

Analysing Online Shopping Behaviour of Consumers in Himachal Pradesh

Patiyal Tanvi^a and Verma O.P.^b

^aResearch Scholar, Department of Commerce, Himachal Pradesh University, Shimla, India

^bProfessor, Department of Commerce, Himachal Pradesh University, Shimla, India

Abstract

With the advancement of internet, online shopping has gained status of commercial platform which is more than communication. Every effort has been made by marketers to please the consumers. On the other hand, consumers are also showing a positive inclination towards online shopping as internet is becoming part of their life. Therefore, online shopping behaviour of consumers has gained the attention of researcher. The primary objective of the study is to study the awareness of e-marketing among consumers of Himachal Pradesh. A sample of 720 respondents has been collected from three districts i.e. Shimla, Kangra and Solan of Himachal Pradesh. Questionnaire was developed for studying the awareness level of young consumers. The present study found that majority of consumers is aware about the online shopping and have shown a positive attitude towards it.

KEYWORDS: Buying behaviour, Consumers, Online shopping.

INTRODUCTION

The growth of internet as a shopping and purchasing medium is fascinating for practitioners and observers. The paradigm shift in technology is causing a re-evaluation of traditional assumptions for doing business. Initially, business-to-business exchanges over the internet fuelled the growth of businesses in term of revenue. But in the marketplace, cyber marketers have to understand the consumer behaviour and their decision process.¹ Therefore, the consumer behaviour refers to the actions and decision process of people who purchases goods and services for personal consumption.

Online shopping behaviour or internet shopping behaviour refers to the process of purchasing products or services via the internet. In online shopping process, potential customer recognize need for service or merchandise when they go to internet for information relating with that service or merchandise while searching, they are attached by a number of products which are fulfilling their need. Then they evaluate and compare the products and choose the best one. Finally, transaction is conducted and post sales services provided.²

Online shopping has its roots from 1971 when first e-mail as a first online transaction has been occurred. After that it has witnessed a lot of changes and in 1995 Amazon has started selling books online and now it became a leader in online market.³ In India, online shopping started through IRCTC in 2002 and after that by increasing in broadband internet connectivity and 4G penetration, growing standard of living, wide variety of products have given a push towards online shopping.⁴

REVIEW OF LITERATURE

Kambil, A. (1995)⁵ in his study found that use of the internet and related technologies has reduced the cost and giving boost to e-commerce and productivity. Hence, firms have to re-focus on their strategies

Sharma, A. and Sheth, J. N. (2004)⁶ have discussed the implication of internet on market theory and practices. In the web based era, marketing will be seen as an asset and heavy in technology will reduce transaction cost. Internet is more customers focused as compared to traditional marketing. Further, the study focused on the concept of co-creation which means the customer-firm interaction. It will help both i.e. customer as well as marketer.

Dahiya, R. (2012)⁷ has mentioned that online shopping is very common outside India but its growth in Indian market still not in line with the global market. Further, study revealed that demographic factors show that gender has a positive impact on frequency of online shopping and family size has impact on overall expenditure on on-line shopping. Finally, it is concluded that customer has positive response towards online shopping

Reddy, K.S. and Jayalaxmi, S. (2014)⁸ revealed that time saving, cost saving, variety of products, 24x 7 Shopping facility, attractive gifts and discounts attracts customers towards online shopping but there are other factors such as delay in delivery process, lack of sufficient information about the product and lack of privacy which proves to be hurdle in online shopping.

Pandey, B. B., Barik, P. and Soni, V. (2015)⁹ reveals that time, cost, discount, offers, variety of products, home delivery and word of mouth publicity are main features of online shopping which attracts consumers. Study also found out that males are more ahead in shopping as compare to females. All development in e-shopping is because of updated technology.

Lissitsa, S. and Kol O. (July, 2016)¹⁰ revealed that generation Y is more attractive population for businesses due to its hedonism, extravagance and great connectivity but it is also important to focus on generation X as they buys more due to high income and more free time.

Kumar, A., Kumar, S. and Gunasekaran, A. (2017)¹¹ has focused on the determinants that are affecting the online purchase behaviour of millennial consumers. The study found that there is positive relationship between website design, layout and user interface which helped in searching and choosing right kind of product while purchasing online.

Zhang, H., Zhao, L., and Gupta, S. (2018)¹² found that consumer product screening cost and decision making quality have significant influence on consumer loyalty whereas product screening cost is negatively associated with self reference and positively associated with deceptiveness and information overload.

OBJECTIVE OF THE STUDY

1. To study the awareness of e-marketing among consumers.

METHODOLOGY

The area of study is confined to three districts of Himachal Pradesh viz. Shimla, Solan and Kangra. To accomplish the objective of the study primary data is collected through questionnaire method from schools, colleges and universities. Multistage and quota sampling is used to acquire the relevant information from the respondents. Thus, 720 respondents are taken for collection of data. For analysis and interpretation, simple frequency and chi-square has been used.

ANALYSIS AND ITERPRETATION

1. Demographic Profile of consumers

Table 1
Descriptive Statistical Analysis for Demographic Profile of Respondents

| Dimension | | Number | Percentage |
|---------------------------------|--------------------|--------|------------|
| Gender | Male | 374 | 51.9 |
| | Female | 346 | 48.1 |
| Age | Below 18 years | 240 | 33.3 |
| | 18-22 years | 197 | 27.4 |
| | 22 years and above | 283 | 39.3 |
| Education | 10+2 | 240 | 33.3 |
| | Graduate/Diploma | 273 | 37.9 |
| | Post graduate | 147 | 20.4 |
| | Above PG | 60 | 8.3 |
| Monthly Household Income | Below 10,000 | 31 | 4.3 |
| | 10,000-20,000 | 176 | 24.4 |
| | Above 20,000 | 513 | 71.3 |
| Area | Shimla | 240 | 33.3 |
| | Kangra | 240 | 33.3 |
| | Solan | 240 | 33.3 |
| Family Structure | Nuclear | 459 | 63.8 |
| | Extended Family | 234 | 32.5 |
| | Joint Family | 27 | 3.8 |

Source: Data collected through questionnaire

Demographic profile of consumers' reveal that majority of consumer group fall in age group of above 22 years, another age group taken into study are below 18 years and 18-22 years. It has been found that male consumers do more online shopping as compare to female consumers. As far as education factor is concerned, majority of students who go for online shopping are graduates with the percentage of 33.9 and plus two students are in percentage of 33.3. Further, consumers who have monthly household income more than Rs 20,000 often go for online shopping. As far as education institution are concerned 33.3% each of young consumers of three districts that is Shimla, Kangra, and Solan are taken in which it is clear that graduate and post graduate do more online shopping as compare to school students. Study also reveals that consumers who live in nuclear family (63.8%) go for online shopping more frequently as compare to joint and extended families. Therefore, it can be said that demographic profile of consumers like their age, income, family size, their preferences, capacity to pay, choices are the factors which are influencing their behaviour.

2. Awareness level of consumers

Table 2

Distribution of Consumers on The Basis of Using Internet

| Used Internet | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------|-----------|---------|---------------|--------------------|
| Yes | 720 | 100.0 | 100.0 | 100.0 |

Source: Data collected through questionnaire

Table 2 reveals that all the consumers i.e. 720 (100%) taken in study are using internet. Therefore, it can be said that all consumers are likely to do online shopping

Table 3

Distribution of Consumers on the Basis of Years of Using Internet

| Years | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Less than 2 years | 53 | 7.4 | 7.4 | 7.4 |
| 2-4 years | 151 | 21.0 | 21.0 | 28.3 |
| 4 years and above | 516 | 71.7 | 71.7 | 100.0 |
| Total | 720 | 100.0 | 100.0 | |

Source: Data collected through questionnaire

From the Table 3, it has been found that majority of consumers are using internet from more than 4 years and are quite familiar with online shopping.

Table 4

Frequency of Using Internet by Consumers

| Frequency of Using Internet | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------|-----------|---------|---------------|--------------------|
| Daily | 491 | 68.2 | 68.2 | 68.2 |
| Monthly | 75 | 10.4 | 10.4 | 78.6 |
| Weekly | 113 | 15.7 | 15.7 | 94.3 |
| Once in a While | 41 | 5.7 | 5.7 | 100.0 |

Source: Data collected through questionnaire

Table 4 analyses the frequency of using internet in which 491 (68.2%) consumers use internet daily, 113 (15.7%) consumers use internet weekly. The percentages of consumers who use internet monthly are 75 (10.4%) and percentage of consumers who are using once in a while is 41(5.7%). It can be said that the percentage of consumers who like to use internet daily is high and hence this category is more attracted to the online shopping behaviour.

Table 5

Distribution of Consumers on the Basis of Skills

| Skills | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Not skillful | 35 | 4.9 | 4.9 | 4.9 |
| skillful | 467 | 64.9 | 64.9 | 69.7 |
| somewhat skillful | 218 | 30.3 | 30.3 | 100.0 |
| Total | 720 | 100.0 | 100.0 | |

Source: Data collected through questionnaire

Table 5 examines the frequency of skills using internet in which 467 (64.9%) consumers are skillful in using internet. 218 (30.3%) consumers are somewhat skillful in using internet followed by 35 (4.9%) consumers who are not good in using internet. Therefore, it has been observed that percentage of consumers who used internet skillfully is high.

Table 6

Descriptive Statistical Analysis for Purchasing through Online

| Statements | Very High | High extent | Moderate | Some Extent | Not at all | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|-----------------------------|-----------|-------------|----------|-------------|------------|-------|------|-------|----------|----------|------------|---------|
| Clothing | 385 | 198 | 87 | 34 | 16 | 720 | 4.25 | .991 | -1.366 | 1.354 | 643.958 | .000 |
| Electronics | 240 | 273 | 167 | 31 | 9 | 720 | 3.98 | .922 | -.671 | .082 | 398.472 | .000 |
| Fitness and Sports | 126 | 208 | 200 | 116 | 70 | 720 | 3.28 | 1.209 | -.292 | -.799 | 95.944 | .000 |
| Books and Stationary | 287 | 289 | 88 | 46 | 10 | 720 | 4.11 | .944 | -1.070 | .789 | 501.181 | .000 |
| Any Other* | 102 | 137 | 173 | 141 | 167 | 720 | 2.81 | 1.360 | .124 | -1.178 | 22.1677 | .000 |

Source: Data collected through questionnaire

***Any other includes: 1. Home/kitchen 2. Pets 3. Toys 4. Baby products 5. Bags/luggage 6. Music/movies/games 7. Mobile recharge 8. Gift cards**

It is revealed from the Table 6 that on applying chi-square test, the value for buying clothing, electronics, fitness and sports, books and stationary and any other goods has been found significant at 1 percent level of significance. Hence, it can be said that they are moving towards online shopping.

Table 7

Descriptive Statistical Analysis for Information Regarding Product Availability through Online

| Statements | Very High extent | High extent | Moderate | Some Extent | Not at all | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|------------|------------------|-------------|----------|-------------|------------|-------|------|-------|----------|----------|------------|---------|
| Television | 231 | 234 | 150 | 75 | 30 | 720 | 3.78 | 1.129 | -.693 | -.324 | 232.375 | .000 |
| Newspaper | 128 | 262 | 199 | 95 | 36 | 720 | 3.49 | 1.028 | -.453 | -.412 | 217.153 | .000 |
| Radio | 44 | 73 | 145 | 174 | 284 | 720 | 2.19 | 1.231 | .744 | -.483 | 246.819 | .000 |
| Magazines | 34 | 161 | 187 | 196 | 142 | 720 | 2.65 | 1.164 | .132 | -.977 | 117.681 | .000 |
| Internet | 478 | 166 | 31 | 28 | 17 | 720 | 4.47 | .924 | -2.090 | 4.131 | 1072.181 | .000 |

Source: Data collected through questionnaire

Table 7 represents the descriptive statistical analysis for information regarding product availability through online. On applying chi-square test, the value of all medias which gives the information about the product availability through online has been found significant. Hence, it has been found that Internet and television are the two major sources which give the information about the products through online.

Table 8

Descriptive Statistical Analysis for Checking Prices through Online

| Statement | never | Rarely | Sometimes | Most of times | Always | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|------------------------|-------|--------|-----------|---------------|--------|-------|------|------|----------|----------|------------|---------|
| Checking prices online | 12 | 76 | 133 | 292 | 207 | 720 | 3.64 | .956 | -.407 | -.283 | 333.625 | .000 |

Source: Data collected through questionnaire

It is disclosed from the Table 8 that majority of the respondents check prices of the products through online most of times. Further, the results have been supported by the significant value of chi-square at 1 percent level of significance.

Table 9
Descriptive Statistical Analysis for Mode of Payment

| Statements | Very High | High extent | Moderate | Some Extent | Not at all | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|-------------------------------|-----------|-------------|----------|-------------|------------|-------|------|-------|----------|----------|------------|---------|
| Gift cards | 26 | 85 | 64 | 135 | 430 | 720 | 1.78 | 1.151 | 1.362 | .714 | 753.069 | .000 |
| Debit cards | 112 | 156 | 115 | 119 | 218 | 720 | 2.76 | 1.469 | .146 | -1.411 | 56.319 | .000 |
| Credit Cards | 93 | 103 | 122 | 118 | 284 | 720 | 2.45 | 1.449 | .493 | -1.167 | 173.903 | .000 |
| Cash on delivery | 376 | 193 | 73 | 46 | 32 | 720 | 4.16 | 1.120 | -1.353 | 1.001 | 579.264 | .000 |
| Bank Transfer | 95 | 105 | 194 | 77 | 204 | 720 | 2.80 | 1.392 | .025 | -1.255 | 90.458 | .000 |
| Billing through mobile phones | 62 | 129 | 162 | 163 | 204 | 720 | 2.56 | 1.30 | .319 | -1.057 | 78.014 | .000 |
| Net banking | 107 | 138 | 135 | 125 | 215 | 720 | 2.72 | 1.441 | .200 | -1.329 | 47.833 | .000 |

Source: Data collected through questionnaire

Table 9 determines the descriptive statistical analysis for mode of payment. It has been found from the study that cash on delivery, debit cards and net banking are the modes of payment which have been highly used by consumers for payments. Further, the results also have been supported by the significant value of chi-square.

Table 10
Descriptive Statistical Analysis for Shifting towards Online Shopping

| Statement | Very High | High extent | Moderate | Some Extent | Not at all | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|-----------------|-----------|-------------|----------|-------------|------------|-------|------|------|----------|----------|------------|---------|
| Online shopping | 194 | 321 | 145 | 46 | 143 | 720 | 3.88 | .943 | - | .421 | 418.986 | .000 |

| | | | | | | | | | | | | |
|-------------------------------------|--|--|--|--|--|--|--|--|---|--|--|--|
| is preferred due to modern culture. | | | | | | | | | 2 | | | |
|-------------------------------------|--|--|--|--|--|--|--|--|---|--|--|--|

Source: Data collected through questionnaire

It has been revealed from the table that majority of consumers think that shifting towards online shopping is a matter of modern culture which is further supported by the value significant value of chi-square test at 1 percent level of significance.

Table 11

Descriptive Statistical Analysis for Comparison of Ad-Message

| Statements | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| They are Same. | 141 | 19.6 | 19.6 | 19.6 |
| Social media ads are attractive. | 436 | 60.6 | 60.6 | 80.1 |
| Prefer traditional ads. | 58 | 8.1 | 8.1 | 88.2 |
| None of above | 85 | 11.8 | 11.8 | 100.0 |
| Total | 720 | 100.0 | 100.0 | |

Source: Data collected through questionnaire

$\chi^2 = 505.367, P\text{-value} = .000$

It has been observed from the table 11 the majority of consumers (60.6%) holds that social media ad-messages are more attractive than traditional ad-messages. Further, result has been supported by the value of chi-square which is found significant at one percent level of significance.

Table 12

Descriptive Statistical Analysis for Importance of Social media

| Statements | Very High extent | High extent | Moderate | Some Extent | Not at all | Total | Mean | S.D. | Skewness | Kurtosis | Chi Square | P value |
|---|------------------|-------------|----------|-------------|------------|-------|------|------|----------|----------|------------|---------|
| Social media plays an important role in highlighting products online. | 238 | 317 | 99 | 45 | 21 | 720 | 3.98 | .991 | -1.071 | .915 | 456.389 | .000 |

Source: Data collected through questionnaire

Table 12 reveals that majority of consumers think that social media plays an important role in highlighting products online which is further supported by significant value of chi-square.

CONCLUSION

The present study has made an attempt to study the behaviour of young consumers of Himachal Pradesh towards online shopping. The invention of the internet has changed the traditional way of people to shop. Now a customer can become active at virtually any time and place and purchase products or services.¹³ The internet is available 24*7 and can be accessed from anywhere in the world. Online shopping is quite different from traditional shopping as buyers and sellers lack face to face interaction in online shopping. In online shopping, there is no need for established stores or brands and consumers can order the goods from anywhere in the world as they do not have to think about the import policies. Whereas, in offline shopping customers can select the store/ manufacturer according to their need that is the reason they have to get aware about the scams in case of online shopping. Therefore, study reveal that all the consumers are using internet and majority of them are using it for more than 4 years. The frequency of using internet by consumers is high as they use internet daily with the great skills. Consumers are attracted towards online shopping as they found wide variety of products online and like to purchase clothing, books through online at high extent. Internet, television and ads given on social media give relevant information about the products availability on online stores. Consumers always prefer to check prices of the products online before buy. Hence, it can be concluded that consumer are showing their interest towards online shopping.

REFERENCES

1. Butler, P. and Peppard, J. (1998). Consumer Purchasing on the Internet: Process and Prospects. *European Management Journal*, Vol. 16 (No. 5), pp. 600-610.
2. Liang T. and Lia H. (2000). Electronic Tore Design and Consumers Choice: An Empirical Study. *Proceedings of the 33rd Hawaii International Conference on System Sciences*.
3. <https://www.shop.co/brief-history-online-shopping/>
4. Dudhewala, A. (2014). E-Commerce in India – Past, Present and Future. Retrieved from <http://www.iamwire.com/2014/07/e-commerce-in-india-past-present-future/27805>
5. Kambil, A. (1995). Electronic Commerce: Implications of the Internet for Business Practices and Strategy. *Business Economics*, Vol. 30 (No. 4), pp. 27-33.
6. Sharma, A., and Sheth, J. N. (2004). Web Based Marketing: The Upcoming Revolution in Marketing Thought and Strategy. *Journal of Business Research*, Vol. 57, pp. 696-702.
7. Dahiya, R. (2012). Impact of Demographic Factors of Consumers on Online Shopping Behaviour: A Study of Consumers in India. *International Journal of Engineering and Management Science*, Vol. 3 (Issue 1), pp. 43-52.
8. Reddy, K. L., and JayaLaxmi, S. (Dec. 2014). A Comperative study of Traditional Shopping Vs Online Shopping. www.stannsannquest.com

9. Pandey, B. B., Barik, P., and Soni, V. (2015). Online Shopping Catching up Fast with the Trend- Chhattisgarh Context. *International Journal of Research in Commerce and Management*, Vol. 6 (No. 4), pp. 53-57.
10. Lissitsa, S. and Kol, O. (2016). Generation X vs. Generation Y- A Decade of Online Shopping. *Journal of Retailing and Consumer Services*, Vol. 31, pp. 304-312.
11. Kumar, A., Kumar, S. and Gunasekaran, A. (2017). An Empirical Study on the Factors Affecting Online Shopping Behavior of Millennial Consumers. *Journal of Internet Commerce*, Vol. 16 (No. 3), pp. 219-230.
12. Zhang, H., Zhao, L., and Gupta, S. (2018). The Role of Online Product Recommendations on Customer Decision Making and Loyalty in Social Shopping Communities. *International Journal of Information Management*, Vol. 38, pp. 150-166.
13. Jaines, L.J., Scherer, W.C. and Scheufele, A.D. (2003). Exploring Motivation for Consumer Web Use and Their Implication for E-Commerce. *Journal of Consumer Marketing*, Vol. 20 (Issue 2), pp. 90-108.