

## A shift Paradigm of Consumer towards online shopping

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**Abstract:** Shopping has paradigm shift due to the influence of technology with most people preferring online shopping to the traditional physical store shopping. This research aims to understand the comparison between online shopping & physical shopping. Refer to study the Shifting of consumer behavior towards these modes of shopping compare towards other shopping mode like physical shopping mode which was trend in past. This paper identified that male population tend to shop more online shopping rather than physical shopping compare to female but there is no significance between gender & shopping mode. Physical Buying is preferred due to faith of the people about the transition of money & product physically. People are slowly going for online shopping preference but the majority of people go to physical shopping as it is having trust, feel and touch of the product. In the research outcome says that flipkart and jabong are the major players in the online retail and online shopping compare to other mode in the Bihar Region & this trend is going to increase further in future.

**Keywords:** Consumer Behaviour; Online Shopping; Physical Shopping

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### I. Introduction

Consumer behaviour is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. Shopping is no more the need only, it is the experience which can be enrich by adding advantages like availability, time cost & benefits of choice & comfort. People life is changing with the greater pace then the change in the advertisement on TV Channel. People want's everything to minimum ease of the finger klik & that is provided by the onlineshopping. Change is already taking place in mode of selection & online shopping will become the 1<sup>st</sup> choice soon.

This study is expected to improve our understanding of online and physical consumer behaviour. Internet & online safty mode purchasing still take a place in people desktop. People are intend to try new things & like to be noticed as early adopter of technology advancement .

### II. Literature Review

(Wen, Ivan, Jul-Sep 2013) Study was carried out to find the impact of three attributes (perception of convenience, perception of merchandise options, and perception of value) on online shopping which can be valid for the research study carried out in this prospective also to compare the penetration of online shopping. (Floh, Arne, Koller, Monika, Zauner, Alexander, April 2013) The study results on finding three parameters for evaluating the choice on consumers sharing experience through reviews after experiencing. The positive reviews always impact the decision for selection. (Liu, Xia, Burns, Alvin C, Hou, Yingjian, 2013) price-conscious user are more intend to do online shopping due to discounting offers available but in contrast to this consumers like to see product personally are more intend to do physical shopping. (Gehrt, Kenneth C. Rajan, Mahesh N. Shainesh, G. Czerwinski, David, O'Brien, Matthew, 2012) Consumers are categories on the three parameters for the selection of the mode of shopping. Quality at any price and reputation/recreation are more inclining to do online shopping. Adverse to this value singularity are intend toward physical shopping. (Jifeng Luo, Sulin Ba, Han Zhang, 2012) Research was carried to find the satisfaction for online shopping but result says that satisfaction after shopping is still low. a retailer's service quality, website design, and pricing play important roles whereas for physical shopping is preferred due to problems in online shopping on low retailer visibility and high product uncertainty.

(Jiang, Ling (Alice), Yang, Zhilin, Minjoon Jun, 2013) The research was carried to find the motivational factor for online shopping & result says that convenience of shopping plays very important role for decision of online shopping. (Nirmala, Ratih Puspa, Dewi, Ike Janita, April 2012) The research was carried to identify the trends of online shopping & it was observed that fashion products are popular product range & Y Generation ranging aged between 15 and 30 years are likely to do more online shopping. The surprised finding was that male are more intend to do online shopping then female online.

### OBJECTIVES OF THE STUDY

- To compare between online shopping & physical store shopping.

- To understand which is the most preferred mode of shopping and also to understand what criteria customers look into while selecting the mode for shopping
- Factor Influencing the decision of online purchasing
- To list the Advantages & disadvantages according to the consumer Percetion about diifent type of Purchasing

**HYPOTHESIS**

1. H0: Gender don't significantly impact the choice of mode of shopping.  
Ha: Gender significantly impact the choice of mode of shopping.
2. H0: Online website popularity does not significantly impact the preference of shopping for the customer  
Ha: Online website popularity does significantly impact the preference of shopping for the customer
3. H0-Price Discounting does not significantly impact consumer behavior towards online Shopping
4. Ha: Price Discounting does significantly impact consumer behavior towards online Shopping

**III. Research Methodology**

The primary objective of this paper is to do comparative study of online shopping and physical store shopping.

**i)Research Design:** It is Descriptive Research as it a analysis the Resaersh problem to find the preferences of the people for online shopping

**ii)Sampling Design:**

**Universe:** All Individual does online shopping

**Sample Frame:** Patna

**Sample units:** Each individual does online shopping

**Type of Sampling:** Convinece Shoppling

**Sampling Size:** This study is based on the sample of 100 respondents.

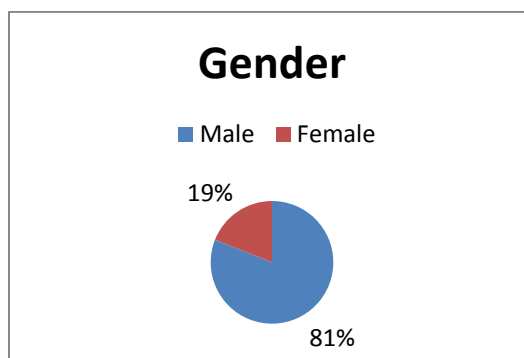
**DATA COLLECTION**

The type of method followed for data collection is primary data collection, as questionnaire was prepared & flotted online by using online webbased tool.

**DATA INTERPRETATION AND ANALYSIS**

**i)Gender:**

	Gender
Male	81
Female	19

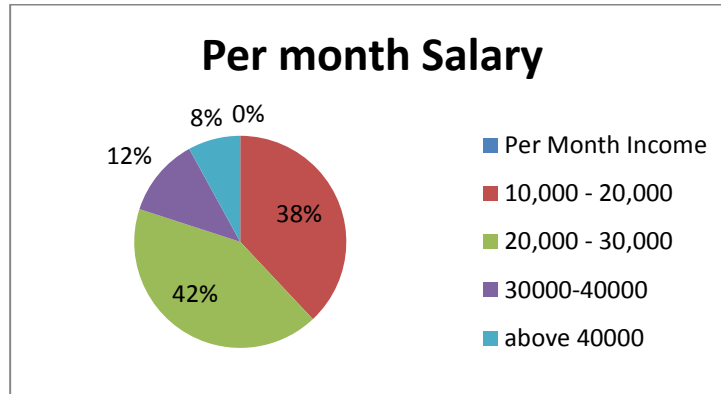


IV.

From the figures it is evident that online shopping is preferred more by the male population compared to their female in Patna.

**ii) Income:**

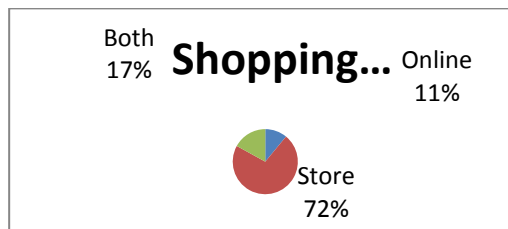
Per Month Income	Percentage
10,000 - 20,000	38%
20,000 - 30,000	42%
30000-40000	12%
above 40000	8%



People with the salary range of 10000-30000 prefer to shop online. This mode of shopping is not very popular among high income groups as they are preferring shopping physically.

**iii) Preference:**

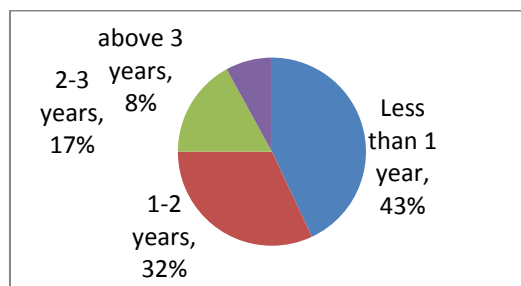
Shopping Preference	%
Online	11%
Store	72%
Both	17%



72% of the people prefer to do Physical shopping followed by online as well as physical shopping with 17% followed by online shopping indicating that online shopping is least preferred still in Patna.

**iv) Time Duration (Online shopping):**

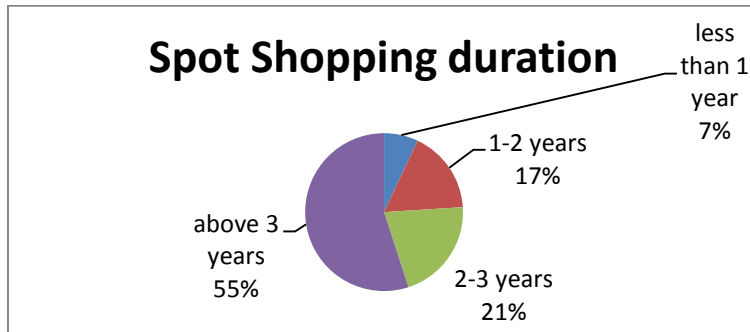
Less than a year	43%
1 to 2 years	32%
2-3 years	17%
More than 3 years	8%



Out of the 28 respondents who shop online, 43% of people have been shopping online for less than a year whereas the number of people shopping online for more than a year is quite small which indicates that online shopping has gained popularity recently.

v) Time Duration (Physical Shopping):

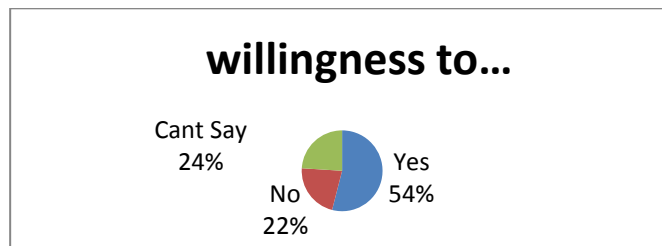
Spot Shopping duration	%
less than 1 year	7%
1-2 years	17%
2-3 years	21%
above 3 years	55%



55% of people out of 89 have been doing physical store shopping for more than 3yrs so majority have been engaged in physical store shopping.

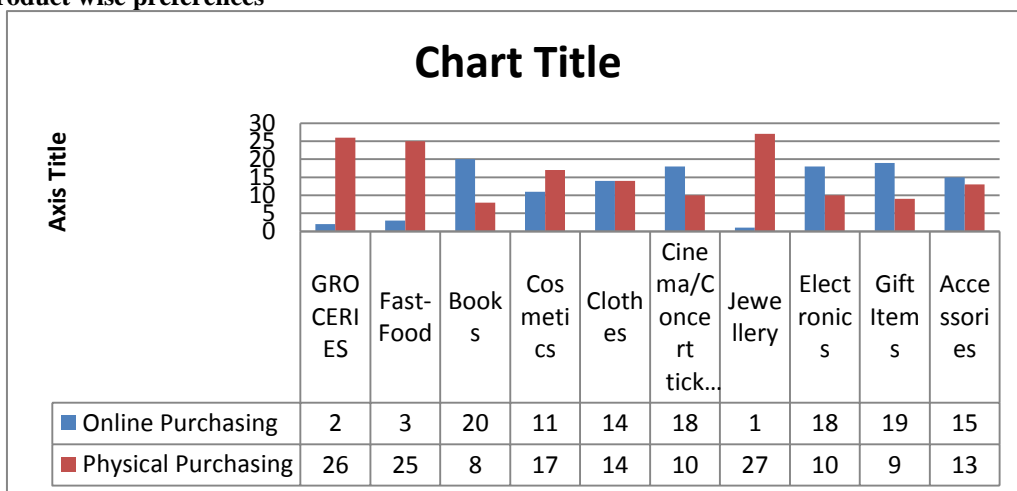
vi) Willingness to Recommend:

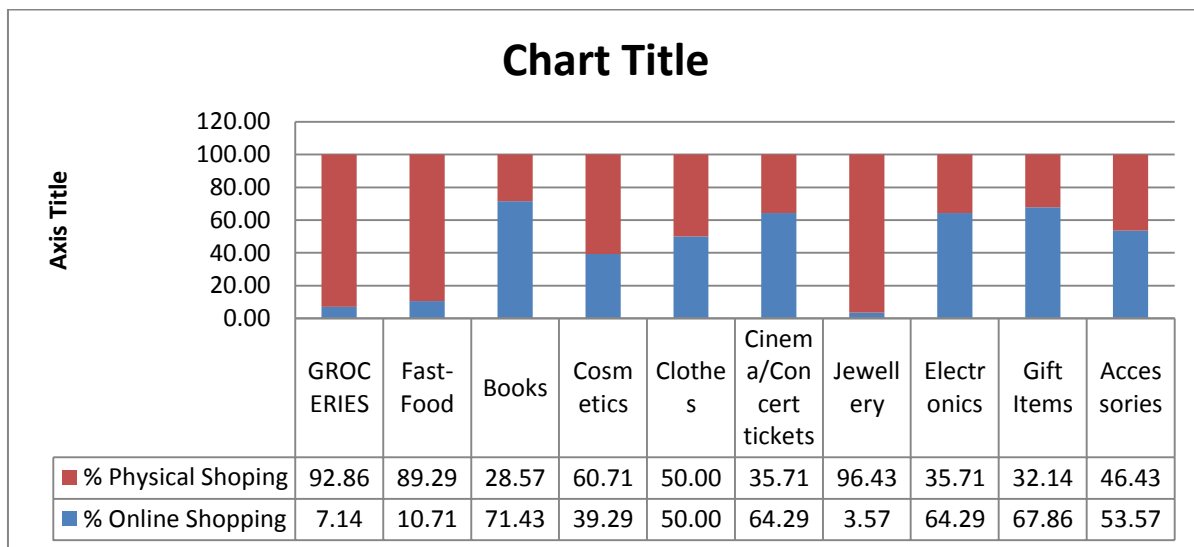
willingness to recommend	%
Yes	54%
No	22%
Cant Say	24%



54% of people out of the 28 who have shopped online would recommend it to others which shows most people favour online shopping and must have had a positive experience shopping online.

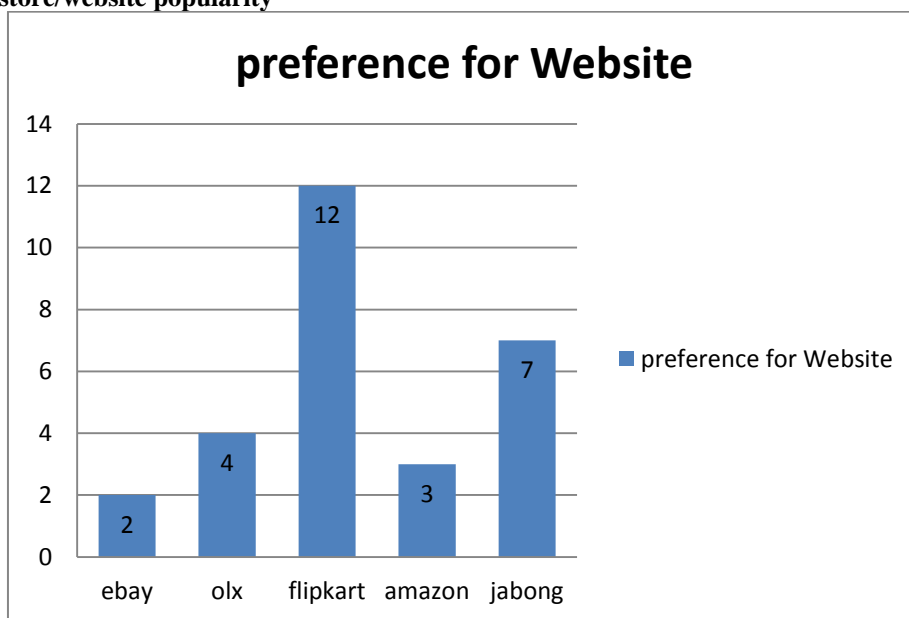
vii) Product wise preferences





Online Buying is popular in Books, Clothing, Cinema/Concert Tickets, Electronics, Gifts & Accessories item with more than 50% preference for online shopping by the people else Groceries, Fast food, Cosmetics, Jewellery purchasing still popular by physical purchasing mode.

**viii) Online store/website popularity**



Flipkart & Jabong are the popular site as 12 & 7 members are preferring out of 28 online buyer.

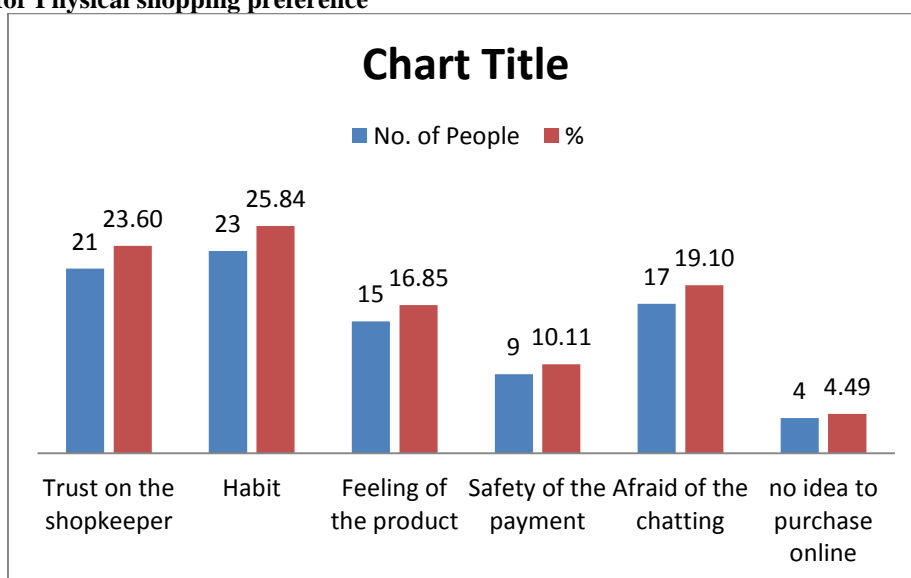
**ix) Reasons for online shopping preference**

	% Reasons of online purchasing
Price discount	38
Branding	32
time save	4
accessibility/availability	24
Friend references	2



Price discounting, Brand accesability & avaliability are the main attraction of the online shopping as 38%, 32% & 24% preference by people

**x) Reasons for Physical shopping preference**



Trust, Habit of Purchasing, feeling of the product, payment safty, resistance to get safety while online payment are the reasons for physical purchasing with 24%, 26%, 17% , 10% & 19 resdectively

**CHI-SQUARE TEST**

We performed the chi-square test to check the correctness of hypothesis

**Test for Hypothesis 1:**

H0: Gender don't significantly impact the choice of mode of shopping.

Ha: Gender significantly impact the choice of mode of shopping.

	Online Purchasing	Physical Purchasing	Total
Male	10	56	66
Female	2	32	34
Total	12	88	

	Observed	Expected	Deviation
Male online Purchased	10	9.72	0.058
Male not online Purchased	56	71.28	-0.429

Female Online Purchased	2	2.28	-0.246	
Female Not Online Purchased	32	16.72	1.828	
			Chi Sq	1.211
			df	1.000
				No. of Categories minus 1
Total Male	81		Chitest: P Value	<b>0.271</b>
Total Female	19			
Total who Purchase Online	12			
Total who not purchase online	88			
Total	100			

Calculated Value is much higher than the Standard value .05 there for Null Hypothesis Accepted, there for Alternate hypothesis rejected. There is no significant impact of gender on Purchasing Mode decision.

**Test for Hypothesis 2:**

H0: Online website popularity does not significantly impact the preference of shopping for the customer

Ha: Online website popularity does significantly impact the preference of shopping for the customer

	Choice of Website	Not to chose	Total
A Popular Website	18	6	24
Not a Popular website	2	2	4
Total	20	8	

	Observed	Expected	Deviation
Popular Website chosen	18	17.143	0.1
Popular website not chosen	6	6.857	-0.25
Not Popular Website chosen	2	2.857	-0.6
Not Popular website not chosen	2	1.143	1.5

Selection of popular Website	24	Chi Sq	10.85714286	
Selection of Not Popular Website	4	df	1	No. of Categories minus 1
Choice of Website	20	Chitest: P Value	<b>0.000984154</b>	
Not to choose website	8			
Total	28			

Calculated Value is much lower than the Standard value .05 there for Null Hypothesis Rejected, therefor alternate hypothesis accepted. Online website popularity significantly impact the selection of the website for online shopping.

**Test for Hypothesis 3:**

1. H0-Price Discounting does not significantly impact consumer behavior towards online Shopping
2. Ha: Price Discounting does significantly impact consumer behavior towards online Shopping

	Online Purchasing Preference	Not having preference for online Purchasing
Online Price discounting offer	11	17
No online Price discounting offer	8	20

	Observed	Expected	Deviation
Online Price discounting time purchasing	28	11	3.091
Online No Price discounting time purchasing	28	8	5.000
Purchase while Price discounting Preferences	11	11	0.000
Purchase while Not Price discounting Preferences	8	8	0.000

Total Purchase for Discounting	28		Chi Sq	8.090909091
Total Purchase for non-discounting	28		df	5
Total purchase Preference while discounting	11		Chitest: P Value	0.151296105
Total purchase Preference while Not discounting	8			

Calculated Value is much higher than the Standard value .05 there for Null Hypothesis Accepted. Price Discounting does not significantly impact consumer behaviour towards online Shopping so giving too much discounting also don't serving purpose.

**FINDINGS**

- Gender wise, male are more user of online purchasing compare to female.
- 80% people opting for online shopping are having income range 10000-30000
- 72% people are still preferring physical shopping in patna so only 28% people are doing online shopping nearly 28 people in sample of 100.
- 43% of the online customers are less then 1 yr experice of online shopping mode.
- 54% of the people are happy & like to recomedate the online shoopling, so it is gaining popularity & need to expore further
- Online Buying is popular in Books, Clothing, Cinema/Concert Tickets, Electronics, Gifts & Accessories item with more than 50% preference for online shopping by the people else Groceries, Fast food, Cosmetics, Jewellery purchasing still popular by physical purchasing mode.
- Flipkart & Jabong are the popular site with 42% & 35% people prefere respectively
- Price discounting, Brand accesability & avaliability are the main attraction of the online shopping as 38%, 32% & 24% preference by people
- Trust, Habit of Purchasing, feeling of the product, payment safty, resistance to get safety while online payment are the reasons for physical purchasing with 24%, 26%, 17% , 10% & 19 resdectively eventhough people are familiar & aware about online shopping.
- Gender is not having any association with mode of purchasing decision eveththough 81% of the sample are male & 12 male mail had choosen online mode while only 2 female purchasing online.
- Price discounting not attacting the people for online shopping so there is no association of online purchasing decision & Price discounting offer
- Reputation of the Website is associated with the selection of website by online user as having strong assotiation.

**V. Conclusion**

Online Shopping is in use in Patna, but still small group of people started doing online shopping.Physical shopping is still in the preferences due to reasons like trust, Habit of Purchasing, feeling of the product, payment safty, resistance to get safety while online payment. Online shopping is getting the attention as 54% of the people like to refer to their friends.Customers are more likely to tilt towards online



shopping in some categories of products like Books, Clothing, Cinema/Concert Tickets, Electronics, Gifts & Accessories but still prefer physical shopping for product categories like Groceries, Fast food, Cosmetics, Jewellery may be due to nature of the product & customer involvement. Price discounting, Brand accessibility & availability of the products are the influential factors for online purchasing due to no physical boundaries of shops. There are advantages & disadvantages of both the purchasing modes as online purchasing is comfortable, more choice & cost-effective with limitations on customers' feelings, mental satisfaction & security. Physical purchasing mode gives better satisfaction on emotional parameters of customers but limitations of availability & time are there. Reputation & performance of the online website is important for selection or preference for online selection, like Flipkart & Jabong are the popular choices for online shopping in Patna region.

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### Annexure Questionnaire

#### Consumer towards online shopping

Please read each question carefully and indicate your response by selecting the most appropriate choice.

#### Generic Information

1. Gender: Male  Female
2. Age:  yrs
3. Education:
4. Occupation:
5. Monthly Income: 10000-20000  20000-30000   
30000-40000  40000 & above
6. Which mode of shopping do you prefer? Online   
Physical store Both
7. If online for how long have you been shopping online? Less than a year   
1 to 2 years   
2-3 Years  More than 3 years
8. If Physical for how long have you been shopping online? Less than a year   
1 to 2 years   
2-3 Years  More than 3 years
9. Would you recommend online shopping to your friends? Yes   
No   
Can't Say

10. Kindly give your preference Product wise to do your shopping of: *(Select only one)*

	Over The Internet	Retail Store	Over the Phone
1. Groceries			
2. Fast Food			
3. Books			
4. Cosmetics			
5. Clothes			
6. Cinema/Concert Ticket			
7. Jewellery			
8. Electronic Goods			
9. Gift items			
10. Accessories			

11. Give your Preference of the website select for the onlineshopping

<a href="http://www.ebay.in">www.ebay.in</a>	
<a href="http://www.olx.in">www.olx.in</a>	
<a href="http://www.jabong.com">www.jabong.com</a>	
<a href="http://www.amazon.com">www.amazon.com</a>	
<a href="http://www.flipkart.com">www.flipkart.com</a>	
Others(specify)	

12. Mark the Reasons for shopping online

Attribute	Mark
Price/Discounts	
Branding	
Time Saving	
Accessibility/availability	
Brand Consciousness	
Friend referrals	

11.

12. If you prefer stores, for how long have you been Shopping in physical stores?

2-3 Years

13. Please select the types of stores you visit for Shopping:

Local stores

Flea markets if other please specifies:

14. What are the main reasons for preference of physical stores? (Rank the following in order of importance 1: most important, 5 least important)

Attribute	1	2	3	4	5
Safety of payment					
Trust of store/brand					
Touch/feel of the product					
Interaction with sales staff					
Overall Experience					

Less than a year  
1 to 2 years  
 More than 3 years  
Shopping Malls  
Retail store

