# A STRATEGIC ANALYSIS OF CUSTOMER SATISFACTION IN ONLINE SHOPPING WITH SPECIAL REFERENCE TO TIRUPUR DISTRICT

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#### Abstract

Online shopping is a recent phenomenon in the field of E-Business and is definitely going to be the future of shopping in the world. Most of the companies are running their online portals to sell their products or services on-line. The prospect of online marketing is growing in India, with the increasing internet literacy. The customers indulging in online shopping consider many benefits. The main factor of increasing online shopping in India is the increasing cyber cafe facility, increasing number of computer operators and easy availability of internet and wi-fi facility to the population of India. Basically, this paper studies the current scenario and driving forces behind online shopping in India.

Key Words: E-commerce, Online shopping, Customer Satisfaction.

#### Introduction

Online shopping is a form of e-commerce in which consumer can buy good or service directly from the seller using a shopping browser. Similar terms used for online shopping are e- shopping, shopping, and virtual store shopping. Online shopping was invented by Michael Aldrich in the year 1979. In 1980, Redifon's office revolution was launched by him, which enabled the distributor, supplier, consumer, customer and agents to connect with the corporate system over the internet and carry on transaction electronically.

According to The Economic Times, when you buy a product or a service over the internet, instead of going to a traditional brick-and-mortar store, it is called online shopping. Globally, an increasing number of people are buying over the Internet because it is more convenient. Online shopping is also a time saving way of chopping for customers. These days, the choice of products and brands is increasing at online shopping with market span of the companies at global level. The social media and advertisement on internet will also increase the number of customers for online shopping. This paper highlights the current scenario of online shopping and the driving forces behind online shopping in India.

# **Statement of the Problem**

Online purchasing of goods ,both expensive and cheap, is prevalent to a much larger in recent years due to convenience, speedy transactions, saving time, attractive sales promotional offer, etc., Despite these motivational factors , there are various transactional and non-translational issues involved such as Internet users being uncomfortable while giving their credit card number, personal information, etc., which act as deterrents. Online shopping is new, and it is at a nascent stage, and there are no hard-and-fast rules to live by. Consumers are slow in showing interest in online shopping. However, the future for internet shopping looks bright and promising .This is especially true in the context of consumers in tier-II cities, where internet shopping is still new, and consumers are less familiar and often more skeptical towards it. Therefore, this study aims to examine the characteristics of online shoppers` buying behavior. In this scenario, the following questions arise: 1) what is the demographic and internet usage profile of the consumers? 2) What is the pattern of their online purchasing?

#### **Objectives of the Study**

- 1. To know and understand the consumer's perception and awareness about internet marketing/shopping.
- 2. To know the attitude and perception of consumers towards online shopping.
- 3. To find the factors to shape the consumer's perception towards online shopping.
- 4. To know the key concerns from the point of view of consumer.

# **Scope of the Study**

The present study intents to access and analyze the consumer perception of online shopping. The study involves online shoppers in the business to consumer (B to C) market segment. The respondents involved in this research study were from Tirupur district.

#### Area of the Study

The current study explores the consumer perception toward marketing of goods and services through online shopping and the sample respondents selected from among internet user in Tirupur District.

# **Research Methology**

With due consideration to the above mentioned objective, the following methodology was adopted for conducting the present study. The study is predominantly empirical in nature as it explores the relationships among several variables. A total of 300 respondents were covered by the study.

#### **Sources of Data Collection**

For the study titled consumer perception towards the online shipping the data has been collected from the following methods.

- 1. Primary data collected through questionnaires method for that research went around in meeting with different consumer holding questions on online shopping.
- 2. Secondary Data It will be collected to add the value to the primary data. This may be used to collect necessary data and records by different websites, magazines, annual reports, journals, reference books, and newspapers.
- 3. The convenience sampling technique was used to identify people having prior experience of shopping online.

### **Limitations of the Study**

Every study will have its problems and limitations at some point during the project. This study is no different. The use of a non-probalistic sample in the research was a major limitation because there was no way to make sure that the sample taken represented the total population of the Internet users in Tirupur. A non-probability sample lacks the accuracy and precision that a probability sample might offer. Though these samples provided a better insight about the online shoppers but there could be a possibility that a respondent may have done online shopping but is not a regular Internet user. It was seen that some respondents were biased towards some questions. Another major limitation encountered doing the research assignment was the issue regarding the time. Limitation of the study is the selection of the existing studies. Owing to time limitation, only a few numbers of journals were searched. This may leave some other prominent empirical studies out. In addition, owing to the multidisciplinary nature of online shopping, it would be very interesting to compare IS literature to other disciplines that study online shopping attitudes and behavior.

# **Literature on Consumer Perception**

Peterson [1997] commented that it is an early stage in Internet development in terms of building an appropriate dedicated model of consumer buying behavior. Decision sequences will be influenced by the starting point of the consumer, the relevant market structures and the characteristics of the product in question. Consumers' attitude towards online shopping is a prominent factor affecting actual buying behavior.

Todd [1997] proposed a model of attitudes and shopping intention towards Internet shopping in general. The model included several indicators, belonging to four major categories; the value of the product, the shopping experience, the quality of service offered by the website and the risk perceptions of Internet retail shopping. In the research conducted by Vellido [2000], nine factors associated with users' perception of online shopping were extracted. Among those factors the risk perception of users was demonstrated to be the main discriminator between people buying online and people not buying online.

Jarvenpaa [2000] tested a model of consumer attitude towards specific web base stores, in which perceptions of the store's reputation and size were assumed to affect consumer trust of the retailer.

# Findings, Suggestions and Conclusion

The researcher has summarized the facts and findings of the research in this concluding chapter. Moreover, the researcher has given some suggestion for improving the customer satisfaction of online shopping.

# Findings of the Study

- 1. Out of 300 respondents, (66%) 66 of the respondent are Male. More male numbers are taken for the study due to the nature of purchase in online shopping.
- 2. Most of the respondents 36 percent 21-30 years.
- 3. Most of the respondents 54 Percent of Joint Family.
- 4. Majority 50 Percent of respondents are 3-4 Members.
- 5. Majority 42 Percent of respondents are Graduate.
- 6. Most of the respondents 50 Percent are Private Employees.
- 7. Majority 52 Percent of respondents are married.
- 8. Majority 44 Percent of respondents are Rs. 10001/-30000/.
- 9. Majority 32 Percent of respondents are Rs.5001/-10000/.
- 10. Majority 26 Percent of respondents are used in Amazon.
- 11. Majority 34 Percent of respondents are used in Cash on Delivery.
- 12. Majority 28 Percent of respondents are Purchasing Electronic Products.
- 13. Majority 30 Percent of respondents are used in Offers & Discounts.
- 14. Majority 22 Percent of respondents are Worry on Personal privacy
- 15. Most of 34 Percent of the respondents are Saving Money.

#### **Suggestions of the Study**

The following are the important suggestion relating to the findings of the study.

- 1. Majority of the respondents are under the age group of 21-30, most of them are male and maximum of them are married are using online shopping. Rests of them are not aware about online shopping. So the promotional activities should be increase.
- 2. The Government has to set up consumer protection agencies to complaints regarding cyber purchase and to investigate suspected companies and individuals to uncover new scams and spot trends in online fraud.
- 3. To reduce the risk perception on the use of credit cards, versatile payment options should be made available to support all the avenues of payment. Online shopping sites should incorporate the COD option to increase their online sales.
- 4. The opinion of the respondents is affecting more advantages on online shopping.

#### Conclusion

The e-commerce is one of the biggest things that have taken the business by a storm. It is creating an entire new economy, which has a huge potential and is fundamentally changing the way businesses are done. It is believed that electronic commerce will become a huge industry in the coming years and online shopping is now becoming a significant part of the consumer's daily life to meet their never ending requirements in a convenient way. Online shopping is picking up and is becoming a trend. More consumers are indulging into Internet shopping as seen by the research because of the value proposition it offers to a customer such as convenience, 24x7 shopping, doorstop delivery, a broad product selection and the ever-expanding range of unique and unusual gift ideas as well as increased consumer confidence in shopping on the internet is increasing. The main motivating factor seen during the research was the convenience and customer service which drives the people to online shopping as a result today they are buying airline and railway tickets, books, home appliances, electronic gadgets, movie tickets, etc by logging on to a web site, than driving up to a store. As the research suggest that increase in usage of internet increases the online shopping so there is a need to increase in broadband penetration as it accelerates the growth of online trade. A huge buyers and sellers across demographics are shopping online because of the

changing lifestyles and shopping habits but the majorities of the users are males. It was seen that despite the immense possibilities available on the Internet it is mainly used for mailing, chatting and surfing. E-mail applications still constitute the bulk of net traffic in the country.

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