

A Study on Customer's Mindset towards Online Shopping: (With Special Reference to Bhopal City)

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Abstract- The Internet and mobile usage has increased largely over the last years in India. This causes the trends in online shopping also increasing tremendously. Many e-commerce companies nowadays are conducting analysis of customer's attitude towards online shopping using various survey techniques to find out the factors influencing the online behaviors. This study emphasis on the behaviors of customers of Bhopal city towards online shopping applications in the market. So, the main objective is to analyses customer's mindset towards online shopping. For this study an online survey is conducted through Google Form. This survey includes a list of well organized questionnaire and collects the responses through e-mail from 166 respondents of Bhopal City. From this study many interesting and useful information have been discovered which can obviously help to understand the customer's online shopping attitude and behavior so that e-commerce companies could make better strategies for increasing their online market specially in Bhopal City.

Keywords: Online Shopping, E-Commerce, E-Survey, Google Form.

I. INTRODUCTION

Online shopping simply is the procedure of purchasing goods and services from e-commerce Company or merchants over the Internet. Today, India is one of the fastest-growing e-commerce markets worldwide and may become second largest e-commerce market in the world in 2034[1]. The statistics mentioned in the India Brand Equity foundation Report 2017, clearly states that the mindset of the customers are usually positive towards online shopping. Customer's mindset towards online shopping indicates their psychological behaviors in terms of making purchases over the Internet [2]. Many case studies and surveys are conducting by the e-commerce companies to know the customer's behaviors about online shopping nowadays. This type of study helps to identify the customer's view about particular product or service also helps to know the customer's demand for buying particular product online. In this way this type of study definitely helps to understand the customer's mindset towards online shopping [3].

The complete study has divided following 10 sections. Section II describes the research questions designed for discovering the answer to fulfill the objectives of study. Author has read published research papers related to the study area and presented the summary as a review in

section III. Next section states about data collection method and Google form as a research instrument. Section V and VI contains the list of questionnaire following with the details of respondents. In next sections, the interpretation of analysis is presented and finally concludes the study with its limitations.

II. RESEARCH QUESTIONS

Even though online market is growing very fast in last years as number of internet users increased rapidly in India but still huge number of people facing some of challenges while using online shopping in rural areas. Lack of awareness, payment options, reliability, delivery delay and online frauds [4] are some of main challenges of online shopping in customer's mindset. So they believe that such type of challenges or problems could directly influence their mindset in adopting online shopping. Many customers believe that it is too complicated to implement online shopping. E-commerce Companies in India also doing many analyses to identify customer's behavior about online shopping using various digital survey which can helps them to know the factors that could influences customer's mindset about online shopping so that they can make better policy to increase online selling their products.

Thus, the research questions of this study are shown as follows:

- i. What are customer's attitude towards online buying/purchasing motives, manners, risks and frequency?
- ii. What are the factors that could influence customer's attitude to adopting online shopping in Bhopal?
- iii. What are most popular e-commerce sites frequently used and payment option for online shopping by the customer of Bhopal city?
- iv. What are challenging factors in online shopping and what types of products purchased online most frequently by the customers of Bhopal city?

III. RELATED LITERATURE

This section present the research works that already have been done on this topic or fields as review. In this review study, the methodology used by researcher, conclusions, scope for further research in this field have been included so available literature related to this topic have presented here in brief.

Guo Jun et al [5] finds that the marketing and reputation of e-commerce Company could impact on the customer's attitude towards online shopping. By identifying the customer's behaviors towards online shopping, e-commerce retailers would be able to execute their e-business policy efficiently. They used non-probability sampling technique for implementing the sampling process in their research study.

D. T. Venkatakrishnan [6] concludes by his research study that B2C online shopping is one of the most appealing, widely accepted, highly valuable business in present world. He added in his conclusion that educational qualification, occupation, monthly income have notable connection with customers mindset towards online shopping. He used chi-square test and correlation analysis test for his study to identify online shopping trends in Coimbatore district.

Prashant Singh [7] presents the statement about online shopping that In India the success of any e-commerce company is completely depend on its popularity, its branding image, its exclusive & customer's support policies, and of course its customer relations. For this study he used organized questionnaire and collect data by respondent of Lucknow city.

Ashish Bhatt [8] shows that mode of payment for an online purchasing is depended upon income of the customers. He also concludes from his review study that in India, trends towards online shopping for customers are still complex and uncomfortable. People believe that online shopping is risky so online fraud is one if main factor to influence the Indian mindset about online shopping.

Deepa Bakshi et al [9] indicates that Demographic factors such as marital status, age, family size, gender and income of customers influences the mindset or attitude of Indian customers towards online shopping. fir this study they used Qualitative and Quantitative research for Indian online market. The data for this study was collected though organized Questionnaires of 125 respondents from Bhopal city.

G.R.Shalini [10] concludes that Convenience and time efficiency are main factors influencing customers for online shopping. Even though there is risk or financial frauds in online shopping, the customers prefer to buy products online. In this way, the financial risk does not affect the mindset of customer towards online shopping. For this study authors both primary and secondary data collected from respondents of Chennai city through an organized questionnaire.

Ishan Arora et al [11] classify the opinions collected from customers and this review helps e-commerce retailers to understand the challenges and problems the customers are facing while in online shopping.

IV. DATA COLLECTION

Google Form is nowadays one of powerful, easy to use and free tool to collect data for any survey based study. Using Goggle Form we can easily create a questionnaire for the survey, and then invite our target population to respond via email. All responses are recorded automatically into a Google Form and then can easily analyze with group or individually. In this way Data for the study has collected from primary sources (Email). As the study is concerned primarily to user mindset, the study is mainly based on primary data. The primary data is collected from the opinions obtained from respondents with the help of the questionnaire.166 responses from the Bhopal city were recorded for this survey based study.

V. QUESTIONNAIRE DEVELOPMENT

Three parts of questionnaire for survey based study were designed. First part presents the Demographic Profile of

the Respondents like Name, Gender, Age and Occupation to know the target population. Second Part and Third part were designed to identify the respondent's mindset towards online shopping. These two Parts contains Multiple Choice Question, Checkboxes and Scale Measurement. A total of thirteen questions were asked for this study. Some of questionnaires are states here;

- i) How do you get to know about the products that you purchase online?
- ii) Is Online Shopping risky?
- iii) Do you read terms and conditions of online company before purchasing any product carefully?
- iv) Do you get cheated by online fraudsters (E-retailers) ever?
- v) Which factors do you think need to be improved for e-commerce websites?
- vi) What payment option do you prefer for online shopping?
- vii) What factors influences you to purchase goods/products online?
- viii) What is your favorite E-commerce website? Etc.

VI. DEMOGRAPHIC PROFILE OF THE RESPONDENTS.

The demographic profile of the respondents for the purpose of this survey based study is presented in Table-1. Out of 166 respondents 64.8% of the respondents are male and 35.2 % are females. Majority (69%) of respondents is college going students and is between 20-30 years old (53.5%).

Table-1: Demographic Profile of the Respondents

Attributes and Category	No. of Respondents =166	Percentage %
(1)Gender		
Male	107	64.8
Female	58	35.2
(2) Age		
Below 20	51	31
20-30	88	53.5
31-40	25	15.5
Above 40	0	0.0
(3)Occupation		
Self Employed	6	4.2
Employed	44	26.8
Student	114	69
Retired	0	0.0

VII. DATA ANALYSIS AND INTERPRETATION

Collected data were analyzed and conducted with the help of Google Forms (figure-1). Some of interesting finding about online shopping related to Bhopal are presented here;

Purchase Frequency: Among the entire respondents majority with 90.1% are purchasing products online today.

Customer: Male customers are using online purchasing more than female and most of them are students of age between 20 to 30 year old.

Online Buying Motives: Advertising on Social Media is one of the main motives for online purchasing.

Online Risk Factor: It is interesting and surprising fact that among the entire respondents approximately half of the respondents are going with agree and remaining half going with disagree for statement about risks while online shopping.

Online Purchasing Manner: More than 50% respondents read and follow the terms and conditions of online company before purchasing any product carefully.

Online Frauds: Majority of respondents (80.3 %) trust on some of popular e-retailer in terms of online frauds.

Payment Option: Most of respondents (63.4%) prefer "Cash on Delivery" payment option while some of them uses Net banking or Credit/Debit Cards for payment.

Most favorite E-commerce Company: Approximate half of the respondents show their trust on the Amazon India nowadays. Flip kart is the second most favorite site for online purchasing.

Influencing factor for online purchasing: Varieties of products, special discounts/offers and time saving are some of main factors that influences online purchasing most.

Challenging factors: Return/Exchange policy and security are most challenging factors for today's e-commerce companies.

Hot Selling Product: Clothes and Electronics goods are still best selling products in online market.

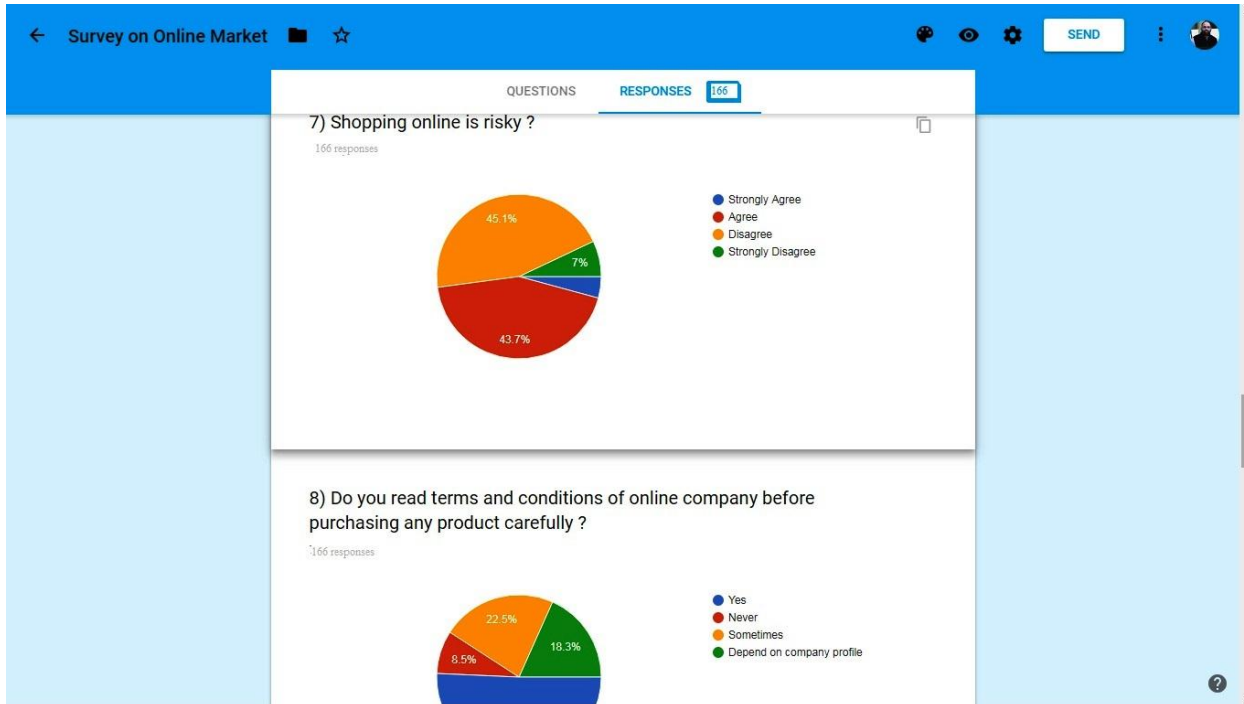


Figure-1: Screen Shot of Data Analysis using Pie-Chart in Google Form

VIII. CONCLUSION

This survey based study discovers many interesting facts about the mindset or attitude of customers of Bhopal city towards online shopping. The finding of this analysis study clearly confirmed that among the entire respondents approximately half of the respondents are going with agree and remaining half going with disagree for statement about risks and frauds while online shopping. Even though they believe in online risk or financial frauds in online shopping, Majority of respondents (80.3 %) trusts on some of popular e-retailer and prefer to buy products online. Male customers are using online purchasing more than female and most of them are students of age between 20 to 30 year old. Advertising on Social Media is one of the main motives for online purchasing. Approximate half of the respondents show their trust on the Amazon India nowadays. Flip kart is the second most favorite site for online purchasing. Other interesting and useful information

have been discovered from this study which can obviously influence customer's mindset about online market as well as help to e-commerce companies to understand the customer's online shopping attitude and behavior so that they could make better strategies for increasing their online market.

IX. LIMITATION OF STUDY

Although the presented study answered all the research questions designed in preliminary stage of research but still there are some limitations of the present study. Firstly, the sample size of data for study is limited to only 166 respondents of Bhopal city. Secondly, attributes for selected category (Table-1) are very less in numbers. Finally, the result is subject to general control of biasness of response.

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