

Consumer Buying Behaviour towards Online Shopping

Maitrey Bhagat

M.Sc., M.Phil., Professor, Faculty of Business Administration, GLS University, Ahmedabad, India

E- mail: [maitray.bhagat\[at\]glsuniversity.ac.in](mailto:maitray.bhagat[at]glsuniversity.ac.in)

Contact No.: +919925462615

Abstract: *The origination of the internet created an entire new experience for consumers regarding gathering information, comparing products or prices and the possibility of purchasing on the internet. Therefore consumer behaviour on the internet is an important factor for marketers. To predict consumer behaviour on the internet marketers need to understand how, where and why consumers behave online. This paper tries to analyze studies done by various researchers in order to explore what online channels consumers use when they are in a particular stage of the buying decision process (BDP). Then study will create more understanding about why and how on - line consumers go through their buying decision process (BDP). It will be helpful in drawing a modified and more effective marketing policy. This research paper investigated the perception of customers about online shopping in the perspective of value of the goods to buy.*

Keywords: Buying Decision, Value of the Goods

1. Introduction

Consumer behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions. Consumer behaviour blends elements from psychology, sociology, social anthropology, marketing and economics, especially behavioral economics. It examines how emotions, attitudes and preferences affect buying behaviour. Consumer behavior towards online shopping is a field of interest for both scholars and professionals because internet has greatly influenced the preferences and buying pattern of customers. Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. This study focusing understands the preference of consumers in the perspective of value of goods. The customers are very rational in this global world. They are not ready to buy goods which having higher value, because some dilemma about quality of the product. The purpose of this research is primary to identify and get insight

into the value of products plays a vital role on online consumer while booking and purchasing goods and services.

Digital marketing is the method of promoting a brand, a product, or a service through one or more forms of electronic media, such as the Internet, mobile instant messaging, wireless text messaging, podcasts, online radio channels, digital television, and mobile apps. It enables businesses to analyses their marketing campaigns in real time and figure out what works and what needs to be improved. Digital communication technologies have become part of billions of people's daily lives. In a world where over a 170 million people use social media on a regular basis, every working professional is expected to be familiar with at least the core tenets of Digital marketing.

The beginnings of digital marketing technology can be traced back to the 1980s, when computers became sophisticated enough to store huge volumes of customer information. This shift in technology corresponded with a shift in mindset from pushing product to "relationship marketing, " which prioritized customer connections. Marketers abandoned their limited offline techniques like list broking in favor of database marketing.

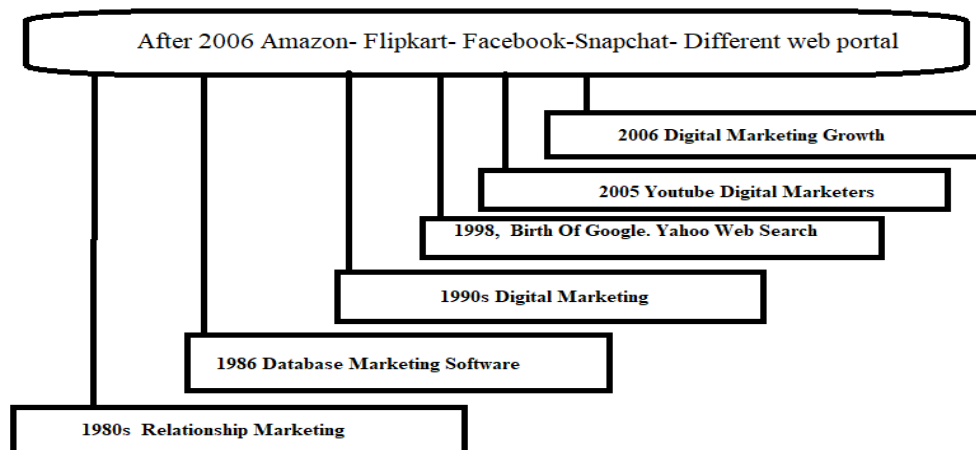


Figure 1: Evolution of digital marketing

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1.1 Types of Digital Marketing Strategies

- **SEM (Search Engine Marketing)** It is the method of promoting the brand and its items/services based on the high search engine ranking. It is extensively crucial to understand this concept in order to successfully carry the Digital Marketing campaign. It is necessary to increase the visibility in the Search Engine Results Pages (SERPs) so as to improve the pay - per - click listings.
- **SEO (Search Engine Optimization)** SEO is the process of optimizing content or websites so that they display in search results in search engines like Google. Search engines decide which sites to show for a search term based on keywords mentioned on the website and links that refer to this site. Which indicates SEO has a lot to do with using the right chosen keywords or keyphrases in the copy of a website or within the content you want to show in search and getting links to this webpage or content.
- **Content Marketing** It is important to follow the latest SEO rules but the main target is the potential consumers, and hence the writers who develop the contents must not forget the fact that their words must be impressive enough to attract the readers to find out more about your firm. Most professional content writers write the story in order to emotionally as well as intellectually connect with their readers.
- **Pay - per - click Advertising** The promotional Ads that we see every now and then while surfing the internet wait for the moment when we actually click on them. These Ads belong to a particular brand and so the moment someone clicks on them there is a fixed payment that the brand owner pays to those third party sites and/or blogs which allowed them doing this in that limited space. Everything is managed by the Google AdSense.
- **SMM (Social Media Marketing)** The social media platforms are one of the most effective digital marketing strategies and an excellent method to bring the mainstream public's instant attention. This is because of the sites like Facebook, Twitter, Instagram, etc. have a huge number of registered users and many of them most often use these sites at least once in a day. This is the key reason behind why the news channels and big brands have come forward to creating their own FB Page. If a business has a powerful content and the best strategies that could reach the target audience then it is definitely going to succeed.
- **Email Marketing** This is not uncommon that most advertisers send promotional emails to their subscribers in order to make everyone aware of the upcoming products, projects, offers, that are yet to come. It is possible that a few percentage of the population does not use the social networking sites, but those who use the internet most probably have at least one email account.

The marketers know this and so they likely transmit the relevant contents to their target audience via the electronic mail.

- **Viral Marketing** Everyone is familiar with the terms "viral", "trending", etc. The video content that suddenly reaches a threshold beyond a certain limit which is usually overnight or within the first few days, is an example of Viral Marketing. This kind of promotion is intended to reach most people through the internet, whether it is through websites, messengers, or Apps.
- **Mobile Phone Advertising** Digital Marketing can take position on your mobile phone. You are probably using Facebook, Instagram, and Google on your mobile phone after all. But there are some other types of marketing on your mobile phone that so far would not fit into any of the described categories.
- **TV Advertisement** With billions of trustworthy audiences spread across every region, the medium of TV is considered by many marketing professionals to be the ultimate platform for focused advertising. A single 30 or 60 second TV commercial transmitted during an event such as the Super Bowl or the Olympic games can easily reach the eyes and hearing of billions of potential clients. Television Advertising may be more expensive to generate and broadcast than other types of marketing, but it also has the power to connect with the largest viewers at the same time.

1.2 The 5Ds of digital marketing

Digital marketing today is about many more types of audience interaction than website or email. . . The 5Ds for which we need to assess consumer adoption of when and how our business can prioritize their use are:

- 1) **Digital devices** – Our audiences interact with businesses using smartphones, tablets, desktop computers, TVs and gaming devices
- 2) **Digital platforms** – Most interactions on these devices are through a browser or apps from the major platforms or services, that's Facebook (and Instagram), Google (and YouTube), Twitter and LinkedIn •
- 3) **Digital media** – Different paid, owned and earned communications channels for reaching and engaging audiences including advertising, email and messaging, search engines and social networks
- 4) **Digital data** – The insight businesses collect about their audience profiles and their interactions with businesses, which now needs to be protected by law in most countries
- 5) **Digital technology** – The marketing technology or martech stack that businesses use to create interactive experiences from websites and mobile apps to in - store kiosks and email campaigns.



Figure 2: Online consumer segment subdivisions

(Source - Department Of Business Studies, Kristianstad University)

2. Literature Review

Adnan (2014) established that perceived advantages and psychological factors had a positive impact on consumer attitudes and buying behaviour in Pakistan. In Kenya, a previous study conducted in Nairobi County revealed that some of the reasons for adoption of online shopping include time saving, easy comparison of alternative products, fairer prices of online goods, expert/user review of products and access to a market without borders (Ngugi, 2014).

Bashir, (2013). Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online within their range of budget at home or in anywhere. Online consumers don't have limits to online shopping

Broekhuizen & Huizingh, (2009) Making web designs and portals novel and sophisticated and web atmospherics friendly is a key to attract visitors. Moreover, if online stores want to convert visitor into buyer, they should improve their website by offering customer a comfortable, logical, interesting and hassle - free process and easy language by creating fast website with functional design as smooth as possible.

Adrita Goswami et. al (2013). Studied "Customer Satisfaction towards Online Shopping with Special Reference to Teenage Group of Jorhat Town" study concludes that online customers are satisfied. This research explicitly indicates that online marketer should give more importance on price factor and after sale factor. In this competition era all the online marketers should have to concentrate on the customer's satisfaction to retain the existing customers and have to offer new scheme day by day to attract the new customers.

Dubrovski, (2001) New electronic communication marketing variables have exploded the alternatives available to customers globally. These changes have redefined many of the old views of marketing, trade and power. Furthermore, many researchers recognize and accept that

customer satisfaction is a logical measurement of success in market exchanges.

Online shopping portals are witnessing a whopping 200% growth in the sale of electronic items every year. This is driven by the demands like mobile phones, iPods and MP3 players not only from metros but also from small cities. Apparels and accessories (30%) emerged as the second biggest product category after consumer electronics (34%) and is expected to become bigger than consumer electronics this year. Other popular searched categories include books (15%), beauty & personal care (10%), home & furnishings (6%), baby products (2%) and healthcare (3%). Fitness equipment like treadmills and lifestyle items like sunglasses are a big hit among Punjabis. Some Online Shopping portals in India are www.Homeshop18.com, www.flipkart.com, www.yebhi.com, www.myntra.com. American online retail giant Amazon.com has also made an entry into the Indian market in 2012 with Junglee.com, an online shopping site powered by the \$ 48 billion company.

3. Objectives of the study

- To study the conceptual background of digital marketing.
- To study the perception of customers about online shopping.
- To investigate the purchase decision of customer in the perspective of value of goods.

4. Problem Statement

There is paradigm shift from traditional method of shopping towards online shopping in India. Consumers are very conscious while buying goods through online. Every customers willing to buy products through online and booking hotels and booking movie and event tickets but some time they feel not to go for buy products which are higher price. The buying decision depends on value of the goods and brand.

5. Data Collection

The data for the purpose of this study is collected both from primary sources and secondary sources. Survey method is used for collecting primary data. A survey was conducted for the study through structured questionnaire. 75 Samples were collected from consumers and buyers of online

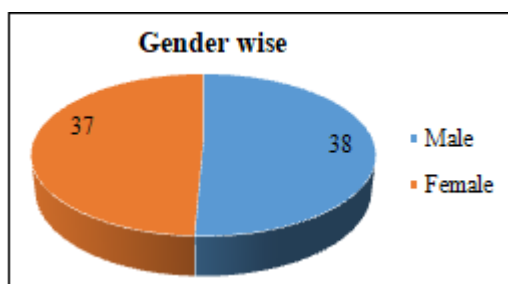
Shopping for the present study. The scales used in the questionnaire were largely built upon the scope and structure of previous studies. Constructs were measured based on five - point Likers scales ranging from strongly agree.

6. Analysis

1) Demographic profile

Male	38
Female	37
Total	75

(Survey Data)

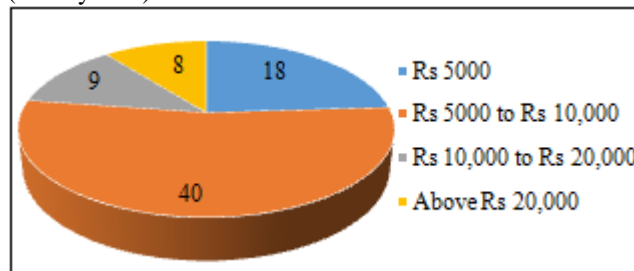


Inference - The data collected from 75 respondents belongs to master degree students. In this sample size male and female respondents are almost equal i.e. Male 38 and female 37.

2) Preference to purchase products value

Rs 5000	18
Rs 5000 to Rs 10, 000	40
Rs 10, 000 to Rs 20, 000	09
Above Rs 20, 000	08
Total	75

(Survey data)

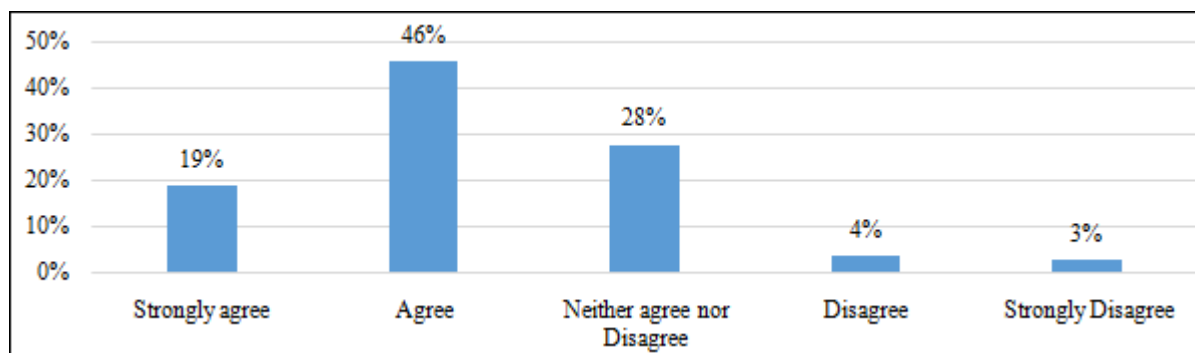


Inference - As per the above table and graph shows that 40% of respondents willing to buy products through online with the value with in Rs 10, 000. 18% respondents willing to buy products which have price less than Rs.5000, remaining 9% willing to buy products which have price between Rs 10, 000 and Rs 20, 000. Remaining 8% only ready buy products above the price Rs 20, 000.

3) If the value of the goods is higher there will be doubt about quality of goods

Strongly agree	19%
Agree	46%
Neither agree nor Disagree	28%
Disagree	4%
Strongly Disagree	3%

(Survey data)

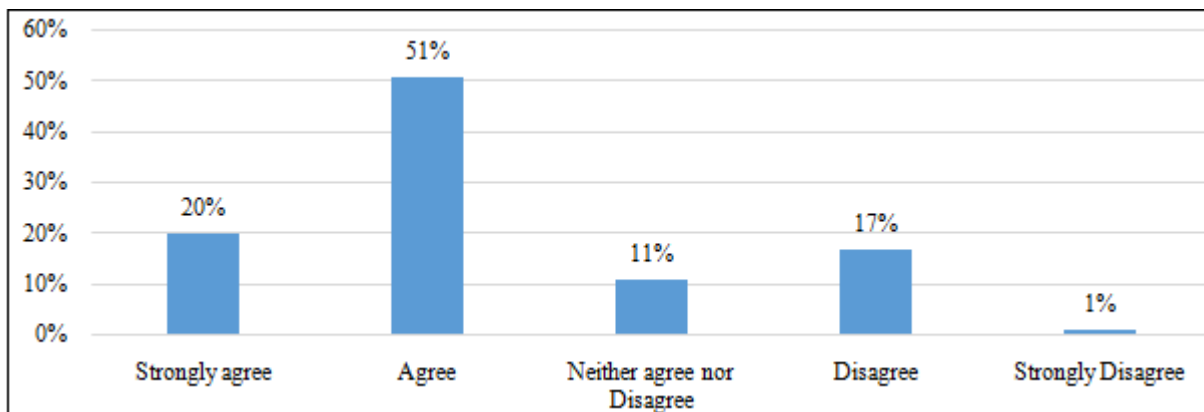


Inference - As the table depicts that more than 65 % respondents feels doubt about products quality if the price higher than Rs 20, 000. The 28% respondents not sure about this. But only 7 % not agreed that no doubt about product quality in online shopping.

4) Comparison of products is very difficult through online shopping

Strongly agree	20%
Agree	51%
Neither agree nor Disagree	11%
Disagree	17%
Strongly Disagree	1%

(Survey data)

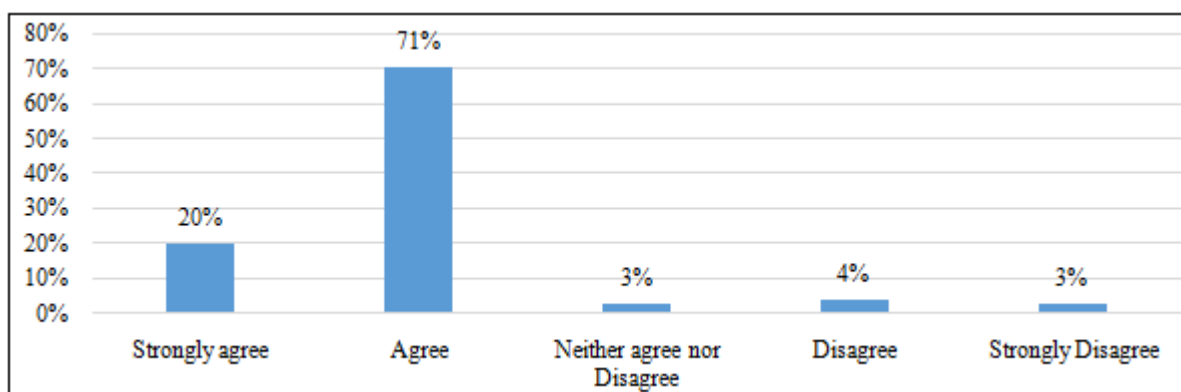


Inference - The graph shows that more than 71% respondents express that comparison is difficult without seeing without touch of products while buying. 11% not sure about this. Remaining 18% respondents not finding difficulty in comparison of products through online.

5) **Online shopping provoking the buyer to buy frequently by their offers**

Strongly agree	20%
Agree	71%
Neither agree nor Disagree	3%
Disagree	4%
Strongly Disagree	3%

(Survey data)

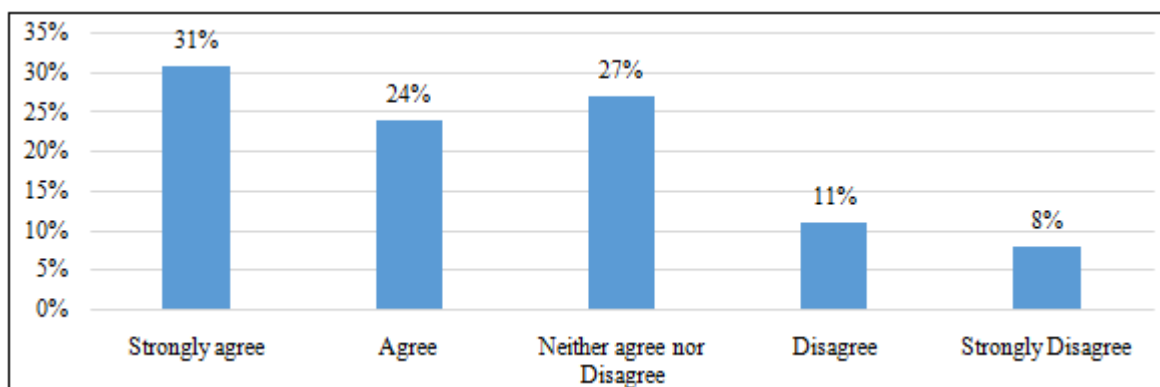


Inference - As per above graph shows that more than 91% respondents said that online marketing strategies provoking the customers to buy products. Only 3% not sure about this strategies. Remaining 7% respondents never feels provoking marketing strategies by online marketing.

6) **Online shopping is not acceptable one for the purchase of goods which have the value above Rs 20,000**

Strongly agree	31%
Agree	24%
Neither agree nor Disagree	27%
Disagree	11%
Strongly Disagree	8%

(Survey data)



Inference - the above graph depicts that more than 55% of customers feels that online shopping is not acceptable one to buy products which worth more than Rs 20, 000, about 27% respondents not sure about this. But 19% of the customers feels that there is no problem to buy products through online which having worth more than Rs 20, 000.

7. Findings

- 1) The consumers are very conscious about the price and quality of the product in online shopping. Customers prefer goods which have less than worth Rs, 10, 000. If the price of the product more than customers feels touch and see the product before they buy or book through online.
- 2) Customers feels that online marketing strategies provoking them to buy products by giving different offers like big millennium day, independence offer, new year offers.
- 3) More than 91% of respondents feels that online shopping is only to buy movie tickets, events booking and hotel and restaurant booking.

8. Conclusion

From the 1980s marketing activities changing predominantly and every day new concepts connectivity with the public. Internet is latest technology that brings the world market in the hands of every consumers through digital marketing. Social media and search engines creating new phenomena like virtual marketing. But Indian customers are very rational in buying decision because if the goods value higher then they must feel to touch and feel about product before they decide about whether to buy or not. But from 2006 the online shopping hobbies increased drastically in India and global competitors increasing distribution of goods as Indians preferred.

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