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A Study on “E- Shopping Trends in Metropolitan cities of India with Special Reference to Bangalore City”

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Abstract:

Online shopping is catching up in India due to several reasons. Online shopping or E-shopping is a form of electronic commerce which allows consumers to buy goods or services directly from a seller over the internet using web browser. The evolution of online shopping has opened the door of opportunity to exploit and provide a competitive advantage over firms. The motive of the study is to find e-shopping Trends, awareness level of E-shopping sites among the people, to examine the factors influencing online Shopping and the barriers for e-shopping in Metropolitan Cities of India with special reference to Bangalore city. A research questionnaire was designed to collect the primary data from target population of corporate employees, Professional Employees, Students and Businessmen of Bangalore city with random sampling survey and with the sample size of 202 research respondents. From the collected data a descriptive and analytical study is conducted to determine the e-shopping trends in India. From this research study it was found that, e-shopping in India is at the growing phase. Majority of the customers often visit e-shopping sites like Amazon.com, Flipkart.com Snapdeal.com, Myntra.com. Customers prefer to buy certain products through e-shopping mainly the Electronic Gadgets like Mobile phones, Camera, Laptops etc and cloths. The factors which influence the customers are time saving, Convenience, home delivery of the products from e-tailers, variety of products, easy payment methods, avoiding the crowd and Discounts/offers. The barriers to e-shopping are basically network issues, quality of the product, shopping charges, intangibility (unable to try on item, close quality examination, fear of scams.

Key words: E-shopping, Consumers/customers, Online Shopping sites, E-tailers, Bangalore city, online and offline.

1. Introduction

Growth of e-commerce was low in starting years due to initial inhibitions. But, it is growing now with extraordinary pace as the confidence of Indian buyers is increasing slowly. Seeing the current behaviour of Indian buyers, online experts estimated that the trend of e-shopping will become basic phenomena among buyers in arriving years. The present and future e-marketers are keeping their eyes on the Indian market trends and studying the consumer behaviour for creating best and attractive deals potential clients.

In last two years many e-commerce websites have mushroomed online and giving tough competition to one another with striking deals like free shipping, coupons, free gifts, easy return policy, and many more. Flipkart, Ebay, Snapdeal, Jabong , Home Shop 18, Yebhi, Myntra, Naaptol, Tradusin, and Fashion and you are the top ten e-commerce websites in India.

E-commerce or online shopping provides a way out. Given the near universal availability of Internet connectivity, consumers save time and efforts by shopping online. More and more merchants are realising the enormous potential of the medium of Internet and are gearing up to offer products and services. Online apparel sales continue to capture a greater share of Indian retail e-commerce as a category along with the computer and consumer electronics sector, fuelling the overall market growth. However, online shopping behaviour depends on Four major factors such as shopping motives, personality variables, internet knowledge and experience and last factor is shopping incentives. These are key determinants to influence the behaviour of online consumers. Online seekers are the main sources of online shoppers always want to seek information within few clicks and reach to the most relevant information according to their requirements such as competitive brands, best price offers, product specification and consumer word of mouth (Yuan Gao 2005). Experts' opinion about e-commerce growth in India: "Besides logging 40-45 Percent annual growth, the huge investment will flow into logistics to overcome the challenge of last-mile reach. Large retail chains of Reliance industries and the Aditya Vikram Birla Group, among others, to go online. The coming year will be more dynamic. A lot of niche e-commerce players will emerge. We expect to see a good number of traditional businesses also leveraging this channel in both the B2B and B-2-C space," Vellody. "The e-commerce industry is in a growth stage. A lot is expected in the coming days," Nasir Jamal, secretary general of the e-Commerce Association of India, told IANS.

Experts also predict some initial public offerings in the near term not just because existing investors will seek to realise value but also since the online retail industry will need funds for infrastructure, logistics and warehousing estimated at \$500 million now and 1.9 trillion by 2017.

2. Review of Literature

Dr. M.M Goyal,(2014): Has conducted the study on the topic” online shopping: A survey on consumers Perception” with the sample size of 113 Indian Shoppers. The main focus of the study is on the growth of E-tailers in India. Also study revealed the results on factors stimulating online purchase and loopholes in online shopping. The outcome of the study specifies that e-shopping is at the growing trend in India. Moreover e-shopping sites are used for gathering the information and consumers prefer to buy offline. The motive behind e-shopping is basically heavy discounts offered by the e-tailers.

Chayapa Katawetawaraks, Cheg Lu Wang (2011): Authors presented a research study on “ online shopping behaviour: influences of online shopping” the study was conducted with the help of secondary data to analyse online shopping decision process by comparing the offline and online decision-making and identifying the factors that motivate online customers to decide whether to buy online or not. The study reveals that, the customer’s decision depends on different factors in which certain factors impede the consumers from online shopping. The influencing factors are: convenience, detailed information about the product, 24*7 service, cost and Time efficiency. The de-motivating are: security concern, intangibility of products, past online experiences.

Susan Kleinman,2012: A analytical study on “online Shopping Customer Experience” with the sample size of 3,100 U.S online shoppers. The key findings of the study were: free shopping is a great motivator and which draw the customers to repeat the e-shopping and they also recommend to others. The research found that online shopping approach depends upon their satisfaction level towards variety of brands, variety of products, online tracking ability, free/discounted shipping, clear return policy, returns/exchanges and flexibility in payment. The key element which induces the customer for e-shopping is free and discounted shipping, easy returns and variety of products available online.

Thompson S.H Teo (2002): A study conducted on the Topic “Attitudes towards online Shopping and the Internet” with the sample size of 100 respondents. The outcome of the research was, the main deterrents to purchasing online have been customers’ preference to examine products, the need to poses credit card and security concerns. Online retailing calls for a change in customers’ current shopping habits. Customers cannot touch and feel the product before they buy. Hence, they require time to change their buying habits. Security and trust were the major barriers to the customers for e-shopping.

Mrs. Pallavi Kumari (2012): Author made a study on the Topic “Changing purchase behaviour of Indian Customers” basically study focused on customer perception, buying behaviour and the satisfaction of the consumers. In Indian Market consumer behaviour is complex and very often not considered rational. The recent trends which are found in the Indian markets are celebrity influence, online shopping, freebies and popularity of Eco-friendly products. Author selected sample size of 80 for the primary data. The objective of the study was to understand the buying behaviour and consumer decision making process, the strategies adopted by the marketers to influence the consumer purchasing behaviour and the factors that affect consumers buying behaviours. The results show that encouraging factors for e-shopping are mainly the low prices offered, special deals, coupons, free samples and advertisements.

Porf. Sanjeev Kumar, Savita Maan (2014): Author conducted a study on “status and scope of online shopping: A interactive Analysis through literature Review”. The findings reveal that online shopping brings optimum convenience to the consumers, Privacy and Security emerges frequently as a reason for being wary about e-shopping Shopping convenience, immediate possession, information seeking, social interaction and variety of products affects the consumers’ attitude towards online shopping. The impossibility of product testing, problems with complaints, product return and misuse of personal data are the main uncertainties regarding online shopping.

Dr. Sangita Bhearuka, Dr. Nidhi Babel: A research on “Growing Trend of Online Shopping in India” with special reference to Women customers. The objective of the was to find the factors affecting the women consumers to buy online, to find the type of goods women prefer to buy and which type of shopping is more satisfactory. The study proved that Indians are more satisfied with traditional shopping rather than e-shopping. The craze of online shopping just emerging among women and they have started showing interest on e-shopping.

Dr. Anju Panwar, Neha Chahal(2013): Research on “Online Shopping Trends in Faridabad City” evaluated the customers’ attitude towards online shopping and the factors affecting towards online shopping. The data has been collected through primary source of 200 online consumers of the city. The major findings of the study were, the overall trend for online shopping is very positive. Also it examined that, possible differences among consumers’ is due to certain demographic variables, mainly the income. Online shopping has grown popular over the years, due to the fact that, people find it more convenient and easy to shop online than offline.

3. Objectives of the Study

- i. To study E-shopping Trends in Metropolitan Cities.
- ii. To find the awareness level of E-shopping sites among the people of Metropolitan Cities.
- iii. To examine the factors influencing online Shopping.
- iv. To find the barriers for e-shopping.

4. Research Methodology

The Author conducted descriptive and Analytical research. Data was collected with the help of a questionnaire from the research respondents. The target population of this study was Corporate employees, Professional Employees, Students and Businessmen of Bangalore city. The purposive sampling was used to select the research respondents while the simple random sampling was used to select 202 sample size from of Bangalore city for the study. Participation was voluntary for all the research respondents from different stream.

5. Limitations of the Study

1. The study is limited to Bangalore City only.
2. The primary data was collected through Questionnaire method only from 202 sample size.

6. Data Analysis and Interpretation

6.1. Gender Distribution of Respondents

Out of the total sample size of 202, 94 were the male respondents and 108 were female respondents. All the respondents were from Bangalore City.

Gender	Frequency	Percentage
Male	94	46
Female	108	54
Total	202	100 %

Table 1

6.2. Demographic Information of the Respondents

Age Group	16-20	21-30	31-40	41-50	50-60	60 Above	Total
Frequency	68	62	36	20	16	0	202
Percentage	34%	30%	18%	10%	8%	0%	100%
Income (monthly)	Less than 10,000	10,000-15,000	15,000-20,000	20,000-30,000	30,000-50,000	More than 50,000	
Frequency	48	36	34	38	26	20	202
Percentage	23%	18%	17%	19%	13%	10%	100%
Qualification	SSLC	PUC	UG	PG			
Frequency	02	20	120	60			202
Percentage	1%	10%	60%	29%			100%
Occupation	Corporate employees	Professional employees	Students	Businessmen	House Maker		
Frequency	56	60	72	06	08		202
Percentage	27%	30%	36%	3%	4%		100%

Table 2

Demographic information included Age group, Income level, Qualification and Occupation of the respondents of Bangalore City. Research respondents were selected randomly to understand the Income level, Occupation and Qualification of the people in Metropolitan Cities like Bangalore.

6.3. Frequency in Visiting E-Shopping Sites

Frequency in visiting e-shopping sites	Frequency	Percentage
Regularly	90	45%
Once in a month	54	27%
Six months once	40	20%
Once in a year	8	4%
Never visit	10	5%
Total	202	100%

Table 3

Above table 3 shows that most of the respondents are visiting e-shopping site regularly that is about 45% of the target population, 27% of the respondents visit once in a month, 20% of the respondents visit six months once, 4% of the people visit at least once in a year,

only 5% of the respondents never visit e-shopping sites. It shows that majority of the people are interested in e-shopping and is becoming increasingly popular for a variety of reasons.

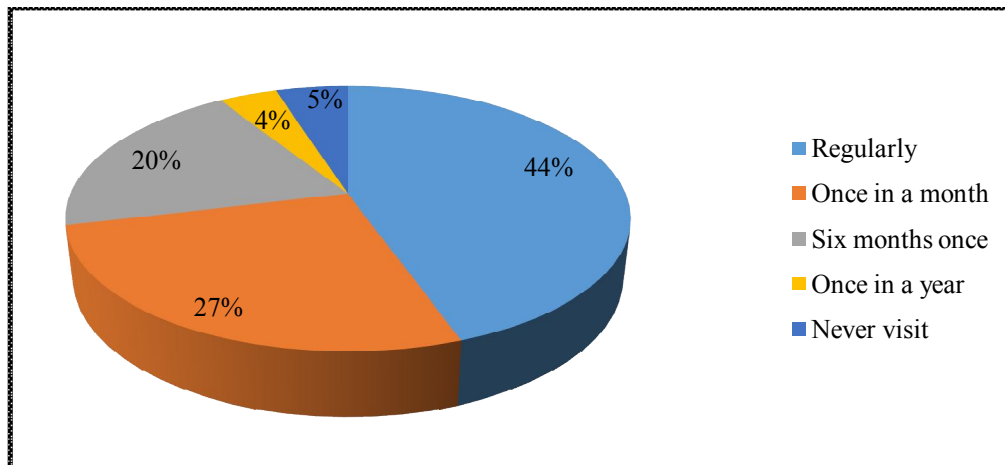


Figure 1: Frequency in visiting e-shopping sites

6.4. Most Visiting E-Shopping Sites

E-shopping sites	Frequency	Percentage	E-shopping sites	Frequency	Percentage
Amazon.com	122	18%	Myntra.com	68	10%
Flipkart.com	178	27%	Shopclues.com	07	1%
Snapdeal.com	92	14%	Pepperfry.com	07	1%
Paytm.com	42	6%	Homeshop18.com	16	2%
Ebay.in	34	5%	Zovi.com	14	2%
Jabong.com	46	7%	Naaptol.com	10	1%
Yepme.com	28	4%	Jungle.com	08	1%
Yebhi.com	0	0%	Total	671	100%

Table 4

To find the awareness level of e-shopping sites among people of Bangalore City, certain parameters are used and the above table No: 4 shows the most visited e-shopping sites by the respondents. By extracting the data from the respondents it was found that, out of 202 sample size 122 (18%) respondents are using Amazon.com and 178 (27%) of the respondents are using Flipkart for e-shopping, Snapdeal.com and Mytra.com are also often visited by the respondents for the e-shopping, where as certain e-shopping sites are still not popular and have not attracted the people for online shopping like Shopclus.com, Pepperfry.com, Naaptol.com, Yebhi.com, Jungle.com. Hence it proves that the maximum customer prefer to buy from particular online shopping sites.

6.5. Products Normally Bought Through E-Shopping Sites

Products	Frequency	Percentage	Products	Frequency	Percentage
Books	40	8%	Cloths	102	20%
Music/Software	14	3%	Cosmetics	30	6%
Furniture	04	1%	Grocery	08	2%
Electronic Gadgets	134	27%	Sports Equipment	22	4%
Accessories	86	17%	Home Appliances	38	8%
any other	20	4%	Total	498	100%

Table 5

The above table shows the products purchased by the customers through e-shopping sites. The feedback of the respondents out of 202 sample size, customers around 134 (27%) and 102 (20%) prefer to buy Electronic Gadgets and Cloths respectively. Furniture (1%) and Grocery (2%) are least preferable to buy through online.

6.6. Factors Influencing E-Shopping

Factors influencing for E-shopping:	Frequency	Percentage
Convenience	92	6%
Excitement	32	2%
Previous online experience	22	1%
Price/ Pricing Policy	58	4%
Coupons	40	3%
Discounts/promotions	98	7%
Low prices	76	5%
Home delivery of the products	146	10%
Quality of the products	42	3%
Online Trust	20	1%
Privacy	36	2%
Security	30	2%
Time saving	146	10%
Product information	40	3%
Refund Guarantee	58	4%
Advertisements/celebrity influence	12	1%
Variety of products	96	7%
Comparison of Prices	72	5%
There's no waiting in line	62	4%
Able to shop 24*7	98	7%
Avoiding crowds	62	4%
Easy way to send Gifts	54	4%
Easy payment options	84	6%
Total	1476	100%

Table 6

Various factors which influence the customer for e-shopping were considered for the study. The above table 6 shows the various factors which stimulate the customers for e-shopping. The feedback from the research respondents clearly shows that certain factors are more favourable and which induce the customers to switch from offline shopping to online shopping. The most favourable factors are; the home delivery facility of the products from e-tailers, time saving, convenience, discounts/offers, variety of the products, able to shop 24*7, easy payment options, avoiding crowds.

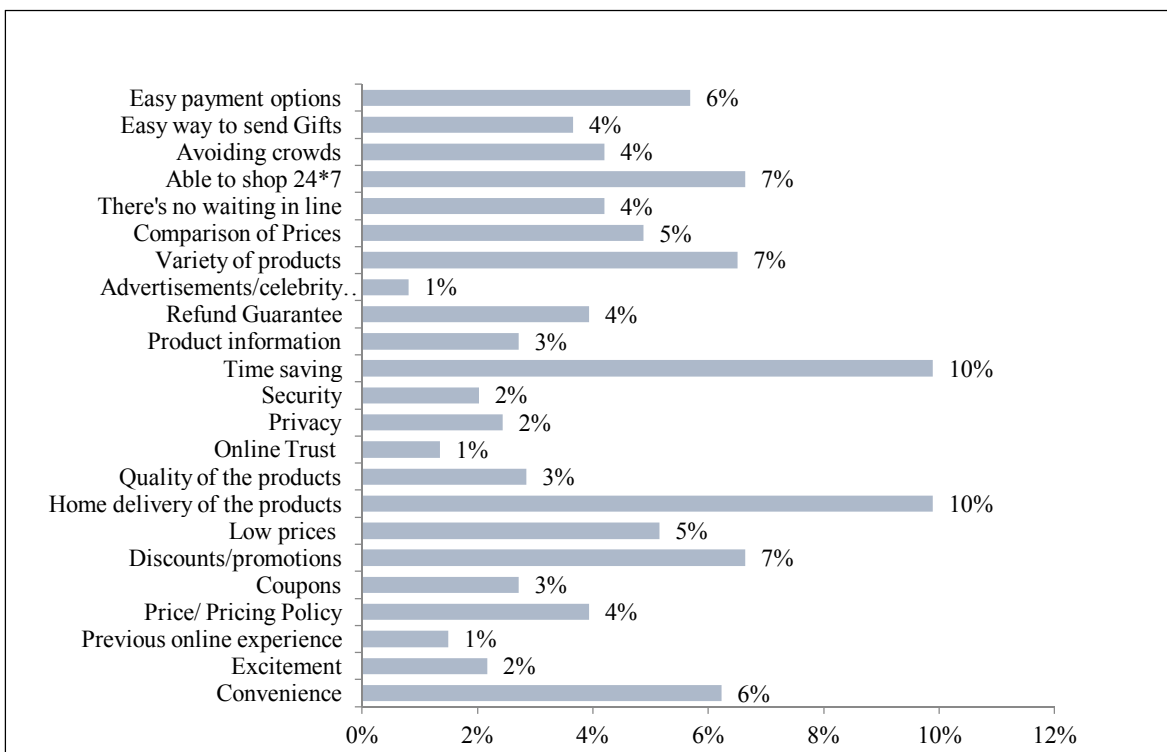


Figure 2: Factors influencing for E-shopping

6.7. Barriers to E-Shopping (Difficulties Faced on E-Shopping)

Barriers to E-shopping	Frequency	Percentage
Delivery Time	112	13%
Lack of Security	62	7%
Fear of scams	68	8%
Unable to try on items	80	9%
Poor customer service	42	5%
Shopping Charges	64	7%
Lack of close quality examination	62	7%
Privacy Concern	36	4%
Quality Concern	80	9%
Complicated	28	3%
Network issues	86	10%
Previous online experience	20	2%
Not interested in E-shopping	12	1%
Lack of knowledge about E-shopping	16	2%
Delivery of damaged/fake products	30	3%
No guarentee on products	10	1%
Frequent change in Discounts/offers	32	4%
Delay in Refund	8	1%
Difficult to Return the Products	28	3%
Total	876	100%

Table 7

To examine the barriers to e-shopping or the de-motivating factors for e-shopping among the customers, the above criteria had been used. The majority of the respondents (112) feel that the delivery time taken by the e-tailers is the main hindrance for e-shopping. There are certain other barriers faced by the respondents were; network issues (86), quality of the products(80), shopping charges(64), intangibility (unable to try on item(80), close quality examination(62), fear of scams(68). Even though e-shopping is at the growing trend, still certain factors bother the customers to switch themselves from offline shopping to online shopping.

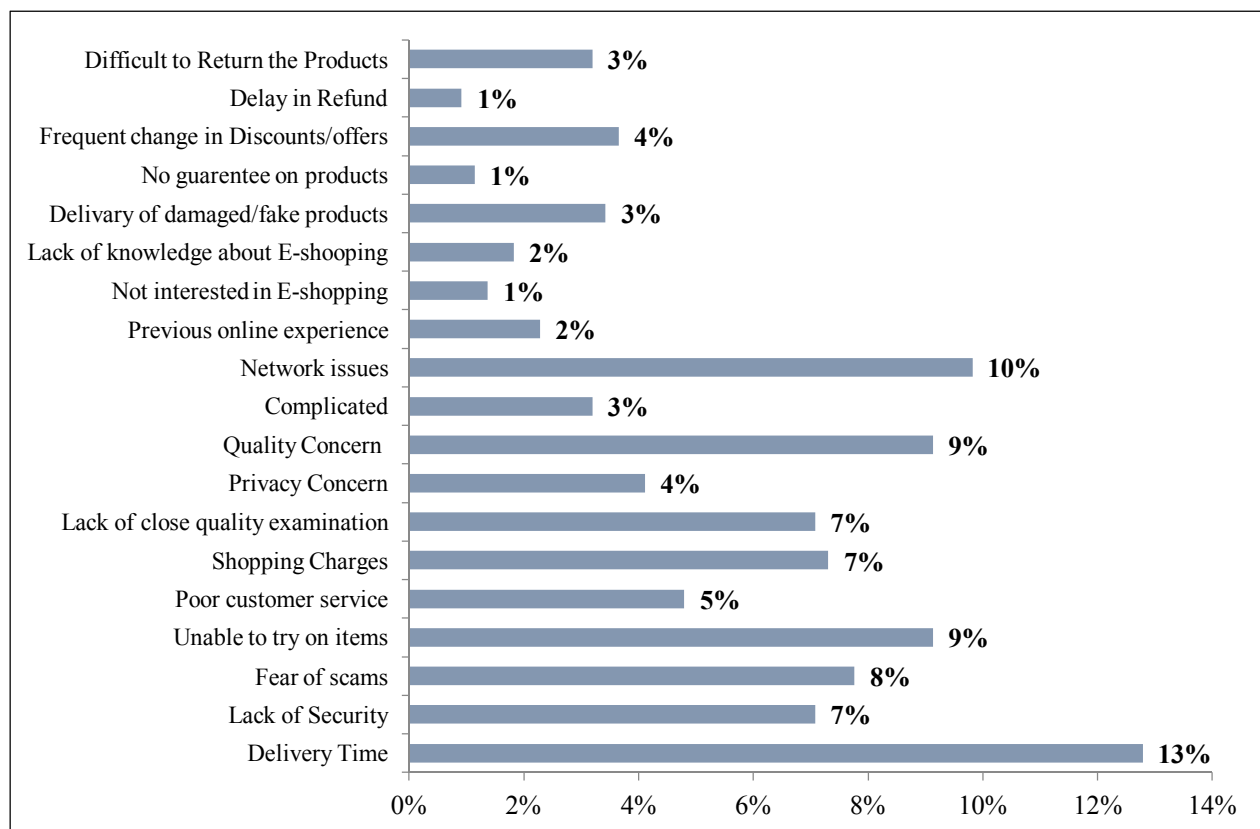


Figure 3: Barriers to E-shopping

7. Conclusion

This study focused on the awareness level of e-shopping sites among the people, most visited online shopping sites, products often purchased through e-shopping, the factors influencing, barriers to e-shopping the customers of metropolitan city with special reference to Bangalore City with the motive of studying the trend of e-shopping in India. The findings show that, most of the respondents are visiting e-shopping site regularly that is about 45% of the target population 27% of the respondents visit once in a month, 20% of the respondents visit six months once, only 5% of the respondents never visit e-shopping sites. It shows that majority of the people are interested in e-shopping and is becoming increasingly popular for a variety of reasons. The customers are comfortable with few online shopping sites like Amazon.com, Flipkart.com, snapdeal.com, Myntra.com. Hence customers prefer to buy only from these online shopping. the products often purchased through e-shopping sites are Electronic Gadgets (like mobile phones, laptops, camera etc) and Cloths. The study shows that certain category of products are not much preferable to buy through online such as Furniture, Grocery, sports equipments, music and softwares. The various factors which stimulate the customers for e-shopping are the home delivery facility of the products from e-tailers, time saving, convenience, discounts/offers, variety of the products, able to shop 24*7, easy payment options, avoiding crowds. The barriers to e-shopping because of which customers step back from e-shopping are basically network issues, quality of the product, shopping charges, intangibility (unable to try on item, close quality examination, fear of scams. Even though e-shopping is at the growing trend, still certain factors bother the customers to switch themselves from offline shopping to online shopping. However, while Indian online market future is going to be bloom and not bubble, the retailers are fastening their belts for launching **online stores**. At the same time, more and more consumers are looking for easy way to shop since their time is increasingly under pressure.

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