



MEASURING THE EFFECTIVENESS OF ONLINE SHOPPING WITH REFERENCE TO COIMBATORE CITY

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ABSTRACT

This study concluded that in this modern business economy it is very important to analyze the measuring the effectiveness of online shopping services. The study result shows the majority of the consumers are satisfied with the Online shopping services but also there is a drawbacks such as Product damage, Fraudulance, etc., If necessary, steps to resolve problems of retaining measuring the effectiveness of online shopping will be high.

KEY WORDS – Online shopping- measuring the effectiveness of online shopping - Consumer Satisfaction, Marketing strategy, modern business economy, analyses

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 or a mobile app. 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 smart phones. 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 another 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.

STATEMENT OF THE PROBLEM

Understanding the taste and preference of the consumers is the major problem in online shopping as the taste and preference of online shoppers and framing suitable policies, strategies and guidelines to attract these users into everlasting online shoppers. Thus, a serious attempt is made to determine the features that drive the customers to stay online. This study is to ascertain the factors that contribute to the effectiveness of online shopping among the consumers .

LIMITATIONS OF THE STUDY

- ✓ The findings of the study are based on the assumption that the respondents revealed correct information.
- ✓ This study is relevant only to the present situation and not to the future.
- ✓ This study is time bound , due to rapid changes in the market and due to introduction of new products in the market.
- ✓ This study has been carried out for a period of 6 months considering the constraint.
- ✓ Consumer's response vary from their taste and preferences

OBJECTIVES

1. To study the factors that effects consumer attitude towards online shopping in India.
2. To study the present status of online shopping in Indian consumers.
3. To study potential for development of online shopping in India.
4. To examine the effectiveness of online shopping
5. To identify the factor militating against online shopping acceptance .

RESEARCH METHODOLOGY

The research instrument used in the study is a 'structured questionnaire'. These are questionnaires in which there are definite, concrete, and predetermined questions relating to the aspect, for which the researcher collects data. They are presented with exactly the same wording and in the same order to all the respondents

REVIEW OF LITERATURE

PRIYANKA SHARMA (2017)

Priyanka Sharma performed a research study on “Consumer Behaviour towards Online Shopping- The main objective of the research was to identify the relationship of demographic factors that influence online shopping, to study the preferences of the consumers toward online shopping and the satisfaction level of the consumers while they shop online. To achieve the objective, null hypothesis Online shopping is not reliable and trustworthy to the consumers” was tested. The main barrier of this study is the safety of payment and privacy issue in the process of online shopping. This increases low levels of trust on online stores therefore; sellers have to make proper strategies to increase the consumer’s level of trust with them.

M. Dhanalakshmi, M. Sakthivel, M. Nandhini (2017)

M. Dhanalakshmi, M. Sakthivel, M. Nandhini performed a research study on “A Study on Customer Perception towards Online Shopping”. The main objective of the research was to study the customer perception towards online shopping. The researchers had adopted random convenience sampling technique to gather the data. The data were analyzed using the simple percentage analysis and ANOVA (analysis of variances) methods. As a result of data analysis and interpretation, the researchers conclude that the consumer’s perception of online shopping varies from person to another and the perception is limited to a certain extent by the availability of the proper connectivity and the exposure to the online shopping has to be improved to make the customer satisfied.

The perception of the consumer also has similarities and difference based on their personal characteristic usage based on their needs and demand. The study reveals that most the students are attached to the online shopping and hence the elder people don’t use online shopping much as compared to the younger ones, so awareness has been fashioned in the coming era. Finally, the researchers suggested that the online transaction should be flexible for the customers who perceived in shopping.

Vikas & Vinod Kumar (2017)

With the development of modern technology, people’s way of life is changing day by day. These changes have also affected the way of shopping. Online shopping is taking place instead of traditional store shopping. In present study, it has been tried to find out the people’s perception towards online shopping and to know whether consumers prefer online shopping or store shopping and why. The primary data for this research has been collected through a survey of 100 consumers of Kurukshetra by using questionnaire. This study used factor analysis to provide evidence that consumer perception toward online shopping had strong relationship based on consumers demographic. The results of the study supported that the customers perceive online shopping with positive frame of mind and show that the emergence of various factors pertaining to online shopping

Pawan Kumar, Kanchan (2017)

Pawan Kumar, Kanchan performed a research study on “Online Shopping Behavior among Students”. The main objective of the research was to understand the online purchase pattern of youth in India and to study the factors those contribute to online shopping.

As a result of data analysis, the researchers conclude that students are those who mostly go for online shopping. There are several factors such as quality of products, delivery time, products checking on the spot, return policy etc. which customer look before online shopping. So the online websites must look after those factors to be successful and retain the customers. Online shopping among students was grown in a positive manner and decision on demonetization certainly helped the online shoppers to attract more and more customers.

Saranya and Anandh (2016)

In their study have ascertained that easy access, attractive display of products and offer clear information about the product induce customers towards online shopping. Further, they have observed that customers prefer to buy cosmetics followed by electronic items and footwear through online shopping

Saban Kumar K.C, Arun Kumar Timalsina (2016)

Saban Kumar K.C, Arun Kumar Timalsina carried out a research work on “Online Grocery Shopping Attitudes”. The major focus of the research was to assess attitudes of customers towards online shopping within Kathmandu. The researchers had used the Statistical Package for Social Sciences (SPSS) for data analysis purpose. As a result of data analysis, the researchers conclude that majority respondents i.e. 86% were found to be aware about online shopping. Similarly, 89% of the respondents were positive about the online shopping of grocery items whereas the rest were negative. The Result also depicts that 52% respondents were aware about existing online portals. The freshness and delivery timing were given more importance than payment system and pricing while shopping vegetables and fruit items online.

AT. Jaganathan, J. Suresh kumar, M. Sakthivel, M. Mohanraj (2016)

A. T. Jaganathan, J. Suresh kumar, M. Sakthivel, M. Mohanraj performed a research work on “A Study on Customer Perception towards Online Shopping,”. The main objective of the research was to study the customer perception towards online shopping at. Customer perception is typically affected in the way of broadly such as advertising, reviews, public relations, social media and personal experiences etc. The researcher had used simple percentage analysis and ANOVA (analysis of variances) methods for data analysis purpose. After the data analysis and interpretation, the researcher conclude that the consumer’s perception on online shopping varies from person to another and the perception is limited to a certain extent with the availability of the proper connectivity and the exposure to the online shopping has to be improved to make the customer satisfied. The students are attached to the online shopping and hence the elder people don’t use online shopping much as compared to the younger ones, so awareness has been fashioned in the coming era. The

online transaction should be flexible for the customers who perceived in shopping.

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MEANING OF ONLINE SHOPPING:

Online shopping or e-shopping is searching for and purchasing goods and services over the Internet through the use of a web browser. Online shopping is the activity or action of buying products or services over the Internet. It means going online, landing on a seller’s website, selecting something, and arranging for its delivery. The buyer either pays for the good or service online with a credit or debit card or upon delivery.

PAYMENT METHODS OF ONLINE SHOPPING

Debit Card

Debit cards are the second largest e-commerce payment medium in India. Customers who want to spend online within their financial limits prefer to pay with their Debit cards. With the debit card, the customer can only pay for purchased goods with the money that is already there in his/her bank account as opposed to the credit

card where the amounts that the buyer spends are billed to him/her and payments are made at the end of the billing period.

Smart Card

It is a plastic card embedded with a microprocessor that has the customer's personal information stored in it and can be loaded with funds to make online transactions and instant payment of bills. The money that is loaded in the smart card reduces as per the usage by the customer and has to be reloaded from his/her bank account.

E-Wallet

E-Wallet is a prepaid account that allows the customer to store multiple credit cards, debit card and bank account numbers in a secure environment. This eliminates the need to key in account information every time while making payments. Once the customer has registered and created E-Wallet profile, he/she can make payments faster.

Net banking:

This is another popular way of making e-commerce payments. It is a simple way of paying for online purchases directly from the customer's bank. It uses a similar method to the debit card of paying money that is already there in the customer's bank. Net banking does not require the user to have a card for payment purposes but the user needs to register with his/her bank for the net banking facility. While completing the purchase the customer just needs to put in their net banking id and pin.

Mobile Payment:

One of the latest ways of making online payments are through mobile phones. Instead of using a credit card or cash, all the customer has to do is send a payment request to his/her service provider via text message; the customer's mobile account or credit card is charged for the purchase. To set up the mobile payment system, the customer just has to download a software from his/her service provider's website and then link the credit card or mobile billing information to the software.

Amazon Pay

Another convenient, secure and quick way to pay for online purchases is through Amazon Pay. Use your information which is already stored in your Amazon account credentials to log in and pay at leading merchant websites and apps. Your payment information is safely stored with Amazon and accessible on thousands of websites and apps where you love to shop.

CASH ON DELIVERY:

Cash on delivery is a mode of payment where a customer makes the payment after the goods/services are received. The customer pays cash or makes the payment via debit/credit card directly to the delivery person. While some online sellers only provide cash as a payment method, others offer the provision to pay online or through cards upon receiving the product or service.

DATA ANALYSIS AND INTERPRETATION

In this chapter the analysis interpretation of the study on “Consumer satisfaction towards Online shopping “is presented based on the opinion of sample of 155 respondents selected from Coimbatore through a questionnaire containing 21 questions analyzed through

- Simple Percentage Analysis
- Regression analysis
- Correlation Analysis

SIMPLE PERCENTAGE ANALYSIS

The percentage analysis is mainly employed to find the distribution of different categories of respondents. As the value is expressed in percentage its facilities comparison and standardization. The analysis describes the classification of the respondents falling under each category.

REASON FOR PREFERENCE OF ONLINE SHOPPING

S.NO	ONLINE SHOPPING	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	Convenience	36	28.8
2	Time Savings	37	29.6
3	Low price	8	6.4
4	Quality	14	11.2
5	Offers and discounts	30	24
	TOTAL	125	100

Source: Primary data

Interpretation:

The above table shows that 29.6 % of the respondents are using online shopping for time savings, 28.8% of the respondents are using online shopping for their convenience, 24% of the respondents are doing online business for the offers and discounts, 11.2% of the respondents are doing online shopping for the quality.

Inference:

Here 29.6% of the respondents are choosing online purchase to save time.

BIGGEST CHALLENGES IN ONLINE SHOPPING

S.NO	BIGGEST CHALLENGES	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	Slow checkout time	24	19.2
2	Lack of product	27	21.6
3	Offers not available	32	25.6
4	High delivery charge	27	21.6
5	Slow web page response time	15	12
	TOTAL	125	100

Source: Primary data

Interpretation:

The above table shows that 19.2% of people says that slow check out time is the biggest challenge in online shopping , 21.6% of the people says that lack of product is the biggest challenge in online shopping , 25.6% of the people says that unavailability of offers is the biggest challenge in online shopping 21.6% of the people says that high delivery charge is the biggest challenge in online shopping 12% of the people says that slow web page response time is the biggest challenge in online shopping.

Inference:

Here 25.6% of the respondents says that unavailability of offers is the biggest challenge in online shopping.

AFFECTS THE SATISFACTION LEVEL OF CONSUMERS

S.NO	SATISFICATION	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	Price	28	22.4
2	Damage of products	35	28
3	Way of solving your complaint	26	20.8
4	Loyalty	14	11.2
5	Speed of delivery	22	17.6
	TOTAL	125	100

Source: Primary data

Interpretation:

The above table shows that 22.4% of the people says that price affects the satisfaction level of consumers, 28% of the people says that damage of the product affects the satisfaction level of consumers, 20.8% says that way of solving the problem effects the satisfaction level of consumers , 11.2% says that loyalty affects the satisfaction level of consumers , 17.6% of the consumers say that speed of delivery affects the satisfaction level of consumers.

Inference:

Here 28% of the respondent says that damages of the product affect the satisfaction level of consumers.

RISK OF ONLINE SHOPPING

S.NO	RISK OF ONLINE SHOPPING	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	Strongly disagree	8	6.4
2	Disagree	30	24
3	Neutral	65	52
4	Agree	15	12
5	Strongly agree	7	5.6
	TOTAL	125	100

Source: Primary data

Interpretation:

The above table shows that 6.4% of the people strongly disagree that online shopping is risky, 24% disagree, 52% are neutral, 12% agree, 5.6% of the people strongly agree that online shopping is risky.

Inference:

Here 52% of the respondents says that online shopping is risky.

REGRESSION ANALYSIS

Regression is a statistical method used in finance, investing, and other disciplines that attempts to determine the strength and character of the relationship between one dependent variable (usually denoted by Y) and a series of other variables (known as independent variables).

Regression helps investment and financial managers to value assets and understand the relationships between variables, such as commodity prices and the stocks of businesses dealing in those commodities.

REGRESSION RESULT TEST ANALYSIS

REGRESSION EQUATION	SIGNIFICANCE LEVEL AT 5%	P-VALUE	HYPOTHESIS
X on Y	0.05	0.007	REJECTED

REGRESSION EQUATION (X on Y)

$$X = a + bY$$

$$X = 6.76 + 0.72Y$$

INTERPRETATION

The above table 4.3.1 (A) shows that the P- value (0.007) is less than the significance level (0.05). hence the Null hypothesis is rejected.

INFERENCE

There is significant impact of Age on Comfortness of the respondents.

CORRELATION ANALYSIS

Correlation is a bivariate analysis that measures the strength of association between two variables and the direction of the relationship. In terms of the strength of the relationship, the value of the correlation coefficient varies between +1 and -1. A value of ± 1 indicates a perfect degree of association between the two variables. As the correlation coefficient value goes towards 0, the relationship between the two variables will be weaker.

OCCUPATION AND PREFERENCE OF ONLINE SHOPPING

	Occupation	Preference of online shopping
Occupation	1	
Preference of Online Shopping	-0.07085	1

Source: Primary data

HYPOTHESIS

1. **NULL HYPOTHESIS (H_0)**=There is no relationship between Occupation and Preference of Online Shopping.

INTERPRETATION

The above table 4.3.1 shows that the Correlation value (r)= -0.07 which means that there is negative relationship between Occupation of respondents and Preference of online shopping. So, the Null hypothesis is accepted.

INFERENCE

There is no relationship between Occupation and Preference of Online Shopping.

FINDINGS

SIMPLE PERCENTAGE METHOD

- Here 29.6% of the respondents are choosing online purchase to save time.
- Here 25.6% of the respondents says that unavailability of offers is the biggest challenge in online shopping.
- Here 28% of the respondent says that damages of the product affect the satisfaction level of consumers.
- Here 52% of the respondents says online shopping is risky.

REGRESSION

- There is significant impact of Age on Comfortness of the respondents.

CORRELATION ANALYSIS

- The Correlation value (r)= -0.07 which means that there is negative relationship between Occupation of respondents and Preference of online shopping. So, the Null hypothesis is accepted.

SUGGESTIONS

- Know the merchant and their reputation
- Avoid offers that seem “too good to be true”.
- If you are buying a Gift Card, read the Terms and Conditions
- Don't use an e-store that requires more information than necessary to make the sale.
- Need to create a password for the site? – make it unique.
- Use a Credit Card or PayPal.
- Use a reliable internet security program.

CONCLUSION

At last we can say that Online shopping is a very important concept in today's life. In this research paper we study the importance, reasons, challenges, suggestions and methods to improve online shopping. No doubt if we will use these methods in our life then we can make sure that easy shopping and time can be managed. Online shopping is in the developing stage. But some minor problems need to be solved. There are several platform companies for Online shopping. There is some awareness about online shopping for people. They use online shopping for better convenience and time management.

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