shopping is the safety issue.

- The online shopping are overall satisfied with the prices, delivery etc in comparison with the location of the city

- From the age of 18 to 33, online shopping is being more used as there is more influence of the internet generation, and online shopping has become an emerging trend among this age group to most of the online shoppers are employed therefore they have the necessary independence to shop online as most of them have different levels of income

- The number of times internet is being used for online shopping where some respondent have shown that they have shopped online only once in a year or in five months etc.

- The online shopping is much more easier mean of purchasing products where 23 respondent as yes, because in online shopping there is less physical movement of the consumer as products are being ordered and is being delivered at door steps. Eg Jaong . com.

- Online shoppers are more motivated to buy online as it is easy in payment, and it is time saving.

- Online shopping helps in comparison of products from different online shopping websites also to a certain level the comparison of products in websites and the physical market in terms of quality, price etc.

## 7. CONCLUSION

Increased Internet penetration, annoy free shopping environment and very high levels of Net savings to see Indians online shopping. But at the same time the companies want to decrease the risks associated to customer. The objective is not to convert all shoppers to online procuring, but to display them it's a choice. In totaling to above, efforts want to be taken to teach the online consumers on the stages that need to be started while creating an online buying. Furthermore, the response of an online customer should be taken to classify defects in service transfer. This can be done over online people and blogs that assist as marketing and advertising apparatuses and a basis of response for enterprises. Thus, the online selling increases more

subjects than the benefits it presently proposes. The quality of products obtainable online and dealings for service delivery are yet to be uniform. Till this thing will be done, the buyer is at a great risk of frauds.

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