

A COMPARATIVE STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS ONLINE SHOPPING AND OFFLINE SHOPPING

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ABSTRACT

The internet is being developed rapidly since last two decades, and with relevant digital economy that is driven by information technology also being developed worldwide. After a long-term development of internet, which rapidly increased web users and highly speed internet connection, and some new technologies also have been developed and used for web developing, those lead to firms can promote and enhance images of product and services through web site. Companies have realized that the consumer behaviour transformation is unavoidable trend, and thus change their marketing strategy. In the past decade, the way people shop has dramatically changed. Besides shopping at physical stores. This new type of shopping mode is anticipated to greatly change people's everyday lives. Hence the objectives of the study are to determine the psychographic profile of consumers and factors which influence buying behaviour of consumers towards Offline & Online shopping. The factors studied are Convenience, Better Prices, Variety, Fewer Expenses, Comparison of Prices, Buying Old or Unused Stuff at low prices, Discreet Purchases. Primary data collected through a survey and collected answers from 200 respondents. The factors convenience, variety, Fewer expenses, Comparison-of-prices, buying of old/unused stuff at low-prices influence more in online-shopping than offline-shopping. And better-prices influence more in offline shopping, i.e. customers are getting better prices in offline shopping.

Keywords: online-shopping, offline-shopping, consumer-behaviour, old-products-lower-rates

Introduction

The internet is being developed rapidly since last two decades, and with relevant digital economy that is driven by information technology also being developed worldwide. After a drawn out improvement of internet, which quickly expanded web clients and exceptionally speed internet association, and some new advances likewise have been created and utilized for web creating, those lead to firms can advance and upgrade pictures of product and administrations through site. In this way, point by point product data and further developed assistance draws in an ever increasing number of individuals changed their purchaser conduct from the conventional mode to more depend on the internet shopping. Then again, more organizations have understood that the buyer conduct change is unavoidable pattern, and accordingly change their marketing technique. In the previous decade, the manner in which individuals shop has significantly changed. Other than shopping at actual stores, with the guide of data and correspondence advancements (ICT), purchasers can shop through the Internet. This new sort of shopping mode, coming in various names like e-shopping, online shopping, network shopping, Internet shopping, or Web-

based shopping, highlighting in liberating buyers from having to actually visit actual stores, is expected to enormously change individuals' regular day to day existences. During most recent one year individuals are encountering pandemic circumstance and are more inclined to online shopping.

As the new explores have demonstrated that, the internet shopping especially in business to purchaser (B2C) has risen and online shopping become more mainstream an excessive number of individuals. There are many explanations behind a particularly quick creating of internet shopping, which principally because of the advantages that internet gives. Above all else, the internet offers diverse sort of comfort to customers. Clearly, buyers don't require go out searching for product data as the internet can assist them with looking from online locales, and it additionally assesses between each webpage to get the least expensive cost for procurement. Besides, the internet can upgrade customer use product more proficiently and viably than different channels to fulfill their necessities. Through the distinctive web indexes, shoppers save time to admittance to the utilization related data, and which data with combination of pictures, sound, and exceptionally itemized text portrayal to help

buyer learning and picking the most appropriate product.

Be that as it may, internet shopping has expected dangers for the customers, like installment wellbeing, and after deals administration. Because of the internet technology created, internet installment as of late becomes predominant way for buying products from the internet. Internet installment increment destructive productivity, simultaneously, as its virtual property diminished internet security.

As per Salomon and Koppelman (1988), a portion of the qualities might serve financial capacity, and some mental capacity. Mental capacity is for the most part satisfied with shopper's impression of and inclinations toward shopping modes. For example, purchaser's inclinations toward movement disutility, shopping climate, and exchange security, as referenced already, are on the whole under the mental capacity. To catch these impacts, the estimation of buyer's inspiration, disposition, fulfillment, and goal becomes vital.

The effects on shopper conduct are regularly made among outside and inside factors. Outside factors are come from the natural conditions, and inner components are normally from the purchaser's brain. There are many components could impact buyer's practices. As per Warner, the outside impacts could partition into five areas: Demographics, socio-financial matters, technology and public arrangement; culture; sub-culture; reference gatherings; and marketing. The inner impacts are assortment of mental cycles, which incorporate perspectives, learning, insight, inspiration, mental self portrait, and semiotics. Likewise, Sheth (1983) additionally proposed that the purchasers have two sorts of thought processes while shopping, which are practical and non-useful. The utilitarian thought processes are generally about the time, shopping spot and customer's requirements, which could resemble one-quit shopping to save time, the natural of shopping spot, for example, free stopping place, lower cost of products and accessible to browse broadly scope of products. The non-useful thought processes are more related with culture or social qualities, for example, the brand

name of the store. The conventional shopping is just about the client to buy their necessities. This conduct will be impacted by the vender's publicizing and advancement which draws in customers goes there and buy merchandise, thereafter a piece of new products will be brought home and be utilized.

In the present globalized economy E-business and internet have changed the manner in which we look for labor and products online. Apparently, online shopping has filled in India over the most recent couple of years, yet is still at its incipient stage. Internet entrance massively affects the development rate. Numerous customers actually prefer to shop in stores to get the vibe of the product, however the comfort of shopping online can't be overlooked. Perhaps the best advantage of online shopping is that it assists customers with investigating the products from various makers and read others surveys, be they specialists or individual customers to settle on a more educated choice. All things considered, purchasing online assists shoppers with limiting waste in the retail eco framework as sentiments are most significant with regards to buying. Online shopping in India is likewise demonstrating to an aid for some little and medium undertakings, which are holding hands with significant Indian online gateways to show their products and publicize their administrations. With India turning net clever, online shopping has become the most recent prevailing fashion in India with the vast majority of the net surfers suggesting internet shopping.

Online e-commerce websites / companies

According to Google India, there were 35 million online shoppers in India in 2014 Q1 and was expected to cross 100 million marks. With convenient order & delivery, secure exchange, refund policy, and multiple payment options, online portals are performing exceptionally well. So well, that the market share of online websites was expected to go up to 50 billion by the end of 2018.

Online shopping is growing so fast that the global online shopping market size nearly hit 4 trillion in 2020. (<https://optinmonster.com/online-shopping-statistics/> accessed date 31-March-2021).

As such, significant players are setting up their stores online to offer more options to their customers. There are hundreds of benefits they include choosing between various methods of payment, cash-on-delivery on expensive products, EMIs, and 30-day exchange offers. Customers have all the reasons to purchase

from stores online instead of shopping offline. Consequently, an increasing number of websites are establishing themselves to offer more options to their customers.

The list of top online shopping sites in India across different categories.

Table No.1: Top Online Shopping Web- Sites

| Companies/ Websites | Category | Online Monthly Visitors | Alexa Ranking | App Downloads |
|---------------------|--|-------------------------|---------------|---------------|
| Amazon | Online Marketplace (Electronics, Fashion, Accessories etc.) | 53.9M | 5 | 100,000,000+ |
| Flipkart | Online Marketplace (Electronics, Fashion, Accessories etc.) | 34.3M | 10 | 100,000,000+ |
| BookMyShow | Online Tickets (Movies, Shows and Entertainment) | 24M | 77 | 10,000,000+ |
| Myntra | Fashion | 8.5M | 85 | 50,000,000+ |
| Snapdeal | Online Marketplace (Electronics, Fashion, Accessories etc.) | 7.3M | 84 | 50,000,000+ |
| BigBasket | Online Grocery | 1.2M | 419 | 10,000,000+ |
| Nykaa | Fashion | 1.2M | 673 | 10,000,000+ |
| Paytm Mall | Online Marketplace (Electronics, Fashion, Accessories.Recharge etc | 2.3M | 227 | 10,000,000+ |
| TATA CLiQ | Online Marketplace (Electronics, Fashion, Accessories etc.) | 964K | 674 | 10,000,000+ |

(Source - [www.https://blog.grabon.in/best-online-shopping-sites/](https://blog.grabon.in/best-online-shopping-sites/) accessed date 21-Mar-2021)

The other websites are MakeMyTrip, The Souled Store, Pepperfry, Decathlon, Redbus, Medlife, Firstcry, Gud, UrbanClap, Nature's Basket, Yepme, Grofers, FabIndia, Dineout, Mera, Funcart, Shopclues, Indiamart, Lifestyle, Just Herbs, Happily Unmarried, Cleartrip, Flavors Of My City, Purple, Koovs, Romwe, Forever, Ferns & Petals, Bewakoof, Chumbak, Electronics Bazaar, Croma, NNNOW, Healthkart, Clovia, Zivame, Pretty Secrets, Urban Ladder, Licious, LimeRoad.

After literature review following factors have been identified for the study by the researcher:

1. Convenience: Customer do not have to wait in a line or wait till the shop assistant is ready to help him with his/her purchases. Customer can do his/her shopping in minutes even if he/she is busy apart from saving time and avoiding crowds. Online shops give the opportunity to shop 24 x 7 and also reward him/her with a no pollution shopping.

2. Better Prices: Another thing which fascinates customer is the cheap deals and better prices one gets from online stores because products come to him/her direct from

the manufacturer or seller without middlemen involved. Many online shops offer discount coupons and rebates.

3. Variety: One can get several brands and products from different sellers at one place. One can get in on the latest international trends, without being limited by geographic area.

4. Fewer Expenses: Many a times when he/she opts for conventional shopping, and tend to spend a lot more than the required shopping expenses in terms of time, money, efforts.

5. Comparison of Prices: Online stores also give the ability to share information and reviews with other brands/products, to the ones who have firsthand experience with a product or retailer.

6. Buying Old or Unused Stuff at low prices: Online Shops make it possible for customer to buy old or unused stuff at rock bottom prices. If he/she wants to buy antiques there is no better options than online stores.

7. Discreet Purchases: few things are better done in privacy. Online shops are also best for

discreet purchases for adults. Online Shops enable consumer to purchase under garments and lingerie without the embarrassment that there are several people watching him/her and his/her choices.

A shopper today has vastly different expectations of product, service, value and environment. In India, day by day numbers of shopping malls are increasing but we can't ignore the fact India has the world's 4th largest user base, which crossed the 100 million mark recently. Better connectivity, booming economy and higher spending power helped the Indian e-commerce market revenues to touch the skies. Recently, Indian e-commerce giant Flipkart got funding. On next day Amazon declared funds for Indian business expansions but Indian market also seen closing of many malls like Reliance fresh, Big Bazar etc.

With above background, the study is focused on finding out the customer buying behaviour towards offline / online shopping of customer.

Objectives

- To determine the psychographic profile of consumers towards Offline & Online shopping
- To determine the factors which influence buying behaviour of consumers above the of **18 years** towards Offline & Online shopping

Research Methodology

Through collecting secondary data and analyzing it, researcher found the factors Convenience, Better-Prices, Variety, Fewer-Expenses, Comparison-of-Prices, Discreet-Purchases, Unused-Stuff-Low-Price. Researcher then collected primary data through a survey. The main purpose of the survey was to collect data about Online Consumer Behaviour and the significance of the above established factors. In order to be able to find and establish Online Consumer Segments, *Consumer Traits* and *Online Behaviour* had to be identified. The segments were used in order to further identify what impact these factors have on Online Consumer Segments.

Sample

The factors that researcher intended to examine

can be applied to and investigated at any population that uses the Internet and buys online. Since there are time and resource limitations, a specific population had to be identified in order to generalise and create relevant segments. Researcher decided the sample size of 200 respondents and collected answers from 200 respondents. The variables investigated through this study are Demographics, Webographics, Convenience, Better Prices, Variety, Fewer Expenses, Comparison of Prices, Buying Old or Unused Stuff at low prices, Discreet Purchases

Data Analysis and Findings

The questionnaire was designed to collect primary data in order to find firsthand information on how the respondents value the importance of price, trust, and convenience when making purchases over the Internet and offline. The questionnaire was designed to, first, collect data that would be used to find segments among the respondents, and second, to collect data about various factors.

Demographics

Table No.2. Demographic Characteristics of the respondents

| | | | |
|-----------------------|---------------------------------|-----|--------|
| Gender | Male | 123 | 61.5 % |
| | Female | 77 | 38.5 % |
| Age | Upto 30 yrs | 85 | 42.5 % |
| | Between 30 and 45 yrs | 58 | 29.0 % |
| | Between 45 and 60 yrs | 35 | 17.5 % |
| | More than 60 yrs | 22 | 11.0 % |
| Profession | Housewife | 10 | 5.0 % |
| | Service | 98 | 49.0 % |
| | Business | 23 | 11.5 % |
| | Student | 62 | 31.0 % |
| | Self-Employed | 7 | 3.5 % |
| Monthly Family Income | Upto Rs. 10000 | 92 | 46.0 % |
| | Between Rs.10000 and Rs. 30000 | 35 | 17.5 % |
| | Between Rs. 30000 and Rs. 50000 | 27 | 13.5 % |
| | More than Rs. 50000 | 46 | 23.0 % |

Out of the 200 respondents 61.5% are male and 38.5% are female, 42.5% are below the age of 30, 29% are between 30 to 40, 17.5% are between 45 to 60 and 11% are above the age of 60. Profession wise breakup of the respondents is – 5% are housewives, 49% in

service, 11.5% are in business, 31% are students and 3.5% are self-employed. There is a proper mix of all categories in the sample.

Internet Usage

Table No.3. Internet usage

| | Yes | % | No | % |
|---------------------------------|-----|------|----|------|
| Regular internet user | 153 | 76.5 | 47 | 23.5 |
| Regular online Banking user/UPI | 115 | 57.5 | 85 | 42.5 |

There are 76.5% respondents who are regular users of internet and 57.7% are using online banking services regularly.

Amount Spend Per Purchase While Shopping

Table No.4. Amount-Spend-Purchase

| Amount Spent Per Purchase | Frequency | % |
|---------------------------|-----------|------|
| < Rs 2000/- | 33 | 16.5 |
| Rs2000-Rs5000/- | 70 | 35.0 |
| Rs5000-Rs10000/- | 89 | 44.5 |
| > Rs10000/- | 08 | 4.0 |

Most of the purchasers are spending between 2000 to 10000 rupees per purchase.

Preference to Shop

Table No.5. Preference-to-Shop

| Factor | Frequency | % |
|-------------------------|-----------|------|
| During SALE | 70 | 35 |
| During Fresh Stock | 35 | 17.5 |
| During Special Discount | 32 | 16 |
| Whenever required | 164 | 82 |

Majority of the customers prefer to purchase whenever required or need arises.

Preferred Place for Shopping Needs

Table No.6. Preferred-Place-for-Shopping-Needs

| | Frequency | % |
|---|-----------|----|
| (a) Shopping Malls/ Local Stores/ Wholesalers | 176 | 88 |
| (b) Online-Stores | 114 | 57 |
| (a and b) Both | 90 | 45 |
| Only (a) offline | 52 | 26 |
| Only (b) Online | 86 | 43 |

The table shows that the offline purchasers are 88% and online purchasers are 57% but 45% do both online and offline purchase, here only online-purchasers are more in number than that of only-offline-purchasers.

Comparative analysis of Factors Influencing buying selections

Table No.7. Factors-Influencing-Buying-Selections

| Sr. No. | Factors | Online (114) | | Offline (176) | |
|---------|---|--------------|-------|---------------|-------|
| | | Freq. | % | Freq. | % |
| 1 | Convenience of buying | 114 | 100 | 150 | 85.23 |
| 2 | Reasonable/better prices | 93 | 81.58 | 165 | 93.75 |
| 3 | Availability of varied range of products/brands | 103 | 90.35 | 145 | 82.39 |
| 4 | Saves Time/Money/Cost | 83 | 72.80 | 36 | 20.45 |
| 5 | Can compare different brand prices | 110 | 96.49 | 152 | 86.37 |
| 6 | Can purchase old/unused products at lower rates | 83 | 72.81 | 4 | 2.27 |
| 7 | Privacy of buying | 22 | 19.30 | 45 | 25.57 |
| 8 | Ambiance of the Store | -- | -- | 56 | 31.82 |
| 9 | Can Touch & See product | 26 | 22.81 | 176 | 100 |
| 10 | Human Interaction | -- | -- | 92 | 52.27 |

The factors – convenience, variety, Fewer expenses, Comparison-of-prices have shown more percentage in online-shopping than offline-shopping, while better-prices are observed in offline shopping, i.e. customers are getting better prices in offline shopping. There is huge difference when it comes to buying of old/unused stuff at low-prices. Online-shopping offer more in such cases. Privacy-in-buying has no much difference.

Conclusion

The factors convenience, variety, Fewer expenses, Comparison-of-prices, buying of old/unused stuff at low-prices influence more in online-shopping than offline-shopping. And better-prices influence more in offline shopping, i.e. customers are getting better prices in offline shopping.

The study has been done considering all

products and all categories in general. Further study can be extended to a particular category of products like groceries, electronic goods, apparels, etc. as the factors affecting the buying behaviour may change as per the

category of products. For example, irrespective of new-arrivals and discounts individuals have a habit of buying groceries at the beginning of the month or a particular day/week of month.

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