



A STUDY ON FACTORS AFFECTING STUDENTS TOWARDS ONLINE SHOPPING IN ANAND

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ABSTRACT

India being a highly populated country is positively transforming towards online shopping. Online shopping has changed the face of marketing globally. It has helped in easier, simpler and faster business transactions. Today each and every household is using online shopping. Therefore there is a huge scope for both business and teenagers in India for online selling and buying household goods.

The main objective of the study is to find out various factors affecting students towards online shopping from Anand. Respondents were selected from different genders, age groups, qualifications and family income groups having online shopping experience. A pre-structured questionnaire was used with five point likert rating scale to measure various factors of online buyers of Anand. Data from respondents was collected through convenience sampling method. Descriptive analysis, chi-square test, ANOVA, etc., were used in this study as statistical techniques for analyzing collected data. The present study is an attempt to investigate the various factors affecting students towards online shopping in Anand

Keywords: *Online shopping, students, internet, personal factors*

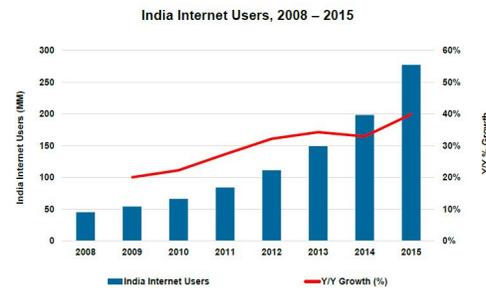
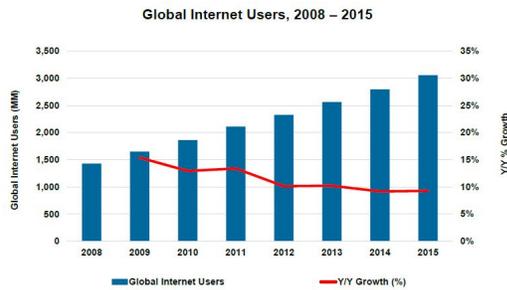


INTRODUCTION

The growing use of Internet in India provides a developing prospect for online shopping. Over the last two decades, rising internet and mobile phone penetration has changed the way we communicate and do business. E-commerce is relatively a novel concept. It is, at present, heavily leaning on the internet and mobile phone revolution to fundamentally alter the way businesses reach their customers. Online shopping is a major part of the overall electronic commerce, or e-commerce, industry which consists of all the buying and selling of goods and services over electronic systems such as the internet and other computer networks by households, businesses and other agencies.

Digital universe in India is doubling in size every two years and will multiply nine-fold between 2014 and 2020. As per ASSOCHAM, the value of Indian e-commerce market is estimated to be \$56 billion in 2023. Sources of e-commerce depend on the effective shopping, prompt delivery and increased use of online payment mechanism. Online shopping has changed the face of marketing globally. It has helped in easier, simpler and faster business transactions. Today each and every household is using online shopping. India being a highly populated country is positively transforming towards online shopping.

Technology has transformed the way in which teenagers are buying books, tickets and other things. Now, one needs to visit these sites like flipkart, Snapdeal, Amazon, E-bay etc in place of going physically to the market. In India, Indian Railways is the best model where one can book ticket online but then there are number of websites like make my trip, travel guru etc. The other fields where it has changed the way of doing the business are job portals like monster, Naukri. In real estate examples are India property, 99acres, magic bricks. Cinema theatres example book my show, Stock market example is money control. The success tasted by these companies show the potential market and the new way forward for the other companies to motivate



Source: KPCB Internet Trends Report 2016

As per the latest report of KPCB Internet Trends 2016, the global internet users are 3 billion @ 42% penetration with 9% year on year growth excluding India. In India, internet users increasing to 277 million @ 22% penetration with 40% year on year growth. Every year the internet users are increasing at 40% compare to global internet users. Also, after launch of Reliance Jio free internet offer increased the internet users in manifold in India. So, huge opportunity is available for online shopping in India.

REVIEW OF LITERATURE

Peter & Tarpey (1975) advocated consumers' reference groups and their influence on consumers' thoughts, feelings, behavior and purchase decisions.

Bhatnagar, Misra, and Rao (2000), in their recent study made an attempt to study the risk, convenience and Internet shopping behavior. They found that marital status has no effect on purchase behavior and found mixed results based upon gender (except for specific gender-related products), years on the Internet, and age.

Hong-Youl Ha (2004) examined how brand trust is affected by the following Web purchase-related factors: security, privacy, brand name, word-of-mouth, good online experience, and quality of information. The author argues that not all e-trust building programs guarantee success in building brand trust.



Gurvinder S Shergill & Zhaobin (2005) has conducted a study on “Web-Based Shopping: Consumers’ Attitudes towards Online Shopping in New Zealand”. The study revealed that website security/privacy, website design, website reliability/fulfillment and website customer service are the four dominant factors which influence consumer perceptions of their online purchasing experiences.

Internet and Online Association of India (2005) made a survey of ecommerce security in 2005. The study was conducted through online and gathered information regarding the solicited information on the user’s profile, internet usage, their perception of the security associated with transacting online, their areas of concern and factors that would increase their faith of online transactions. It was found from the study that 45 percent of window-shoppers at e-commerce sites represent an audience that shopping sites make informed decisions, a huge opportunity not exploited by marketers.

Torben Hansen (2006) developed and empirically tested a model for understanding what factors determine repeat buying behavior of already experienced online grocery consumers.

Ajay Sharma (2015) found that the teenagers are very much concerned about the way the online websites sellers are meeting their expectations. The study found that four components are most important in influencing teenagers’ behavior while going for online shopping. These factors are Marketing Strategies of the company, Delivery System, Product diversity and Browsing Speed.

RESEARCH METHODOLOGY

STATEMENT OF THE PROBLEM:

Since Internet is a new virtual medium and so many potential consumers, the online retailers is most important to understand the wants and needs of consumers. The importance of analyzing and identifying the factors influencing the consumer when he or she decides to buy on the Internet is vital because new virtual market will bring significant differences to the consumers.



OBJECTIVE OF THE STUDY:

The objective of the study is

- To analyze the factors affecting the students' preference for online shopping.

HYPOTHESIS OF THE STUDY:

- H01: The personal factors of the respondents have no significant relationship on the frequency of buying of the products through online.
- H02: The stages of buying decision scores and other influencing factors score do not vary significantly based on the groups of personal factors of the respondents.

RESERCH DESIGN:

- **Sampling Method:**

In the present study, the non-probability convenience sampling method has been adopted.

- **Sample Unit:**

Students from Post Graduate department of Sardar Patel University doing online shopping.

- **Sample Size:**

The sample size was restricted to 62 students from the P G department of Sardar Patel University.

- **Primary Data:**

The primary data collected for this research study has been collected through the structured non-disguised questionnaires.

- **Instrument of Data Collection**

The responses were measured on five point scale. The method is based on Likert Scaling Technique from strongly agree to strongly disagree.

- **Data Analysis:**

The following statistical measures have been used in the study.

Percentage analysis, chi-square, t-test and analysis of variance (ANOVA). All the statistical tools were applied using SPSS and entire test were carried out at either 1% or 5% level of significance.



- **Limitation of the Study:** The present study is restricted to Anand only. The sample size was 62 only. The result was not similar if it is conducted in other district

DATA ANALYSIS AND INTERPRETATION

Descriptive Analysis is done for all the personal factors of the study.

Gender wise distribution of respondents

Gender	No. of Respondents	Percentage
Male	25	40
Female	37	60
Total	62	100

From the above table, 60% respondents are female and 40% respondents are male. Majority of the respondents are female. So, it is clear that female students are using online shopping more.

Annual Family Income wise distribution of respondents

Annual Family Income	No. of Respondents	Percentage
Less than 2 lakhs	13	21
Between 2 to 3 lakhs	11	18
Between 3 to 5 lakhs	21	34
Above 5 lakhs	17	27
Total	62	100

From the above table, it is seen that the majority respondents are having annual family income between 3 to 5 lakhs and 27% respondents are having above Rs. 5 lakhs income. Though annual family income is moderate, students are moving towards online shopping.

Internet Access of respondents

Internet Access	No. of Respondents	Percentage
Own phone	48	77
Home wi-fi	8	13
College/University	-	-
Cyber cafe	6	10
Total	62	100



Majority of the students are using their own phone for online shopping. Nowadays students can take their decisions for shopping for their things.

Time spent on internet by respondents

Time Spent	No. of Respondents	Percentage
Less than 1 hour	6	10
1-2 hours	6	10
2-3 hours	22	35
3-4 hours	22	35
More than 4 hours	6	10
Total	62	100

Above table stated that majority of the students are spending their time on internet for 2-4 hours. Recent launch of Reliance Jio free internet offer increases the usage of internet spent which leads to more online shopping.

Initiate to buy product or service

Initiate buying	No. of Respondents	Percentage
Self	49	79
Parents	3	5
Sister/Brother	8	13
Friends & Relatives	2	3
Total	62	100

Above table stated that majority of the students are initiating the buying by their own i.e. 79%. Few respondents are influenced by their siblings. So, majority of the students are taking their own decision to purchase the products or service online.

Method of payment used for online shopping

Payment Method	No. of Respondents	Percentage
Credit/Debit card	24	39
Net Banking	7	11
Cash on Delivery	27	44
E-wallet	4	6
Total	62	100



Above table stated that majority of the students are using both Credit/Debit card and Cash on delivery method for online shopping. Few respondents are using E-wallet for online shopping.

Personal factors and frequency of purchase of products through online

H01: The personal factors of the respondents have no significant relationship on the frequency of purchase of the products through online.

Chi-Square analysis on the relationship between personal factors and frequency of buying of products:

Sr. No	Study Factors	Chi-Square Value	DF	Table Value	Significant/ Not Significant
1	Gender	26.458	2	9.210	Significant*
2	Annual Family Income	27.865	6	16.812	Significant*
3	Internet Access	36.624	6	16.812	Significant*
4	Time Spent	37.235	8	20.09	Significant*
5	Initiate to buy	28.523	6	16.812	Significant*
6	Payment Method	48.236	6	16.812	Significant*

*Significant @ 1% level

It is clear from the above table that the hypothesis is rejected. So, Gender, Annual Family Income, Internet Access, Time Spent, Initiate to buy and Payment Method have significant impact on frequency of buying products online.

ANALYSIS OF VARIANCE (ANOVA):

The analysis of variance is employed to determine the significant difference among the different groups of the respondents on various aspects such as:

1. Pre-Purchase Decision Making Factors:

- Price of the Product
- Quality of the product
- Different choices of payment methods
- Wide range of options



- Attractive discounts

2. Purchase Decision making Factors:

- Delivery period
- Security of payment
- Privacy of personal information
- Home delivery charges

3. Post-Purchase Decision making Factors:

- Assurance of after sales services
- Easy to return products
- Trust of the store

4. Other Decision Factors:

- Online Advertisements
- Easy customer support
- Speedy action

Pre-purchase decision making factors

Hypothesis: There is no significant difference among the Annual family income in their pre-purchase decision score

ANOVA for Pre-purchase decision score with Family Income

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	406.614	2	203.307	3.837	0.001*
Within Groups	3020.370	57	52.989		
Total	3426.984	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, Annual family income has significant effect over pre-purchase decision score of students.

Hypothesis: There is no significant difference among the Internet Access in their pre-purchase decision score

ANOVA for Pre-purchase decision score with Internet Access



	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	439.628	2	219.814	4.268	0.001*
Within Groups	2987.356	58	51.506		
Total	3426.984	61			

*significant @ 5% level

The above table states that the hypothesis is rejected (significant) and hence, internet access has significant impact on pre-purchase decision score of students.

Hypothesis: There is no significant difference among the Time spent in their pre-purchase decision score

ANOVA for Pre-purchase decision score with Time Spent

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	86.537	2	43.268	0.738	0.832*
Within Groups	3340.452	57	58.604		
Total	3426.984	61			

*Not significant

The above table states that the hypothesis is accepted (not significant) and hence, internet access has no significant difference on pre-purchase decision score of students.

On-purchase decision making factors

Hypothesis: There is no significant difference among the Annual family income in their on-purchase decision score

ANOVA for On-purchase decision score with Family Income

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	88.234	2	44.117	0.918	0.932*
Within Groups	2738.002	57	48.035		
Total	2826.236	61			

*Not significant

The above table states that the hypothesis is accepted (not significant) and hence, family income has no significant difference over on-purchase decision score of students.



Hypothesis: There is no significant difference among the Internet Access in their on-purchase decision score

ANOVA for On-purchase decision score with Internet Access

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	58.128	2	24.604	0.515	0.621*
Within Groups	2768.108	58	47.726		
Total	2826.236	61			

*Not significant

The above table states that the hypothesis is accepted (not significant) and hence, internet access has no significant difference over on-purchase decision score of students.

Hypothesis: There is no significant difference among the Time spent in their on-purchase decision score

ANOVA for On-purchase decision score with Time Spent

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	358.247	2	179.123	4.137	0.031*
Within Groups	2467.989	57	43.298		
Total	2826.236	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, time spent has significant impact on on-purchase decision score of students.

Post-purchase decision making factors

Hypothesis: There is no significant difference among the Annual family income in their post-purchase decision score

ANOVA for Post-purchase decision score with Family Income

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	58.236	2	29.118	0.903	0.624*
Within Groups	1838.398	57	32.252		
Total	1896.634	61			



*Not significant

The above table states that the hypothesis is accepted (not significant) and hence, family income has no significant difference over post-purchase decision score of students.

Hypothesis: There is no significant difference among the Internet Access in their post-purchase decision score

ANOVA for Post-purchase decision score with Internet Access

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	432.625	2	216.312	8.570	0.021*
Within Groups	1464.009	58	25.241		
Total	1896.634	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, internet access has significant impact on post-purchase decision score of students.

Hypothesis: There is no significant difference among the Time Spent in their post-purchase decision score

ANOVA for Post-purchase decision score with Time Spent

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	86.231	2	43.116	1.357	0.911*
Within Groups	1810.403	57	31.761		
Total	1896.634	61			

*Not significant

The above table states that the hypothesis is accepted (not significant) and hence, time spent has no significant difference on post-purchase decision score of students.

Other Decision factors

Hypothesis: There is no significant difference among the Annual family income in their other decision factors

ANOVA for Other Decision factors with Family Income



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	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	418.695	2	209.347	3.463	0.003*
Within Groups	3445.629	57	60.450		
Total	3864.324	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, Annual family income has significant difference over other decision factors of students.

Hypothesis: There is no significant difference among the Internet Access in their other decision factors

ANOVA for Other Decision factors with Internet Access

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	578.321	2	289.161	5.104	0.012*
Within Groups	3286.003	58	56.655		
Total	3864.324	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, internet access has significant difference over other decision factors of students.

Hypothesis: There is no significant difference among the Time Spent in their other decision factors

ANOVA for Other Decision factors with Time Spent

	Sum of Squares	DF	Mean Score	F Value	Significant
Between Groups	624.329	2	312.165	5.492	0.043*
Within Groups	3239.995	57	56.842		
Total	3864.324	61			

*significant @ 1% level

The above table states that the hypothesis is rejected (significant) and hence, time spent has significant difference over other decision factors of students.



FINDINGS

- Majority of the respondents are female (60%) compare to male (40%) and 52% respondents are having annual family income between 3 to 5 lakhs.
- Majority of the respondents (77%) are using their own cell phone to access the internet and majority (70%) are spending 2 to 4 hours on internet.
- Majority of the respondents (79%) are taking their own decision for online shopping and 44% respondents prefer cash on delivery compare to 34% credit/debit card for online shopping.
- Chi-square test clears that, Gender, Annual Family Income, Internet Access, Time Spent, Initiate to buy and Payment Method of the respondents have significant effect on the frequency of buying products and services through online.
- ANOVA test shows that the annual family income and internet access have significant difference on their pre-purchase decision making factors towards shopping online.
- ANOVA test reveals that the time spent on internet have significant differences upon their on-purchase decision making factors towards buying products and services online.
- ANOVA test indicates that the internet access and time spent on internet have significant differences upon their post-purchase decision making factors towards online shopping.

ANOVA test shows that the annual family income, internet access and time spent on internet have significant differences over their other decision making factors towards online shopping.

CONCLUSION

The growing use of Internet in India provides a developing prospect for online shopping. In the past, consumers had sufficient time to visit shopping malls, searching for various products. Today there is radical change in the entire scenario. Everything in today's world is Internet oriented. E-commerce successfully includes the entire online process of developing, marketing, selling, delivering, servicing and paying for products and services.

Online shopping is a vast growing technology. If it is properly utilized with assured safety and security for the transactions. Students are highly tech savvy and using internet become part of



their routine life. So, students are using internet for online shopping with ease and comfort. But, companies have to make customer friendly platform with high security for payment and their personal data. As no. of internet users are increasing, the use of online shopping is going to increase in manifold. Therefore marketers have to identify new techniques and strategies attract the consumers.

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