

Online shopping behaviour of the consumers in Jorhat town of Assam

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■ **ABSTRACT** : Online shopping is purchasing items from internet retailers. Recently it has witnessed a tremendous growth resulting in greater use of this tool by the traders. Also the competition in e-commerce is intensified. Therefore, it becomes more important for online retailers to understand the online shopping behaviour of the consumers. Consumer behaviour has been always of great interest to marketers. The knowledge of consumer behaviour helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on. For the present research work 120 samples were selected randomly from four wards of municipality area of Jorhat Assam and a multistage stratified random sampling method was adopted in order to select representative sample. Findings revealed that majority of the consumers have average shopping behaviour. Age of the respondent is negatively correlated whereas education and income has strong positive correlation with online shopping behaviour.

■ **KEY WORDS**: Consumer, Consumer behaviour, Online shopping, Online shopping behaviour

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Online shopping is a boon in the marketing process. Online shopping or electronic shopping is a part of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet. The prospect of online marketing is increasing in India with the increasing internet literacy. Growing numbers of consumers shop online to purchase goods and services, gather product information or even browse for enjoyment. According to Sharma and Mittal (2009) India is showing marvelous growth in the E-commerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India. India's

e-commerce business has leaped by more than 80 per cent in 2013 and the drive is likely to go up in the coming years, with projections to reach \$50-70 billion by 2020 (Gyanendra, 2014).

Online shopping behavior refers to the process of purchasing products or services via the Internet. In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the Internet and search for need-related information. Jabong co-founder Praveen Sinha (2014) opined that "North East India is doing really well in terms of acceptance; market potential is also very

big. The taste for fashion is very refined and customers are trendy, experimental and are ready to try out fresh arrivals. While Myntra co-founder Ashutosh Lawania (2013) reported PTI in that youngsters today are extremely fashion conscious and tech savvy and online shopping gives them a platform to access the best brands at affordable prices with the convenience of shopping from anywhere. The report also revealed that Guwahati in Assam and Aizawl in Mizoram are the two key markets. Lawania added that there has been a steady increase in the number of online shoppers from Dibrugarh, Jorhat, Sibsagar and Tinsukia - all in Assam in the past few months. Keeping these points in view a research study is planned to study the online shopping behaviour of the consumers in Jorhat town of Assam with the following objectives:

- To study the demographic profile of the consumers
- To study the behaviour of consumer in online shopping
- To know the relation between age, education and income with online shopping behaviour

■ RESEARCH METHODS

Jorhat district was selected randomly for the study. A multistage stratified random sampling with proportionate allocation method was used to select the samples accordingly a total of 120 online consumers from four wards of municipality area were selected for the study. A structured schedule was prepared and interview method was applied to gather information. To determine the shopping behaviour in online situation descriptive rating scale was used to evaluate the behaviour in online shopping. For that purpose several statements were put into 3 point responses *i.e.*, always, sometimes, never. The statistical measures used in this study were frequency, percentage, mean and standard deviation.

For standard deviation the formula used was:

$$S.D. \pm = \sqrt{\frac{\sum (X_i - \bar{X})^2}{n}}$$

where, X_i = Raw score
 \bar{X} = Mean
 n = Total respondents

Mean ± Standard deviation:

Mean ± Standard deviation criterion was used on

the basis of their behavioural scores obtained from the interview schedule to classify the respondents according to their existing behaviour level in online shopping.

The behaviour scores were judged by the following procedures:

The scores less than Mean – SD = Low level

The scores between Mean – SD and Mean + SD = Medium level

The scores more than mean + SD = High level

Correlation co-efficient:

Correlation co-efficient was computed to find out the relationship between the variables.

$$r = \frac{\sum XY - \frac{\sum X \cdot \sum Y}{N}}{\left[\sum X^2 - \frac{(\sum X)^2}{N} \right] \left[\sum Y^2 - \frac{(\sum Y)^2}{N} \right]}$$

where, r = Correlation co-efficient

X = Dependent variable

$\sum XY$ = Summation of total product of X and Y

n = Total number of respondents

Fisher t- test:

Fisher t-test was computed to test the significance of correlation co-efficient.

The formula used for calculation of Fisher t-test is:

$$t = \frac{r}{\sqrt{1-r^2}} \sqrt{n-2}; (n-2) \text{ d.f.}$$

where, r = Correlation co-efficient

n = Number of observation

d.f. = Degree of freedom

■ RESEARCH FINDINGS AND DISCUSSION

The findings from the present study was presented and discussed in the following sub headings.

General information of the respondents:

It is clear from the Table 1 that 74.17 per cent of the respondents belonged to the age group of 21-30 years and 53.33 per cent of the respondents were female. In case of educational qualification 49.17 per cent and 44.16 per cent of the respondents were highly educated *i.e.* bachelors as well as masters and above, respectively. Most of the respondents (62.5%) were students. 46.67 per cent of the respondents belonged to families earning Rs. 50,001 and above.

Online shopping behaviour of respondents:

Consumer behaviour consists of the activities people are engaged in while selecting, purchasing, and using products so as to satisfy needs and desires. Such activities involve mental and emotional processes, in addition to physical actions. Consumer behaviour is all the psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume and tell others about the products or services.

On studying the shopping behaviour of the respondents it is interesting to note that only 21.67 per cent of the respondents always go for online shopping when need arises, while 63.33 per cent sometimes did online shopping when need arises. It has been observed that consumers do not buy products as per their need but they were attracted towards it due to the eye catching

advertisements and information displayed in the web pages. It is disappointing to know that only 16.67 per cent of the respondents always proceed for purchase after checking the offers and discounts. This may be due to the low level of knowledge regarding online shopping or due to their eagerness to purchase the displayed product as soon as they observe it in the screen of the electronic device. Most of the respondents (80%) have informed that they sometimes used to collect information from various sources before purchasing online while 15.83 per cent of the respondents were found to be responding always for collecting information from various sources before purchase. Unlike a study done by Bashir (2013) which stated that 62.99 per cent of the respondents are influenced by family and friends followed by 32.28 per cent respondents who saw an online advertisement in different websites and stores and are inclined to do online shopping.

In online shopping consumers collect information from friends and family members just to have an idea about the product. The result of the study revealed that only 28.33 per cent of the respondents always collect information from friends and family members while 65.83 per cent respondents sometimes collect information from friends and family members. This can be supported by the study of Foucault and Scheufele (2002) who viewed that online shopping is significantly influenced by reference groups, peers, family members and their recommendations. As we know with the advancement of technology, people now a day's feel more convenient in online shopping than earlier and they find it easy to use. It might be due to the fact that they already have an ample amount of information about the product so only sometimes they ask their friends and family members about the products to be purchased from online.

Online shopping is based on internet and the people who are good in internet surfing are mostly involved in online shopping. The findings of the study revealed that most of the respondents (73.33%) always collect information from internet for online shopping. Moreover it has been observed from the study that most of the respondents (83.33%) sometime go through the reviews of the customer for information collection. Online reviews can play significant role in finalizing buying decision of consumers. This can be supported by the study of Channel Advisor (2011), who stated that, among online shoppers, 90 per cent read the reviews before taking

Table 1: General information of the respondents			
Sr. No.	Personal information	Frequency number (n=120)	Percentage (%)
1.	Age		
	Below 20 years	9	7.5
	21-30 years	89	74.17
	31-40 years	17	14.16
	41-50 years	2	1.67
	51-60 years	2	1.67
	61 and above	1	0.83
2.	Gender		
	Male	56	46.67
	Female	64	53.33
3.	Education		
	Upto matriculation	2	1.67
	Intermediate	6	5
	Bachelors	59	49.17
	Masters and above	53	44.16
4.	Occupation		
	Student	75	62.5
	Service	8	6.67
	Business	13	10.83
	Professionals	20	16.67
	Housewife	4	3.33
5.	Monthly family income		
	Less than 10,000	5	4.17
	10,001-20,000	8	6.66
	20,001-30,000	6	5
	30,001-40,000	10	8.33
	40,001-50,000	35	29.17
	50,001 and above	56	46.67

decision to purchase online whereas 83 per cent informed that they were affected by these reviews. In another survey, according to e-marketer, 78 per cent of respondents revealed that they were influenced by reviews in the process of decision making (Zhang *et al.*, 2014). Majority of the respondents (59.17%) were found to be responding sometimes for selecting a product from a variety of brands. This finding can be supported by the study of Prasad and Aryasri (2009) who reported that when consumers want to buy product, they will look at the brand and the characteristics of product or service. Branded products provide confirmation to certain quality standards and the brand name itself says the quality of a product. Comparing products before purchasing is one of the important responsibilities of consumer. The findings of this study stated that a large number of the respondents (56.67%) sometimes compared the product description with different online stores and 55.83 per cent respondents were observed to be responding sometimes for comparing the delivery option with different online stores. Shipping in online shopping is also an important feature for the consumers and in this study 52.50 per cent of the respondents were found responding sometimes for comparing shipping charge and shipping option with different online stores. While shopping online consumers were also found to be concerned about speedy delivery of the products and the study revealed that 34.17 per cent of the respondents always use to select a product from a store where less time is taken for delivery. While exploring the final decision making process in online shopping it was observed that before selecting a product 37.50 per cent of the respondents always take advice from friends and family members and it was also found that 37.50 per cent of the respondents always select the product by comparing the product description. Price is also an important factor in online shopping and the findings of this study revealed that a large number of the respondents (56.67%) responded sometimes for selecting product by comparing the price. Because online buyers often get better deal, they can get the same product at a lower price when they buy from e-store (Rox, 2007). It is necessary to mention that consumers have queries also during online shopping and the findings also revealed that 32.50 per cent of the respondents always ask question to the seller through online for any kind of queries. Queries are the essential part of learning, when consumers have not enough idea about the product they

are planning to purchase online, they feel to ask the seller and that helps them to clear out their confusion. In online shopping consumers have a tendency to visit different online stores and in this study it was observed that 33.33 per cent of the respondents always visit different online stores before the actual purchase. This can be supported by the study of Bashir (2013), who estimated that 61 per cent of the respondents visit 1-3 online stores before actual purchase is made. The consumers of this area have also mentioned that if they find return policy then only they go for online shopping and it was observed that 35.83 per cent of the respondents always decide to buy online only when return policy is available.

It was found from the study that a more than half of the respondents (56.67%) sometimes go for those websites that provides safety and ease of navigation and placing order. The findings also revealed that 40.83 per cent of the respondents always like to shop online from a trustworthy websites. A study done by Cassell and Bickmore (2000) mentioned that online trust is at lower level than the face-to-face interactions in the physical store. So, trust should be taken as an important consideration in online shopping. Selection of website is also preferred in online shopping so as to purchase required products and a majority of the respondents (57.50%) responded sometimes for selecting a websites that provides necessary information. Payment in online shopping is also an important factor to be considered while purchasing products. The findings of the study revealed that 39.17 per cent of the respondents always check the payment option before purchasing online. Murdad and Salleh (2014) also found that Credit Card or Debit Card is the commonly used method of payment among the respondents and half of the respondents preferred to use cards. It is necessary to mention that 35 per cent of the respondents always check for cash on delivery option and they buy only when cash on delivery is available. Online shopping enables better product and price comparisons, as compared to traditional shopping (Alba *et al.*, 1997). Final purchase is mainly based on dimensions like how, price and product comparison services, transaction costs like delivery time, delivery costs, ease of placing orders, personal information security etc. (Alba *et al.*, 1997). Studies also reveal that gender, age, income level and educational qualification are significant factor that influence how one would use and adopt technology (Slyke *et al.*, 2005).

It was observed from Table 3 that majority of the respondents (65 %) had average level of shopping behaviour. A sizable percentage of respondents (26.67 %) had good level of shopping behaviour and 8.33 per cent were with 'poor' shopping behaviour. An analysis of the Table 3 proclaims that there is both positive and negative significant correlation between the respondent's shopping behaviour and all the selected variables. Age of the respondents was found to be highly significant

and negatively correlated with their online shopping behaviour. It indicates that as the age increases shopping behaviour becomes poor. Mostly the younger aged people are found to be engaged with online shopping as they are more interested and involved with the online activities. They might get more chance to gather information from different sources which might help them to score more. The young generation is generally more net oriented than the elderly people. It might be due to the changing lifestyle

Table 2 : Online shopping behaviour of consumer

Sr. No.	Statements	Always	Sometimes	Never
1.	Only when need arises I go for online shopping	21.67	63.33	15.00
2.	I check for the offers and discounts before purchase	16.67	77.50	5.83
3.	Before purchase I collect information from various sources	15.83	80.00	4.17
4.	I collect information from friends/ family members	28.33	65.83	5.84
5.	I collect information from internet	73.33	20.00	6.67
6.	I go through the reviews of the customer for information collection	10.00	83.33	6.67
7.	I compare the price with different online stores	23.33	70.00	6.67
8.	I select a product from a variety of brands	33.33	59.17	7.50
9.	I compare the product description with different online stores	35.00	56.67	8.33
10.	I compare the delivery option with different online stores	36.67	55.83	7.50
11.	I compare the shipping charge/ shipping option with different online stores	40.00	52.50	7.50
12.	I select a product from a store where less time is taken for delivery	34.17	59.17	6.66
13.	Before selecting a product I take advice from friends and family members	37.50	55.00	7.50
14.	I select the product by comparing the product description	37.50	55.00	7.50
15.	I select the product by comparing the price	33.33	56.67	10.00
16.	For any kind of queries I ask question to the seller through online	32.50	58.33	9.17
17.	Before the actual purchase I visit different online stores	33.33	58.33	8.34
18.	I decide to buy only when return policy is available	35.83	55.00	9.17
19.	I go for those websites that provides safety and ease of navigation and placing order	35.00	56.67	8.33
20.	I like to shop online from a trustworthy websites	40.83	52.50	6.67
21.	I select a websites that provides necessary information	34.17	57.50	8.33
22.	I check the payment option before purchasing online	39.17	54.17	6.66
23.	I buy only when cash on delivery is available	35.00	57.50	7.50

Table 3 : Online shopping behaviour of respondents

(n = 120)

Online shopping behaviour	Frequency	Percentage
Good behaviour (More than 62.04)	32	26.67
Average behaviour (41.66-62.04)	78	65.00
Poor behaviour (Less than 41.66)	10	8.33

Table 4 : Positive significant relation of shopping behaviour of respondents

Variables	Correlation co-efficient 'r'
Age	-0.49**
Education	0.21*
Income	0.24**

** indicates significance of value at P= 0.01 level

and availability of technology. This is supported by the study of Agarwal (2013) who viewed that there is a quite strong correlation between age and attitude towards online shopping, *i.e.* elderly people are not so keen to shop online. This will help online retailers to make strategies according to different age brackets.

It is apparent from the Table 4 that there is positive significant relation of shopping behaviour of respondents with the respondents' education. It means that higher the education better will be the online shopping behaviour, *i.e.* people who are educated show good behaviour while shopping online. Educated people are familiar with the internet as it requires some activities including some sequence of actions. Education helps a person to use internet effectively. This can be supported by the study of Teo (2001); Zhao and Gutierrez (2002) and Dillon and Reif (2004) that educated people make good innovators and early adopters of new technology. Less educated people tend to exhibit a higher degree of computer anxiety towards computer technology (Parasuraman and Igbaria, 1990). This makes clear about the fact that education helps in taking risk towards an innovative adoption and thus they show better behaviour than the less educated people.

It is revealed from Table 4 that income of the respondent had highly significant and positive correlation with consumer shopping behaviour. It indicates that online shopping behavior improves with the increase in their income. This finding of the study is in conformity with Kanchan *et al.* (2015) who found that people having higher income are more engaged in purchasing goods over internet.

Conclusion :

From the above discussion it was found that the status in terms of shopping behaviour of online consumer was average. Youngsters were mostly involved in online shopping due to ease in surfing internet and they are familiar and have necessary knowledge regarding internet activities. Moreover, they find internet surfing interesting. Age was found to be negatively correlated with online shopping behaviour. Education and income of the respondent has shown significant relationship with online shopping behaviour. The findings of this study have revealed a higher number of female internet shoppers than males. Age has also been found to have an influence on internet retailing adoption. Internet usage has not

diffused uniformly amongst all age groups, hence the difference in behaviour towards online purchase. The e-stores are frequently visited by the shoppers. The ease and convenience provided by these stores for 24x7 has made very easy shopping for consumers worldwide. Again, family, friends and reference groups do play a major role in affecting the purchase decision-making of consumers. Influencing consumer behaviour is in fact about targeting the right people with the right message. Changing consumer behaviour is an obstacle in the growth of business because it leads to heavy losses due to obsolete stock of the organization. Taste, behavior and preference of consumers cannot be ignored because consumers are the "Kings" of market. Consumer behavior is a complex, dynamic, multidimensional process, and all marketing decisions are based on assumptions about consumer behaviour. Therefore, marketing strategies related to consumer behaviour are made to beat cut throat competition in global context.

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