



YOUTH BEHAVIOUR TOWARDS ONLINE SHOPPING: A STUDY WITH REFERENCE TO UDUPI CITY

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ABSTRACT

Internet is changing the consumers' way of buying goods and services and has rapidly evolved into a global phenomenon. Without doubt the internet has influenced our lives deeply in which it plays an irreplaceable role. By observing this point many companies are concentrating on carrying business operations through internet to cut off the marketing cost, thereby reducing the price of products and services in order to stay ahead in highly competitive market field. So, E-commerce has come into existence for the benefit of both the consumers and the traders. Online shopping is significant part of E-commerce. Online shopping has become the fastest-growing industries and internet has reported that online shopping is one of their primary uses of internet. In this research paper, researchers made an attempt to analyze the perception of youths towards online shopping in Udupi City with the sample size of 100. For the analysis of data statistical tools have been used. Majority of the respondents assumes that product prices, convenience, accessibility, delivery time, quality comparison, method of payment, satisfaction level of the consumer are the important variables in online shopping. Along with the youth perception researchers highlighted the issues and challenges of the E-commerce or online business.

Keywords: *Internet, E-commerce, Online shopping, Consumer Behavior, Young Consumers.*

INTRODUCTION

Online shopping is a process whereby consumer directly buys goods or services etc. from a sell in real time without intermediary services over the internet. Now a day's most of the people think about convenience and comforts in shopping rather than how much money they have spent. This is the main reason for the development of online shopping websites such as Amazon, Flip kart, e-Bay etc.

In 1990, Tim Berners Lee created the first World Wide Web server and browser in UK. It was opened for commercial use in 1991. In 1994, other advances took place such as online banking and online shopping. The first online shopping system was introduced in 1994 by the German Company Intershop. Though, surprising Pizza hut was the first online retailer during 1994 test phase in Santa Cruz, California. 'All locations' option was put in 2007. In 1994, Amazon also launched its online shopping site in Washington by Jeff Bezos.

The Annual India Online 2011 Report which puts the number of Indian internet users at 65 million has compared to 51 million last year. Indian customers are increasingly getting comfortable with online shopping and there is a higher acceptability for the concept. According to the report, India has 25 Million internet users and more is now turning to online shopping. The revenues from online shopping expected to increase tremendously. In India, more than 50% of the population belongs to young generation. The changes in young consumers' behavior towards online shopping may affect the online business significantly. That's why, researchers choose young people for their study.

OBJECTIVES

- To study the Youth behavior towards online shopping.
- To understand the issues and challenges of online shopping.
- To examine the satisfaction level of online purchases of young consumers.
- To identify the factors which determine online shopping.
- To project the future growth of online shopping in India.

RESEARCH METHODOLOGY

Our study is based on primary data and secondary data. In present study, researchers have collected primary data by structured questionnaire with sample size of 100 covering the area of Udupi city. Secondary data have been collected by referring journals, books, internet sources, etc. For distributing the questionnaire, researchers used random sampling. And for analysis and interpretation, researchers used simple statistical tools and chi-square test. For presenting the data, pie chart, bar diagram have been used.

HYPOTHESIS

- H₁: Gender and Buying Behavior** are independent
H₀: Gender and Buying Behavior are not independent.

NEED FOR THE STUDY

No doubt that online shopping plays a vital role in the development of Indian economy. The study will have significant contribution to the society by way of helping E-commerce industries while implementing marketing strategies and development programs in their operations in Udupi. It also helps the academicians while understanding market structure in online shopping and young consumer behavior towards online shopping.

LITERATURE REVIEW

According to **Philip Kotler (1997); Solomon (1985)**, "Assurance is important to capture confidentiality, shopping security, complaint resolution, problem solving and warranties".

Michael (1998), "The consumers' attitude towards online shopping is known as one of the main factors that affects E-shopping potential."

Lindstrom (2001), "With the inability of consumers to feel and touch the product in an online context, because online retailing lacks the tangible features, it makes it difficult to market those products on the internet."

According to **Lindstrom (2001)** which was cited by **Rajamma, Parwan and Ganesh (2007)**, "it is easier to market the product on traditional stores than the internet because consumers can feel and touch the product and they can even wear it on the spot."

FINDINGS OF THE STUDY

Table 1: Personal profile of the Respondents

Gender	Frequency
Male	50
Female	50
Age	
15-19	76
20-24	20
25-29	4
Occupation	
Self Employed	4
Professional	1
Student	87
Salaried Employee	8

Source: Primary Data

In present study 100 respondents were surveyed. Out of 100 respondents, 50 were males and 50 were females. As far as age group is considered, 20-24 age respondents were 20 in number. And majority of respondents were of 15-19 age group. In the present study, there were 87 students, 4 self-employed, 1 professional and 8 salaried employee.

Table 2: Internet users as per the Gender basis

Gender/ users of internet	Yes	No	Total
Male	49	1	50
Female	46	4	50
Total	95	5	100

Source: Primary Data

In table2, it is very clear that out of 50 male respondents, only one respondent is not using internet. But in case of females, out of 50, 4 respondents are not using internet. By this, we can say that 2% of males in Udupi are not using internet and 8% of females in Udupi comes under non users of internet. Majority of males and females (95%) are using internet.

Table 3: Online shopping Habits

	Male	Female	Total frequency	Percentage
Yes	48	29	77	77%
No	2	21	23	23%

Source: Primary Data

From the above **Table 3**, it is clear that out of 100 respondents, 77% of respondents have purchased from online. Only 23% have not yet purchased anything on shopping websites. By observing above data we can say that most of the people are very interested in online shopping rather than traditional shopping in Udupi.

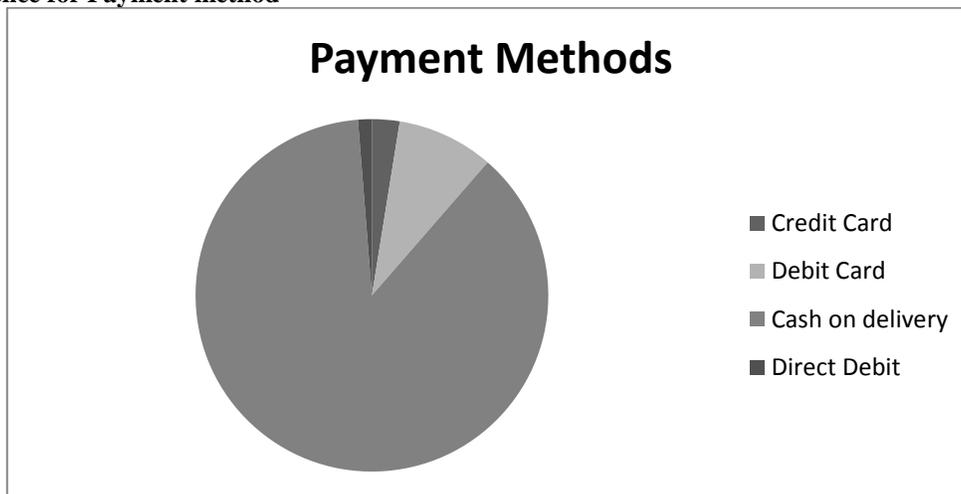
Table 4: Factors influencing online shopping

Factors	Male	Female	Total frequency	Percentage
Convenience	15	9	24	21%
Price	22	8	30	27%
Saves time	10	9	19	17%
Availability	9	15	24	21%
Product comparison	6	9	15	14%

Source: Primary Data

The **Table 4** indicates that 27% of respondents have been motivated to purchase goods and services through online only for the cheaper price prescribed on shopping websites. The other motivations for online shopping are convenience and availability. People of Udupi; prefer to fulfill their needs and requirements with convenience and wide choice.

Figure 1: Preference for Payment method



In **Figure 1**, Researchers find that majority of respondents say, 87% prefers for cash on delivery payment method in online shopping rather than other methods. Because cash on delivery is a method which provides secured payment on deliver of products and rendering of services. People in Udupi thought that Cash on delivery is a best method for online shopping due to its convenience.

Table 5: Maximum amount spent by Respondents per year over online shopping

Amount Spent per Annum (Rs.)	Male	Female
<1000	8	16
1000-5000	29	5
5000-10000	6	5
10000-20000	3	0
>20000	2	1

Source: Primary data

In **Figure 5**, the majority of respondents have spent maximum amount in the range of Rs.1000-Rs.5000 through online shopping in Udupi and majority of respondents are males. We can say that above 45% of online consumers are spending around Rs.1000 to Rs.5000 per annum.

Table 6: Perception towards problem arising in online shopping

	Male	Female	Total frequency	Percentage
Yes	23	7	30	40%
No	25	20	45	60%

Source: Primary Data

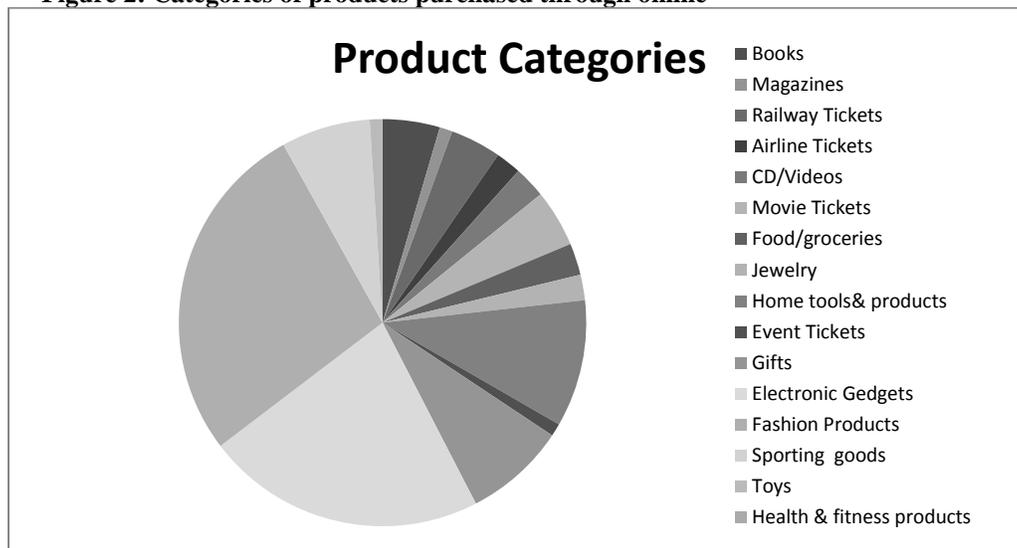
Table 7: Perception towards Types of problem arising in online shopping

	Male	Female	Total frequency	Percentage
Delay in Delivery	7	1	8	27%
Cheap Quality Product	10	2	12	40%
Product Damage	5	4	9	30%
Non Delivery	0	0	0	0%
Security Issues	1	0	1	3%

Source: Primary Data

Table 6 indicates that 40% of respondents have faced problems while conducting online purchasing. Table 7 reveals that majority of respondents (40%) faced problems relating to quality of the products. Other problems faced by respondents are product damage and delay in delivery. In most of the purchase returns happened on bad product quality and defects. But we have to consider another part is that 60% of the respondents have not faced any problem while conducting online shopping. Through this we can say that our online shopping services are good in their field.

Figure 2: Categories of products purchased through online



In Figure 2, it clearly appears that majority of respondents have purchased Fashion Products, Electronic gadgets and home tools & products proportions being 25%, 21% and 9% respectively. Because of special offers, discounts and wide availability of alternatives on these products people in Udupi purchase them through online only.

Table 8: Perception towards risk level in online shopping

	Male	Female	Total frequency	Percentage
Agree	22	15	37	49%
Disagree	18	11	29	39%
Indifference	8	1	9	12%

Source: Primary Data

From Table 8, it is examined that 49% of people agreed that online shopping is risky, 39% of people disagreed regarding that online shopping is risky. Remaining 12% of young people felt that the risk involved in online shopping and traditional shopping is indifferent.

Table 9: Perception towards preference of traditional shopping to online shopping

	Male	Female	Total frequency	Percentage
Agree	15	10	25	33%
Disagree	29	9	38	51%
Indifference	4	8	12	16%

Source: Primary Data

Table 9 interprets that only 33% of people preferred traditional shopping to online shopping. But majority, 51% of people prefer online shopping because of its convenience, quality services, product availability etc. This shows online shopping has future in India with ability to compete with traditional shopping.

Table 10: Perception towards accuracy of product descriptions given in shopping websites

	Male	Female	Total frequency	percentage
Agree	16	16	32	43%
Disagree	29	11	40	53%
Indifferent	3	0	3	4%

Source: Primary Data

From the Table 10, it is clear that 53% of respondents felt that product descriptions given in the shopping website are not very accurate.

Table 11: Reasons for not going for online shopping

Sl. No	Reasons
1	Don't know about online shopping
2	Risk of identity theft
3	Internet literacy
4	Risk in giving credit card number
5	Not being able to touch products
6	Difficulty in returning products

Source: Primary Data

Table 12: Perception towards satisfaction level in online shopping

	Male	Female	Total frequency	Percentage
Satisfied	35	18	53	71%
Dissatisfied	3	0	3	4%
Indifferent	10	9	19	25%

Source: Primary Data

As majority of respondents prefer online shopping to traditional shopping, the satisfaction level is also high with 71% of respondents. Only 4% of youths felt dissatisfied regarding online shopping. (Table 12)

Table 13: Perception towards future of E-commerce in India

	Male	Female	Total frequency	Percentage
Very good	27	24	51	51%
Good	21	21	42	42%
Not so good	1	1	2	2%
Do not have a future in India	0	0	0	0%
Cannot say	1	4	5	5%

Source: Primary Data

From Table 13, we can say that online shopping has a very good future in India because most of the respondents felt that E-commerce has a good future in our country. Majority 51% of respondents choose the option of 'very good'. No one felt that E-commerce do not have a future in India.

TESTING OF HYPOTHESES

In order to test whether attributes 'Gender' and 'Buying behavior' is independent; a survey of 50 males and 50 females was conducted.

H₁: 'Gender' and 'Buying behavior' are independent

H₀: 'Gender' and 'Buying behavior' are not independent.

The degree of freedom is 1.

The level of significance α is 1%.

The critical value $k = 6.63$

Calculated Value	Critical Value
18.29	6.63

Since **Chi-square**= 18.29 is more than 6.63, **H₀** is rejected.

Interpretation: 'Gender' and 'Buying behavior' are not independent. They are dependent. In this study males are more passionate about online shopping rather than females.

CONCLUSION

The research shows that online shopping is having very bright future in India. Researchers have got positive responses from majority of the respondents. With the use of internet consumers can shop anywhere, anything and at any time with ease and safe payment options. Consumers are able to compare between products as well as online stores. In this study, most of the respondents reported high satisfaction level in online shopping. Almost all respondents preferred cash on delivery while performing online shopping. According to perception of majority respondents, convenience and cheap price are the main two factors that motivate them to purchase through online. Essentially, the idea of online shopping helps the consumers to find convenient way of shopping. Consumers will be able to save their time and money with required product information with just few clicks in few minutes. Because of home delivery and online purchase, it enables the people to buy the products without going out of their home. Thus, online shopping indirectly contributes to the environment significantly by reducing traffic, air pollution, and sound pollution which is caused by vehicles.

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Web Resources

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Studies on factors determining consumer attitude and behavior towards Internet shopping: Most of the studies conducted in the recent years i...Â Most of the studies conducted in the recent years in field of online shopping behavior and attitude have been focusing on the factors influencing the online shopping attitudes and behavior.Â , whereas there has been another segment who have derived relationships between various factors and customer satisfaction with reference to the Internet shopping experience in the form of dependent and independent variables.Â Their study also shows that these two shopping orientations are not mutually exclusive and interactive web features may draw shoppers with convenience orientation into unregulated buying. Online shopping has become a new trend of shopping nowadays and is quickly becoming an important part of lifestyle. Due to wide spread internet access by people and e-commerce usage by traders, online shopping has seen a massive growth in recent years. Young people have been the majority shoppers online and thus this study finds out the attitude of youth towards online shopping. This particular paper attempted to find out whether there is any impact of five factors like internet literacy, gender, educational qualification, website usability and online product price on online shopping. The stud...