



FACTORS INFLUENCING ONLINE PURCHASING DECISION AMONG STUDENTS AND STAFF: A SURVEY IN NAMAKKAL DISTRICT

Mr.T.S.Venkateswaran* Dr.J.Clement Sudhahar**

* Research Scholar, Research and Development Center, Bharathiar University, Coimbatore, India.

** Professor in Marketing and Research Head, School of Business, Karunya University, Coimbatore, India.

Abstract

Today business in India has taken a new leap over their marketing of products towards consumers. Now the businesses are over online at the consumer's doorstep. The rate of belief over online business increases day by day in this digital era. The business has their brand content across channels to influence the customers purchase decisions. The online purchasing is the third popular internet activity as per UCLA Center for Communication Policy (2001). The online marketing and purchasing decision of a customer relates at a point, when customers recognize a need for some merchandise or services, Internet is the source and they search for the related information which later influence their purchasing decision. This study is to analyze the factors that influence the purchasing decision over online of next generation students and staff in Namakkal District. The survey was conducted to convenient random sample size of 110 respondents throughout the district from various schools and colleges by issuing questionnaire. The result of the study shows that most of the respondents are familiar with Internet shopping and most of them revealed that the Internet Advertisements are influencing the most in purchasing.

Keywords: Online Shopping, Consumer Purchasing Behavior, Influence Factors.

INTRODUCTION

Now most of the researchers strive to obtain better insight of the consumer buying behavior over internet. The attitude of buying products in online differs from the attitude of buying products directly in traditional method. The customer's perspective of product differs from one person to another. Today the amount of trade over Internet has been increased; this is because of internet usage everywhere¹. The technology revolution has waved path to customers to purchase their products from anywhere at any time according to their choice. The term online shopping refers to buying a product or service over Internet instead of going to a traditional brick- and – mortar store. The internet shopping is more convenient than any mode of shopping². In India during the festival time it is reported that a 117 percent of increase is there on online purchasing. Regarding to the data released by IAMAI [Internet and Mobile Association of India] the online sales stood at Rs.115 crores³.

The next and the foremost research question comes into mind is really is there a boom in online shopping? Online shopping in India is an emerging trend for marketers to promote their merchandise in wide geographical area using Internet and also the trend looks likely to grow upwards over the coming decade. As per records, India is the 5th country in world ecommerce and the 2nd country in Asia. Mobile Internet has paved way to the opening up the online shopping. Merely 300 million Indians accessed Internet shopping sites during the year 2014. Nearly 8 million people regularly shop through Internet. India has encountered a great exponential increase in its online market⁴. The Online shopping stores with discount coupon code system has emerged a new trend in India. The main attraction of online shopping is Quality, Price, Discounts, Availability of Products across various categories and express checkouts are some of the aspects of customer experience. In online shopping the South Indians tops

¹ How Online Shopping Is Affecting Consumers Buying Behavior? , Sajjad Nazir, Arsalan Tayyab, Aziz Sajid, Haroon ur Rashid, Irum Javed , IJCSI International Journal of Computer Science Issues, Vol. 9, Issue 3, No 1, May 2012.

² <http://articles.economicstimes.indiatimes.com/keyword/online-shopping/>

³ <http://www.iamai.in/reports1.aspx/>

⁴ <http://www.mbaskool.com/business-articles/marketing/7695-is-online-shopping-booming-in-india-an-empirical-study.html>

the list. Most of the customers are from remote locations according to analyst at Google. The study reveals that in India, South Indians buys more than North Indians⁵.

IMPORTANCE OF THE STUDY

By the technology revolution over online shopping the marketers has to understand the attitudes of customers. Most of the surveys revealed that by near future there will be a boom in online purchasing in India. Many companies are planning to capitalize in online marketing. The total Indian markets are online, freebies, discounts and the influence of celebrities. The main thing in the study is to aim the customer behavior towards online purchasing. The change in Indian customer's perception towards a product/service has to be studied through research. The aim of this study is reveal the attitude of the next generation students and staff of Namakkal District in Tamilnadu towards online shopping. The area for the study is totally concentrated on students and staff members of schools and colleges in Namakkal, as the district has more schools and colleges.

OBJECTIVES OF THE STUDY

- To find out the factors influencing customer's behavior over online purchasing.
- To study the relationship between attitudes and personal status over online purchasing (age, gender, occupation etc.).
- To encounter the problems faced by the customer's over online media.

HYPOTHESIS

- Always there is significance between gender of the respondents and attitudes over online purchasing decision.
- There is a significant association between age of respondents and their attitudes towards online buying behavior.
- There is a significant association between occupation of respondents and their attitudes towards online buying behavior.
- Significance is there between influencing factors and online buying behavior.
- A positive growth towards influencing factors on online buying behavior.

RESEARCH METHODOLOGY

Primary data is the main source of the study. The data is collected from 110 respondents from various schools and colleges with a structured and well-designed questionnaire. The method used for collecting data is convenient random sampling. The tools to analyze the collected data are Percentage analysis, Friedman's Test and ANOVA.

REVIEW OF LITERATURE

Prasad and Aryasree (2009) concluded that convenience, web store, online shopping enjoyment and customers 'service, rather than perceived trust, had a significant impact on willingness to buy from online retail store. Expect trust and customers 'service, all other factors were significant with reference to patronage of online retail stores⁶. Bannergy, Dutta and Das Gupta (2010) revealed that there was a significant association between online shopping and monthly family income, frequency of internet usage and time spend per session on internet use⁷.

Kenneth C Gehrt, Mahes N Rajan, G Shainesh, David Czerwinski and Matthew O'Brien (2012) in their research article found three segments were identified: value singularity, quality at any price, and reputation/recreation. The quality at any price and reputation/recreation segments was the predominant online shoppers. Although their

⁵<http://www.financialexpress.com/article/industry/companies/south-indian-online-shopping-trends-discount-coupons/36920/>.

⁶ Determinants of Shopper Behavior in E-Tailing: An Empirical Analysis. Paradigm, Prasad, J.S., & Aryasri, A.R., 2009, Paradigm, 13(1), 73.

⁷ A Study on Customers' Attitude Towards Online Shopping - An Indian Perspect, Banerjee, N., Dutta, A., & Dasgupta, T., Indian Journal of Marketing, 2010, 40 (11), 43- 52.

orientations toward shopping differed, their behavior, web site attribute ratings, and demographics were very similar except for occupation (managerial versus clerical, respectively). The finding that the value singularity segment is not the pioneer online shopper in India contrasts with the early online shoppers in the USA, who were often motivated by price⁸.

Shalini and Kamaladevi.D (2013) revealed in their article that the online shoppers are young, mostly educated and expert users of Internet and mobiles. There is a positive attitude which influences those people towards online shopping and advertisements⁹.

Ashish Pant (2014) concluded in his research article that a successful web store is not the just a good looking website with the dynamic technical features but is also emphasis on building the relationship with customers with making money. Firstly understanding the customer's needs and wants is very essential for building a relation with the customers keeping companies' promises gives a customer a reason to come back and meeting the expectations gives them a reason to stay¹⁰.

CRISL Research (2014) stated that the rapid growth of online retail is, in a sense, reflected in the deteriorating financials of physical retailers over the past 3 years. To stay in the game, traditional retailers have been working on their internet strategy. Similarly, physical retailers in India will have to establish their presence online quickly¹¹.

The Economic Times [2015] in their article written that the online marketing in India is growing in an enormous way of reaching customer's in their place with the use of Internet by means of computers or mobiles. There is a constant increase in the online marketing and as well as online purchasing of products/services¹².

FINDINGS AND DISCUSSIONS

a) ANOVA Analysis

- i. The results from ANOVA states that the significance factors lies below 0.05 and fairs the research aim to be correct. There is significance between the age and gender towards the factors influencing the purchasing factor.
- ii. Again the significance factor from the table states that there is significance between the Gender and the Education towards purchasing decision influence.
- iii. There is significance between age, gender and occupation. The factors that influence to purchase have an impact of the above said drives.
- iv. The significance level of Internet surfing, watching online advertisements also have influence over the purchasing decision. Advertisements on Internet have the sole impact on purchasing of products or make an intention to buy products over online.

⁸ Emergence of online shopping in India: Shopping Orientation Segments, Kenneth C Gehrt, Mahes N Rajan, G Shainesh, David Czerwinski and

Matthew O'Brien, International Journal of Retail & Distribution Management, Vol. 40, Issue 10, 2012, P 742-758.

⁹ Online Buying Behaviour of Netizens ,A Study with Reference to Coimbatore, Tamil Nadu, Shalini .S & Kamalaveni .D ,Indian Journal of Marketing (2013), 10(3) ,35 – 45.

¹⁰ An Online Shopping Change the Traditional Path of Consumer Purchasing, Ashish Pant, International Journal of Business and Management Invention, Volume 3 Issue 3 March.2014 PP.39-42.

¹¹ <http://www.crisil.com/pdf/research/CRISIL-Research-Article-Online-Retail-Feb14.pdf>.

¹² http://articles.economictimes.indiatimes.com/2008-05-26/news/27697118_1_online-shopping-e-tailing-internet-shopping.

TABLE – I : ANOVA ANALYSIS

		Sum of Squares	df	Mean Square	F	Sig.
GENDER	Between Groups	4.719	13	.363	1.856	.045
	Within Groups	18.772	96	.196		
	Total	23.491	109			
AGE	Between Groups	16.890	13	1.299	7.764	.000
	Within Groups	16.065	96	.167		
	Total	32.955	109			
Education	Between Groups	32.715	13	2.517	7.111	.000
	Within Groups	33.976	96	.354		
	Total	66.691	109			
Occupation	Between Groups	28.252	13	2.173	9.006	.000
	Within Groups	23.166	96	.241		
	Total	51.418	109			
Family Income	Between Groups	36.648	13	2.819	4.424	.000
	Within Groups	61.170	96	.637		
	Total	97.818	109			
Familiar with internet	Between Groups	20.940	13	1.611	4.683	.000
	Within Groups	33.023	96	.344		
	Total	53.964	109			
Type of internet connection	Between Groups	15.009	13	1.155	3.636	.000
	Within Groups	30.482	96	.318		
	Total	45.491	109			
Frequency of internet using	Between Groups	44.241	13	3.403	3.699	.000
	Within Groups	88.313	96	.920		
	Total	132.555	109			
surf internet	Between Groups	4.873	13	.375	.643	.412
	Within Groups	55.999	96	.583		
	Total	60.873	109			
Use internet mostly for	Between Groups	117.663	13	9.051	3.319	.000
	Within Groups	261.801	96	2.727		
	Total	379.464	109			
Frequently watch ads like	Between Groups	229.480	13	17.652	6.728	.000
	Within Groups	251.874	96	2.624		
	Total	481.355	109			

b) Friedman's Test on the benefits of watching advertisements in Internet

The results of Friedman's Chi-square test shows that there is no significant difference exist in the benefits of watching advertisements on Internet ($p < 0.05$). The high mean score value to the result states that products reviews influences more on purchasing decision.

TABLE-II: DESCRIPTIVE STATISTICS

	Mean	Std. Deviation	Mean Rank	Friedman's Test	Sig.
Information about the product	1.6636	.94118	3.95		
Product reviews	2.0909	.76080	5.23		
Product comparison	1.8909	.90204	4.34		

Price analysis	2.4545	1.35887	5.25	83.079	.000
3-D image about products	2.1000	1.29182	4.92		
No intermediate influence	2.8455	1.21298	6.62		
Own decision	2.1455	.90702	5.19		
Catchy ad	2.3364	1.33600	5.08		
Appeal/presentation about the product	1.9273	1.07267	4.42		

c) Percentage Analysis to show level of Influence factors of online advertisements

TABLE-III: INFLUENCE FACTORS OF ONLINE PURCHASING DECISION

Statements	1	2	3	4	5
Handsome/Beautiful personalities used in advertisements	31.8	26.4	20.0	10.0	11.8
Attractive Jargons	15.5	42.7	28.2	13.6	0.0
Voice and Actions of persons used	3.6	15.5	50.0	30.9	0.0
Celebrities like cinema actors/actresses	4.5	48.5	47.3	0.0	0.0
Creative Ads	40.9	16.4	28.2	1.8	12.7
Usage of Animation and Graphics	20.0	49.1	14.5	16.4	0.0
Fear Appeals	12.7	15.5	58.2	2.7	10.9
Humor Appeals	24.5	45.5	11.8	16.4	1.8
Sex Appeals	25.5	17.3	27.3	23.6	6.4
Music Appeals	39.5	36.4	28.2	0.9	0.0
Sentimental Appeals	19.1	10.9	50.0	20.0	0.0
Economy / Rational Appeals	22.7	26.4	26.4	24.5	0.0
Popular Brands	46.4	30.0	0.9	0.9	21.8
Suspense	32.7	19.1	21.8	13.6	12.7

d) Friedman's Test on problems faced in watching Internet Advertisements

TABLE-IV: PROBLEMS ON INTERNET ADVERTISEMENTS

	Mean	Std. Deviation	Mean Rank	Friedman's Test	Sig.
Too much of vulgarity jargons	2.9727	.96221	6.35		
Family members	2.6818	1.08308	5.83		
Negative ads	2.9455	1.01219	6.20		
Thundering voices	2.7273	1.05717	5.77	78.664	.000
Irrelevant to the product	2.4000	.78050	4.40		
Meaningless ads	3.1727	1.32623	6.75		
Frequency of ads	2.7636	.80054	5.92		
Offensive	3.3636	1.02918	7.2		
Impolite	2.8091	.88302	5.86		
Disgusting	3.1182	1.10654	6.75		
Irritating	2.5091	1.23960	4.89		

The results of Friedman's Chi-square test from the above table shows that the high mean score value to the result states that meaningless advertisement in Internet makes problems on purchasing decisions.

CONCLUSION AND FUTURE DIRECTIONS

From the research survey it is known that there are many factors that influence the consumer to purchase the products that are advertised in Internet. The Internet Advertisement plays a key role as influence factors on the consumers' buying behavior. Also sometimes the advertisement plays a problematic role as consumer's perception. Even though the problems faced in internet stands next to the influence factors, there are strong factors to influence the consumer towards on online purchasing. In future there will be definitely an enormous increase of consumers towards online shopping. As this study is new in twentieth century, that is shopping through online is vast and also an interesting area to carry research by the scholars.

REFERENCES

1. How Online Shopping Is Affecting Consumers Buying Behavior in Pakistan? , Sajjad Nazir, Arsalan Tayyab, Aziz Sajid, Haroon ur Rashid,, Irum Javed , IJCSI International Journal of Computer Science Issues, Vol. 9, Issue 3, No 1, May 2012.
2. <http://articles.economicstimes.indiatimes.com/keyword/online-shopping/>.
3. <http://www.iamai.in/reports1.aspx/>.
4. <http://www.mbaskool.com/business-articles/marketing/7695-is-online-shopping-booming-in-india-an-empirical-study.html>.
5. <http://www.financialexpress.com/article/industry/companies/south-indian-online-shopping-trends-discount-coupon-rises/36920/>.
6. Determinants of Shopper Behavior in E-Tailing: An Empirical Analysis. Paradigm, Prasad, J.S., & Aryasri, A.R., 2009, Paradigm, 13(1), 73.
7. A Study on Customers' Attitude Towards Online Shopping - An Indian Perspect, Banerjee, N., Dutta, A., & Dasgupta, T., Indian Journal of Marketing, 2010, 40 (11), 43- 52.
8. Emergence of online shopping in India: Shopping Orientation Segments, Kenneth C Gehrt, Mahes N Rajan, G Shainesh, David Czerwinski and Matthew O'Brien, International Journal of Retail & Distribution Management, Vol. 40, Issue 10, 2012, P 742-758.
9. Online Buying Behaviour of Netizens ,A Study with Reference to Coimbatore, Tamil Nadu, Shalini .S & Kamalaveni .D ,Indian Journal of marketing (2013), 10(3) ,35 – 45.
1. An Online Shopping Change the Traditional Path of Consumer Purchasing, Ashish Pant, International Journal of Business and Management Invention, Volume 3 Issue 3 March.2014 PP.39-42.
2. <http://www.crisil.com/pdf/research/CRISIL-Research-Article-Online-Retail-Feb14.pdf>.
3. http://articles.economicstimes.indiatimes.com/2008-05-26/news/27697118_1_online-shopping-e-tailing-internet-shopping.