A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS ONLINE SHOPPING

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ABSTRACT
The rapid growth of e-commerce has transformed the way consumers shop, making online shopping a prevalent phenomenon. This research investigates the factors influencing consumer buying behavior in the context of online shopping. It explores the motivations, preferences, and challenges faced by consumers when engaging in online transactions. By examining the psychological, social, and technological aspects that shape online shopping behavior, this study aims to provide insights into the dynamics of the digital marketplace and contribute to a better understanding of consumer decision-making in the online environment.

INTRODUCTION
The rise of the internet and the proliferation of e-commerce platforms have revolutionized the retail landscape, offering consumers unprecedented convenience and access to a vast array of products and services. Online shopping has become an integral part of modern life, with millions of consumers worldwide embracing the digital marketplace. This research delves into the intricacies of consumer buying behavior in the realm of online shopping, seeking to unravel the factors that drive consumers to engage in online transactions. By examining the motivations, attitudes, and challenges associated with online shopping, this study aims to shed light on the evolving dynamics of consumer behavior in the digital age.

REVIEW OF LITERATURE

(Adamczyk G., 2021)

In the article entitled "Compulsive and compensative buying among online shoppers: An empirical study", Online shopping addiction and its compensating counterpart are explored in the present research. Empirical data collected from a sample of consumers aged 15 and above, stratified by their usage or non-use of the e-commerce sector, provided for an estimate of this form of purchasing. Second, the findings provide light on the ways in which characteristics including online shopping frequency, online shopping expenditures relative to offline shopping, attitudes about online shopping, and socioeconomic status all play a role in this kind of purchasing.

(Georgie N.A., 2021)

In this article entitled "The influence of selected factors on online shopping behaviour: a study with respect to Kottayam district", investigated the extent to which customer preferences have a role in determining a business's fortunes. Online shopping, which uses the internet as a sales channel, has a similar dilemma due to the diversity of opinions held by online shoppers.

(Aldousari, A. A., 2016)

In the paper entitled "Determinants of consumers' attitudes toward online shopping", This study looked at the effects of the Technology Acceptance Model and the Theory of Reasoned Actions on customers' attitudes about internet shopping. Previous studies have focused mostly on the online shopping habits of wealthy countries, while ignoring those of developing countries.

(Shanthi, R., & Desti, K., 2015)

In their paper entitled "Consumers' perception on online shopping", One hundred students from Madras University and Madras Christian College were surveyed using a Structure questionnaire to learn about their thoughts on internet shopping and the kinds of products they like to purchase from these websites. This is what the research found. E-commerce businesses may better serve their clientele by using customised advertising strategies that bring in new consumers and encourage immediate purchases.

RESEARCH METHODOLOGY

Research Objectives

➢ To examine how socio-economic factors affect Consumer attitude towards online shopping.

➢ To find how the pattern of Online buying influences consumer's attitudes towards online shopping.

➢ To study the present status of online shopping in Indian consumers.

➢ To study potential for development of online shopping in India.

Okay, here's one hypothesis for each research objective:

1. Objective: To identify the key factors influencing consumer buying behavior in online shopping.

o **Hypothesis (H1):** Perceived usefulness of online shopping positively influences consumers' intention to shop online.

2. Objective: To examine the impact of perceived risk, trust, and security on online purchase decisions.

o **Hypothesis (H2):** Higher perceived financial risk negatively influences online purchase decisions.

3. Objective: To investigate the role of website design, user experience, and product information in shaping online shopping behavior.

o **Hypothesis (H3):** Higher website usability positively influences online purchase decisions.

4. Objective: To analyze the influence of social media and online reviews on consumer purchase intentions.

o **Hypothesis (H4):** Positive online reviews positively influence online purchase intentions.

5. Objective: To explore the differences in online shopping behavior across different demographic segments (e.g., age, gender, income).

o **Hypothesis (H5):** Younger consumers are more likely to engage in online shopping compared to older consumers.

RESEARCH METHODS

Area of the study

• This study was carried out in Mumbai & Navi Mumbai.

Sample Unit and Sample Size

• This study uses a sample of approximately 198 Mumbai & Navi Mumbai city residents as its sample unit.

Sampling Technique

In this study, the researchers used the Convenience sampling method. DATA ANALYSIS AND INTERPRETATION

1. Age of the respondents:

Age
198 responses

- Below 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55+
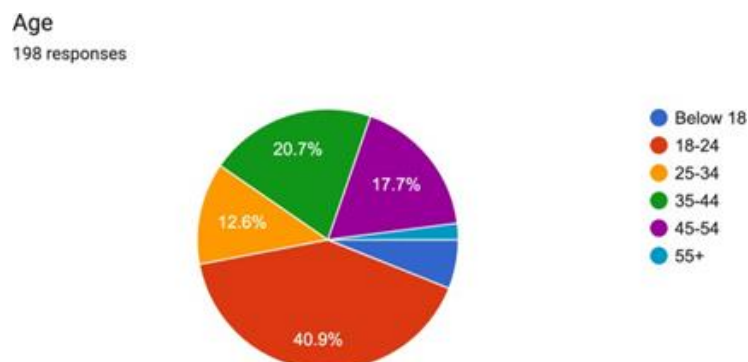
DATA INTERPRETATION 1:
The above graph shows the wide range of age groups from which the data has been obtained.

• Age group 18-24: 40.9% (Maximum)

• Age group 35-44: 20.7%

- Age group 45-54: 17.7%

- Age group 25-34: 12.6%

- Age group Below 18 & 55+: Rest (Minimum)

The following data helps us understand that the age group 18-24 shows maximum interest in online shopping, followed by other age groups. These age ranges help us understand the consumer behaviour of various audience ranging from millennials to older age groups and their behaviour towards online shopping.

2. Gender of the respondent:

Gender

198 responses
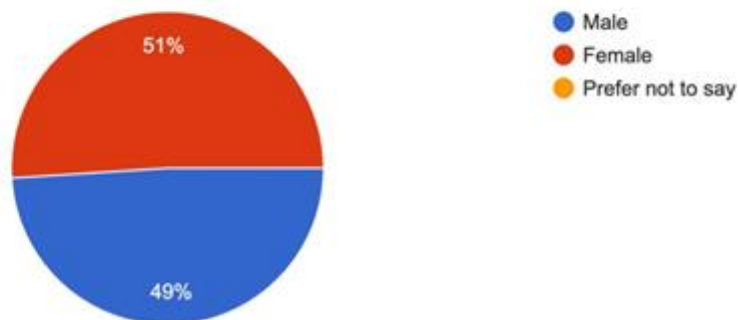
DATA INTERPRETATION 2:

The above graph shows the participation of men and women in the survey from which the data has been obtained.

- Male– 49%

- Female- 51%

The following data helps us understand the percentage of participation from each gender i.e., Male and Female. Female participation in the survey was of majority of 51% and Male participation in the survey was of total 49%

3. Annual Income of the respondent:

Annual Income

198 responses
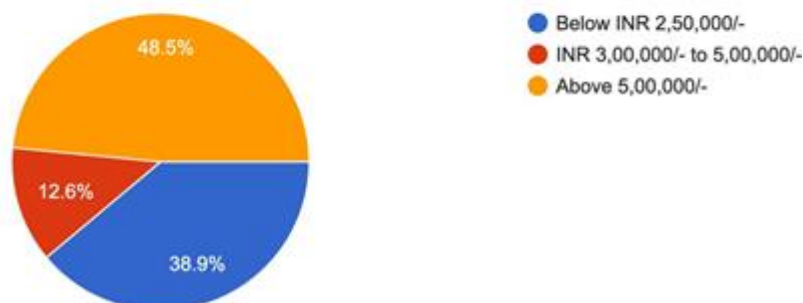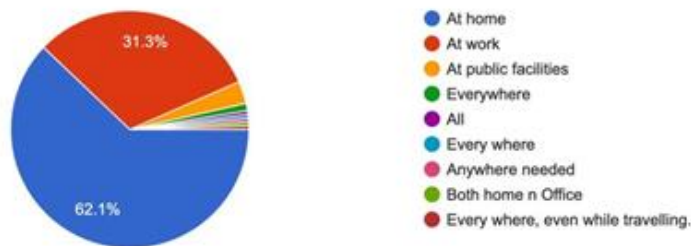

DATA INTERPRETATION 3:
The above graph shows the bifurcation of annual income earned by various respondents who participated in the survey.

- Below INR 2,50,000/-: 38.9%

- INR 3,00,00/- to 5,00,000/-: 12.6%

- Above 5,00,000/-: 48.5%

The above data helps us understand the earning capacity of the mass included in the survey which would have a direct relationship in understanding the spending capacity of each individual contributing to the consumer behaviour towards online shopping.

4. Location of primary usage of internet of the respondents:

Where do you primarily use the internet?
198 responses

- At home
- At work
- At public facilities
- Everywhere
- All
- Every where
- Anywhere needed
- Both home n Office
- Every where, even while travelling.

31.3%

62.1%
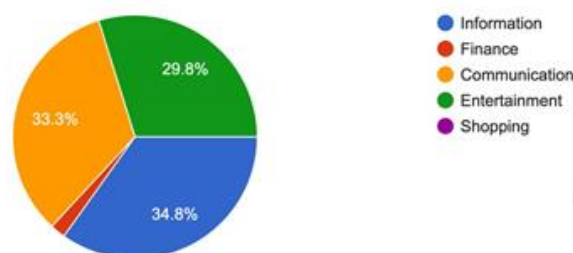
DATA INTERPRETATION 4:

The above graph shows us the primary usage of internet by our respondents in their day-to-day life.

- At Home: 62.1% (Maximum)

- At Work: 31.3%

- Rest at public facilities and other areas.

This data helps us understand how in the modern times the users can conveniently access the internet from their homes and as well as work. This plays a major role in understanding the consumer behaviour towards online shopping.

5. Primary use of the internet for of the respondent:

What is your primary use of internet for?
198 responses

- Information
- Finance
- Communication
- Entertainment
- Shopping

29.8%

33.3%

34.8%

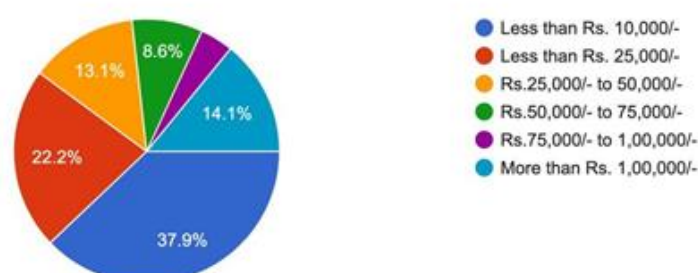**DATA INTERPRETATION 5:**

The above graph shows us what the respondents primarily use the internet for, as we can see:

- Information: 34.8%

- Communication: 33.3%

- Entertainment: 29.8%

- Finance: 2.1%

This data helps us understand that how and what for the respondents use the internet for which explains to us the behavioral pattern of the consumer.

6. Annual spending of the respondent on online shopping:

Annually, how much do you spend on online shopping?
198 responses

- Less than Rs. 10,000/-
- Less than Rs. 25,000/-
- Rs.25,000/- to 50,000/-
- Rs.50,000/- to 75,000/-
- Rs.75,000/- to 1,00,000/-
- More than Rs. 1,00,000/-

8.6%

13.1%

14.1%

22.2%

37.9%

DATA INTERPRETATION 6:

The above graph shows us the annual spendings done on online shopping by individuals done who participated in the survey, as we can see:

- Less than Rs. 10,00/-: 37.9% (Maximum)

- Less than Rs. 25,000/-: 22.2%

- Rs.25,000/- to Rs.50,000/-: 13.1%

- Rs.50,000/- to Rs.75,000/-: 8.6%

- Rs.75,000/- to Rs.1,00,000/-: 4.1%

- More than Rs.1,00,000/-: 14.1%

This data tells us how much spending is done annually, 37.9% (maximum) no. of respondents spends less than, Rs.10,000/- on online shopping, 22.2% respondents spend less than Rs. 25,000/- on online shopping, 13.1% of the respondents spend between Rs.25,000/- to Rs.50,000/- on online shopping, 8.6% of the respondents spend between Rs.50,000/- to Rs.75,000/- on online shopping, 4.1% of the respondents spend between Rs.75,000/- to Rs.1,00,000/- on online shopping and 14.1% of the respondents spend more than Rs.1,00,000/-

7. Types of products purchased online by the respondents:

What type of products do you buy online?

198 responses
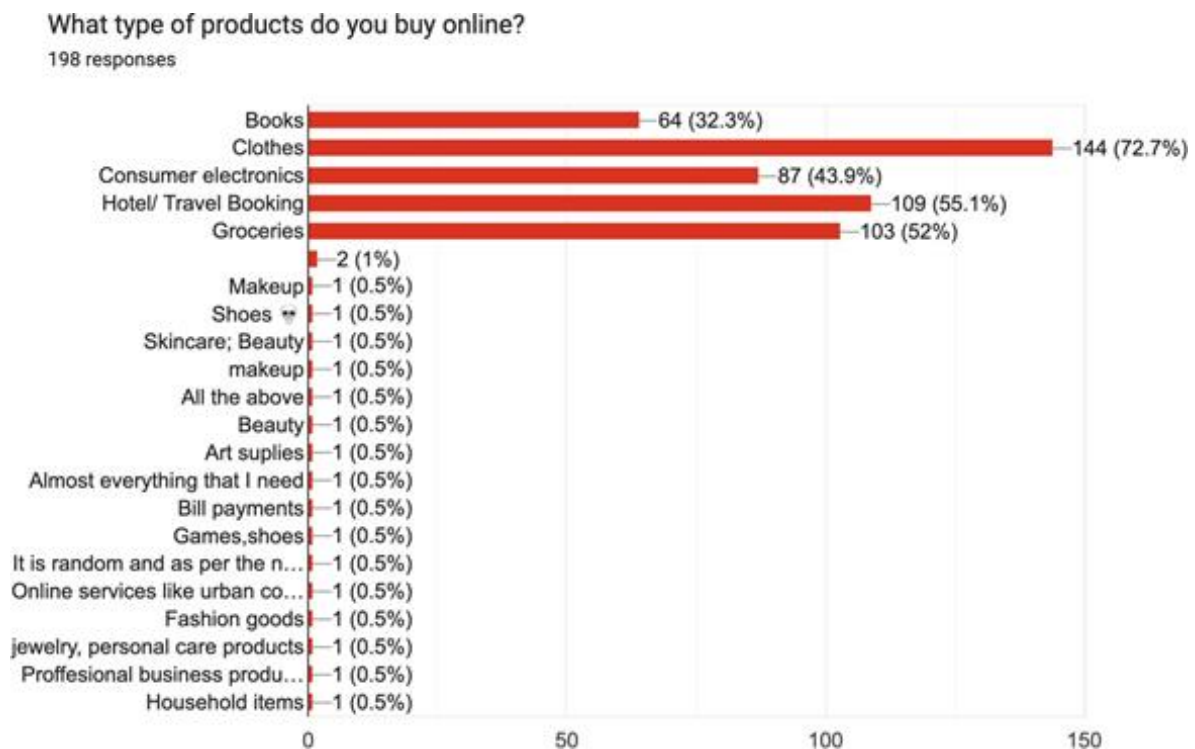
DATA INTERPRETATION 7:

The above data shows us the different kinds of products that are purchased online by various respondents through online shopping, majorly being:

- Books – 32.3%

- Clothes - 72.7%

- Consumer electronics – 43.9%

- Hotel/ Travel Booking – 55.1%

- Groceries – 52%

The data collected through the survey helps us understand the different kinds of products purchased online by different customers through Online shopping, majorly being Clothes, Travel Booking, Groceries, Clothes and Books.

8. The frequency of purchase of products/services through online shopping.

How frequently do you buy products/ services online?
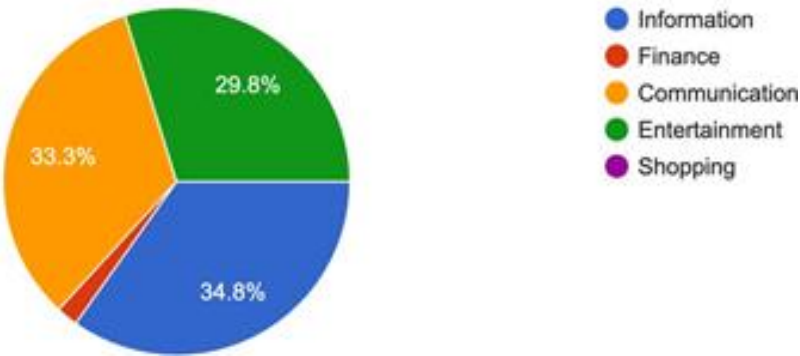
198 responses
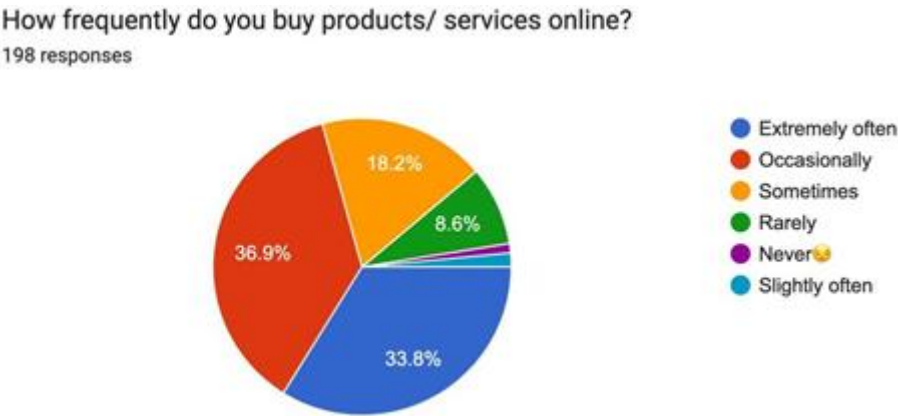
DATA INTERPRETATION 8:

The graph above shows us the frequency of purchase of goods and services through online shopping which helps us deeply understand the consumer behaviour towards online shopping.

- Extremely Often: 33.8%

- Occasionally: 36.9%

- Sometimes: 18.2%

- Rarely: 8.6%

- Others

The above data explains that majority of the survey respondents occasionally purchase goods and services through online shopping – 36.9% and some respondents extremely often make purchases through online shopping – 33.8%.

9. Important factors that played role in the purchasing process through online shopping:

How important are the following characteristics for your online purchasing process?

What is your primary use of internet for?

198 responses

DATA INTERPRETATION 9:

The above chart shows the opinions of various respondents and the importance of different actors that play a role in the purchase making process for a consumer. Several factors were noted down based on which the opinion of the respondent was collected. The factors are as listed below:

- Brand Loyalty

- Customer feedback

- Discount/promotion

- Payment options

- Secure payment

- Service Quality

- Convenience

- Ease of purchase process

This data helps us understand the behaviour of the consumer and how different factors play a role in the decision-making process before purchasing the products. Through the survey we understand that, Secure payment, Convenience and Service quality are some of the most important factors that play a role followed by brand loyalty, customer feedback, ease of purchase process and payment options.

10. Preferred mode of payment for online purchase of the respondents:

Which is your preferred mode of payment for online purchases?
198 responses
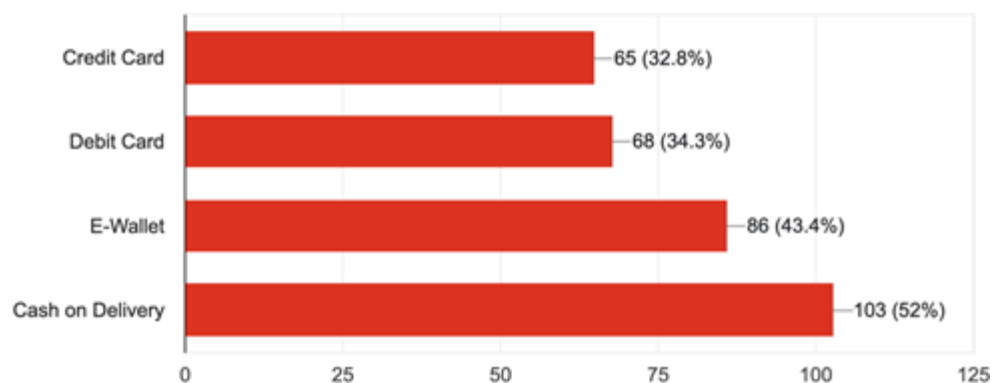
DATA INTERPRETATION 10:

The above graph shows us the data acquired through the survey forms which showcases the preferred mode of payment of the respondents while online shopping.

- Credit Card: 32.8%

- Debit Card: 34.3%

- E-wallet: 43.4%

- Cash on delivery: 52% (Maximum)

The above data explains that most of the respondents/ consumers who engage in online shopping yet choose cash on delivery as their preferred mode of payment (52%) followed by E-wallet (43.4%), Debit card (34.3%), & Credit card (32.8%)

FINDINGS

5.1 The findings of this study are as follow:

Here's a suggested interpretation of findings based on the provided data, related to each hypothesis:

H1: Perceived usefulness of online shopping positively influences consumers' intention to shop online.

- Finding (Supporting): The data states, "Some of the reasons cited for adoption of online shopping include time saving, easy comparison of alternative products, fairer prices of online goods, expert or user review of

products and access to a market without borders." These reasons directly relate to the perceived usefulness of online shopping. The fact that respondents cite these benefits as reasons for adoption strongly supports the hypothesis. The mention of "convenience" further reinforces this.

H2: Higher perceived financial risk negatively influences online purchase decisions.

- Finding (Potentially Mixed/Needs More Data): While the data mentions that "most of the respondents think that online shopping is cheaper than offline shopping," this doesn't directly address perceived financial risk. The focus is on price advantage, not the risk of financial loss due to fraud, etc. The fact that many use Cash on Delivery (COD) might suggest some concern about online payment security, which could be related to perceived financial risk. However, more direct questions about security concerns and fraud would be needed to definitively assess this hypothesis. The data is insufficient to conclude on this.

H3: Higher website usability positively influences online purchase decisions.

- Finding (Indirectly Supportive/Needs More Data): The data doesn't explicitly discuss website usability. The convenience and ease of comparing products suggest that the online platforms are usable, but it's an indirect inference. To properly evaluate this hypothesis, you'd need data specifically about website navigation, search functionality, clarity of product information, etc. The current data provides weak, indirect support.

H4: Positive online reviews positively influence online purchase intentions.

- Finding (Supportive): The data states, "Some of the reasons cited for adoption of online shopping include...expert or user review of products." This directly supports the hypothesis. The fact that reviews are a cited reason for adoption demonstrates their influence on purchase intentions.

H5: Younger consumers are more likely to engage in online shopping compared to older consumers.

- Finding (No Direct Evidence/Needs More Data): The data doesn't provide any information about the age of the respondents. Therefore, it's impossible to draw any conclusions about this hypothesis based on the provided information. Data on the age demographics of online shoppers is necessary. The statement about increased internet users and willingness to buy online could suggest younger generations are driving this growth, but it's speculation.

CONCLUSION

The findings suggest that perceived usefulness, positive online reviews, and potentially price advantages are key drivers of online shopping adoption. While convenience and product quality are also cited as benefits, the data indirectly supports the influence of website usability and offers limited insight into perceived financial risk and demographic differences in online shopping behavior. The preference for cash on delivery may indicate some underlying concerns about online security, which warrants further investigation.

RECOMMENDATIONS

- **E-commerce businesses:** Should focus on highlighting the usefulness and convenience of their platforms, ensuring positive customer reviews are readily available, and potentially offering competitive pricing. Addressing potential security concerns through transparent communication and secure payment options may also increase consumer confidence. Further research into website usability and user experience is recommended to optimize online platforms.

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- Forsythe, S. M., & Shi, B. (2003). Consumer trust in online and offline environments. Journal of business research, 56(10), 871-881. (Trust in online vs. offline) Note: This is a starting point. You should add more specific references based on the precise focus of your research. If you delve into demographics, mobile commerce, or other areas, you'll need to find relevant papers for those as well. Always ensure your citations are in a consistent format (APA, MLA, Chicago, etc.).

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