

CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING: AN EMPIRICAL STUDY FROM KASHMIR VALLEY

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ABSTRACT

A study in Kashmir valley was conducted to understand customer satisfaction on online shopping as to shop on internet becomes an alternative world wide for consumers since it is more comfortable than conventional shopping which usually attributed with anxious, crowded, limited time, crisis, parking space etc. The increasing use of internet by younger generation of Kashmir valley provides an emerging prospect for online retailers. This paper is an attempt to know the factors affecting customers intention and satisfaction to shop online in Kashmir valley. The results of this study based on survey by questionnaire method reveals that the customers are satisfied with the price of the items, payment mode, wide variety of items available but are not satisfied with the quality of items such as watches, clothes and groceries as they report that product ordered and product received are not same. The results obtained in our study are in agreement with the earlier studies (Vyas and Srivastava, 2002; Ahn *et al.*, 2004; Lee and Joshi, 2007).

Keywords: *Customer Satisfaction, Customer Motivation and Inhibition, Online Shopping, SPSS Software, Kashmir*

INTRODUCTION

The internet is a powerful means of communication and because of its expansion and benefits various businesses have globalized (McGaughey & Mason, 1998). Online shopping is the process of buying and selling of the goods and services through online. It includes selling of products like books, garments, hardware, software, household appliances, toys, mobiles; transfer of funds, supply chain management, marketing over internet. Products that are being marketed through internet can be classified into two groups, one groups contains items that consumer do not need to examine in person before purchasing e.g., computers, compact discs etc and the other group that need to examine before purchasing e.g., clothes, groceries etc. According to Vrechopoulos *et al.*, (2001) youth are the main buyers who used to buy products through e-shopping. Dholakia and Uusitalo (2002), Sorce *et al.*, (2005) found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient. It is reported that the volume of online business electronic commerce (e-commerce) is increasing annually at a very high rate (Nielsen, 2007). There are 6 basic types of e-commerce i.e., Business-to-Business (B2B), Business-to-Consumer (B2C), Consumer-to-Consumer (C2C), Consumer-to-Business (C2B), Business-to-Administration (B2A) and Consumer-to-Administration (C2A). The main advantage of e-commerce is its ability to reach a global market, without necessarily implying a large financial investment. By allowing direct interaction with the final consumer, e-commerce shortens the product distribution chain, sometimes even eliminating it completely. WIPO (2007) reported that about 10% of the world population in 2002 was online. At present it is estimated for July 1, 2016 that Internet

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Users in the World are 46.1% (Source: *Internet Live Stats* www.InternetLiveStats.com). Through online shopping different type of business and organizations has gained a tremendous opportunity to increase their sale and to maintain a direct relationship with its customers. The increasing use of internet by the young generation in Kashmir valley provides an emerging prospect for online retailers. Unlike traditional marketing, online marketing has many advantages like global reach, availability of wide variety and cheaper products, 24X7 timing etc. If online retailers know the factors affecting Kashmiri consumer's buying behaviour they can further develop their marketing strategies to convert potential customers into active ones. Customer satisfaction is the key factor for customer retention and acquisition in online shopping system.

Relevance of the Study

Online shopping is on the rise, showing fabulous potential growth throughout the world. Due to the availability of convenience in online shopping youth of Kashmir valley are getting highly attracted toward this modern method of shopping. From the review of literature it has been found that very less research has been done in this field on J&K State. Thus, in the light of this background, the research has been made with an attempt to evaluate the customer satisfaction in Kashmir valley towards online shopping.

Review of Literature

Today consumers want to get items quickly without bargaining on price or quality, hence online shopping has become an important consideration. Customers like e-shopping because e-shopping saves time, eliminates physical appearance and is the easiest way of purchasing products. Many researchers recognize and accept that customer satisfaction is a logical measurement of success in market exchanges (Dubrovski, 2001). Alam and Yasin (2010) reported that website design, reliability, product variety and delivery performances are the four key factors influencing consumers' satisfaction of online shopping. Vyas and Srinivas (2002), in their paper stated that majority of the internet users were having positive attitude towards online buying of products/services. They reported that there exists a need for developing awareness about consumers' rights and cyber laws. Crawford, (1997) in his paper said that traditional consumer behaviour shopping has its own model, which the buying process starts from the problem recognition, information search, evaluation of alternatives, then purchase, and at last post purchase behaviour. Burke (2002) reported that relevant exogenous factors to shop on internet are "consumer traits" "situational factors" "product characteristics" "previous online shopping experiences" and "trust in online shopping" By incorporating these exogenous factors next to the basic determinants of consumers' perception and intention to use a technology, the framework is applicable in the online shopping context. Together, these effects and influences on consumers' perception toward online shopping provide a framework for understanding consumers' intentions to shop on the Internet. The collapse of large numbers of dot-com companies has required managers, who felt that the Internet had changed everything, to relearn that profits indeed do matter (Rosenbloom, 2002) and that the traditional laws of marketing were not rescinded with the arrival of the e-commerce era. Additionally, it has been reinforced that organizations not only need to attract new customers, but also must retain them to ensure profitable repeat business (Anderson *et al.*, 2003). Ahn *et al.*, (2004); Lee and Joshi (2007); found that delivery performance has significant influence on customer satisfaction. It is reported that customers experience may provide a new means of competition (Johnston & Kong, 2011).

Objectives of the Paper

The present study focuses on the following objectives:

- i. To investigate the satisfaction level of online customers in Kashmir valley of e-marketing.
- ii. To investigate the main factors that has the maximum impacts on customer satisfaction of e-marketing.
- iii. Factors affecting online shopping in Kashmir valley.

MATERIALS AND METHODS

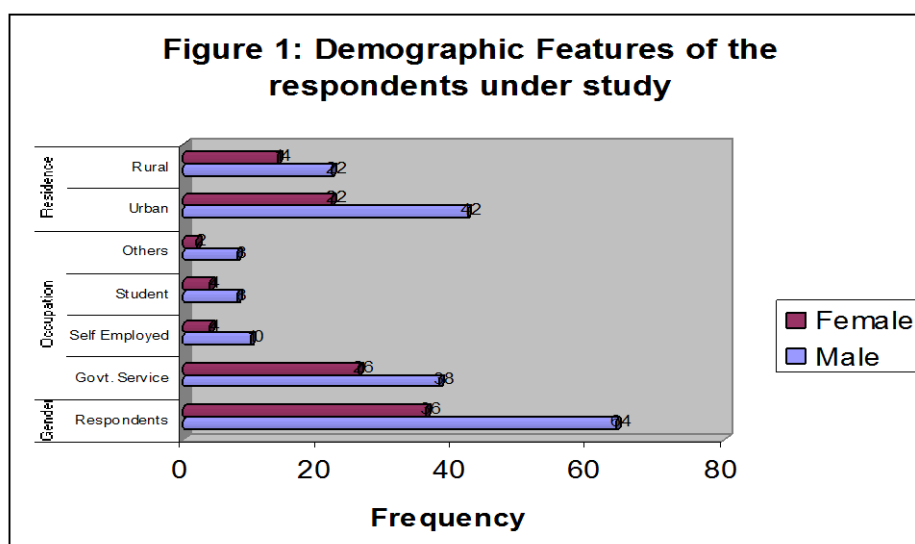
The present study was conducted in Kashmir valley. Data for this study was gathered by primary data method through a well designed questionnaire administering among 100 respondents at random who were involved in e-marketing and had purchased atleast one item through online within the last six months. The

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questionnaire designed consists of two parts, i.e., part-I and part-II. The part I include background details of the respondents and the part-II include various information related to customer satisfaction regarding online shopping. Each participant selected at random for the study was given a verbal explanation regarding the purpose of the present study and was asked to fill out a questionnaire which asked questions about their habitat, profession, products purchased via online, time spend on internet. To supplement the primary data, the secondary information was collected from internet and various Journals. The data collected was tabulated and analyzed with the help of appropriate statistical tools using SPSS (ver 20) software.

RESULTS AND DISCUSSION

The demographic profile of sampled customer is shown in Figure 1. It is revealed from the Figure-1 that 64% of the respondents were male and 36% were female. Majority of the respondents (38%) male and 26% female were Govt. employees, followed by self employed (10%) males, 4% females, Students (8%) male and 4% female others only 8% male and 2% female. Figure-1 also illustrate that most of the respondent 64% i.e., (42%) male and 22% female belong to urban areas.



The Table 1 shows that 48% of the respondents have done their online shopping from own home, 12% have done from internet café, 30% office/library and only 10% from other place, i.e., from friend house, relative's house. Statistically frequency distribution is not uniform ($p < 0.01$).

Table 1: Shopping Place Frequency Distribution

Place	Frequency	%	Chisquare	P-Value
Home	48	48	37.92	<0.01
Café	12	12		
Office/Library	30	30		
Others	10	10		

Source: field survey

From the Table 2, it is seen that most of the respondent (54%) occasionally purchase through online, 10% of the respondents purchase frequently and 6% of the respondents purchase their products once in a month through online shopping.

Further, 30% of the respondents purchase online depending on their mood/need. Statistically frequency distribution is not uniform ($p < 0.01$).

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Table 2: Frequency Distribution of Purchase

Purchasing	Frequency	%	Chisquare	P-Value
Occasionally	54	54	58.08	<0.01
Frequently	10	10		
Once in a Month	6	6		
Others	30	30		

From the below table it is cleared that majority of the respondents 41% have more than 1 year online shopping experience, 38 of the respondents have 1 year and 21% of the respondents have 6 months experience of online shopping. It is interesting to report that respondents having more than one year experience of online shopping took very much interest in our study and share their experience freely. Statistically frequency distribution is not uniform ($p < 0.05$).

Table 3: Online Shopping Experience

Experience	Frequency	%	Chisquare	P-Value
6 Months	21	21	6.98	<0.05
1 Year	38	38		
More than 1 Year	41	41		

Source: field survey

From the below table it is revealed that most of the respondents (31%) purchase electronic/mobile, 25% of the respondents purchase Kitchen wear items, 24% of the respondents purchase other items (i.e. electronics goods, pen drives, cell phone etc.), 23% of the respondents purchase garments/decorative items, 18% respondents purchase gift items and only 7% of the respondents purchase books through online shopping.

Statistically frequency distribution is not uniform ($p < 0.01$). We have e-marriage or relationship but Islam does not allow any relationship without Wakil, a Sharee'ah criteria, so in general people don't like it in Kashmir valley although some religious scholars allowed to seek marriage via internet, if the sites which provide such services comply with the Sharee'ah criteria (Islamic Law). One respondent gave an example of two facebook friends who desired to meet face to face but they were shocked on meeting as one was 4 feet and other was around 6 feet tall, a total mismatch. This is the draw back of e-shopping in many purchases where physical verification is essential.

Table 4: Items Purchase through Online Shopping

Items	Frequency	%	Chisquare	P-Value
Books	07	07	15.625	<0.01
Gifts	18	18		
Garments/Decorative items	23	23		
Kitchen wear	25	25		
Electronic/Mobiles	31	31		
Others	24	24		

Source: field survey

The data presented in Figure 2, reveals that majority of the respondents (43%) use internet services daily followed by 24% respondents who use internet 2-3 times in a week and finally 14% respondents use internet based on mood/need.

From the Table 5, it is observed that majority of the respondents (24%) use snapdeal, followed by Amazon (21%) then more than one web site for their online shopping. Statistically frequency distribution is not uniform ($p < 0.01$). The results obtained in this paper are in agreement with the study of Bilal *et al.*, (2016).

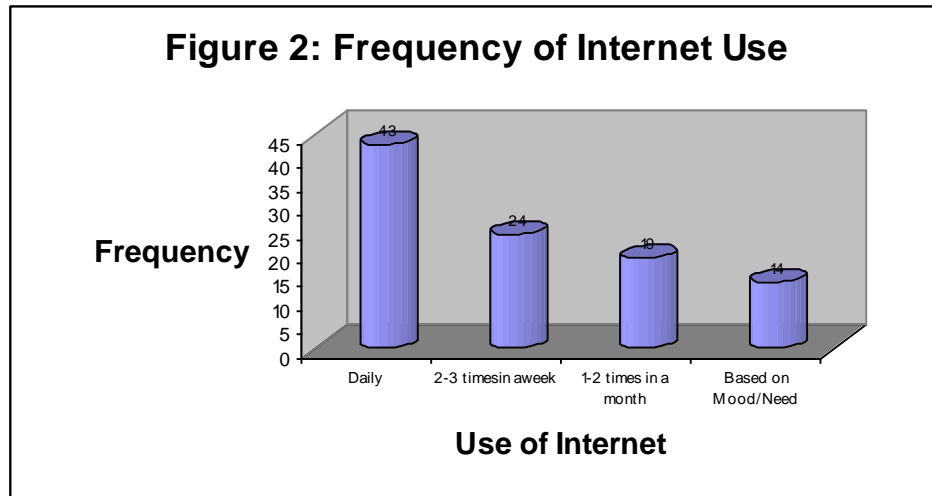


Table 5: Web Site Use for Online Shopping

Website	Frequency	%	Chisquare	P-Value
Snapdeal	24	24	18.02	<0.01
Amazon	21	21		
Flipkart	12	12		
Jabung	10	10		
Myntra	10	10		
Rediff Shopping	6	6		
More than one/Others	17	17		

Source: field survey

Below table reveals that majority of respondents' i.e., 59% use cash on delivery followed by NET banking (25%) then by ATM 16% as their mode of payment during their shopping. Statistically frequency distribution is not uniform ($p < 0.05$).

Table 6: Mode of Payments Payment

Payment Mode	Frequency	%	Chisquare	P-Value
NET Banking	25	25	30.86	<0.05
ATM	16	16		
Cash on Delivery	59	59		
Others	0	0		

Source: field survey

It is cleared from the Table-7 that only 38% of the respondent recommended online shopping to other; it implies that customers are not fully satisfied with the services of online shopping in Kashmir valley. Statistically frequency distribution is uniform ($p > 0.05$). The main reason for not recommending e-shopping to others is the fault in service and quality.

Table 7: Recommended to Others or Not

Response	Frequency	%	Chisquare	P-Value
Yes	38	38	1.22	>0.05
No	33	33		
Not Sure	29	29		

Source: field survey

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It is observed from the Table 8 that only 63.89% of the male respondents were satisfied in online purchasing and 36.11% female respondents were satisfied in online shopping. The odds ratio is 0.747 which means males are more satisfied than female respondents. The reason may be due to choice of items purchased via e-shopping.

However, statistically there is nonsignificant difference in male and female respondents in satisfaction of purchasing products via e-shopping ($p > 0.05$).

Table 8: Overall Gender wise Satisfaction of Purchasing via E-Shopping

Response	Male (%)	Female (%)	Chisquare	Odds Ratio	P-Value
Yes	23(63.89)	38(36.11)	0.437	0.747	>0.05
No	33(70.31)	33(29.69)			

Source: field survey

The distribution of customers according to their individual perception with respect to different attributes/statements presented in Table 9 reveals that customers are satisfied in all the 12 statements except statement S1 (Price of products are costlier than traditional market) and S4 (Ordered products and supplied products are different), the negatively worded statements. 58% and 25% (respectively) of the total respondents are simply dissatisfied with these two statements, which clarifies that they are satisfied with the price and products supplied during online shopping. 100% respondents are satisfied with the statement S8 (wide varieties of products are available). 94% respondents are satisfied with packaging of the products (S12).

More than 85% are satisfied with the statement S2 (Payment procedure is secured) and S3 (Payment procedure is convenient). Out of the total respondents, 80% are satisfied with the statement S10 (Online shopping saves time and money).

More than 75% are satisfied with statement S7 (Cost of delivery is reasonable) and S9 (Desired products are available). 58% of the respondents are satisfied with S5 (Quality of product purchase through online is unquestionable) and 68% with S11 (After sales services are satisfactory). Out of the total respondents 45% are satisfied with the delivery time of the products (S6).

Table 9: Satisfaction of Online Customers

Question Asked	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
S1. Price of products are costlier than traditional market	20	58	10	12	0
S2. Payment method is secured	0	6	8	68	18
S3. Payment method is convenient	0	0	10	70	20
S4. Ordered products and supplied products are different	39	25	12	22	2
S5. Quality of product purchase through online is unquestionable	12	16	14	48	10
S6. Ordered products are Delivered on time	4	40	11	34	11
S7. Cost of delivery is reasonable	0	0	24	58	18
S8. Wide varieties of products are available	0	0	2	36	62
S9. Desired products are available	4	6	14	39	37
S10. Online shopping saves time and money	6	2	12	34	46
S11. After sales services are satisfactory	0	10	22	42	26
S12. Packaging of online product is satisfactory	0	0	6	62	32

Source: field survey

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Conclusion

In today's era of internet proliferation, the prevalence of e-shopping has increased worldwide. Internet has made the transactions smoother, quicker, faster and easier and both the buyers and sellers get benefited by this technology. The growing use of internet in Kashmir valley has created a basis for tremendous prospects for online retailers; knowledge of factors affecting consumer buying behavior can help retailers develop their marketing strategies to convert their potential consumers into active one. On the basis of the present study it is concluded that (63.89%) male and 36.11% female online customers were satisfied in Kashmir valley. This research explicitly indicates that online marketer should give more importance on quality, 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. The results obtained in this study are correlated with earlier studies like Vyas and Srivastava, (2002); Ahn *et al.*, (2004) and Lee and Joshi, (2007). The overall results of our study prove that the respondents have perceived online shopping in a positive manner despite the fact that Kashmir is a place where there are continuous disturbances.

Limitations and Future Direction of the Study

The study was confined to the customers of only three districts of Kashmir valley viz Srinagar, Anantnag and Budgam. So the finding may not be generalized in a broader perspective. Some of the respondents did not read the questionnaire carefully and as a result, they may have been marked some answer incorrectly. The study is restricted to only young people. In making more generalize, reliable and significant conclusions, a study employing larger samples based on qualification, income, gender, profession and family status are needed.

Recommendations for Online Sellers:

Based upon the results and discussion of our study, the following recommendations are presented for the online sellers to make e-shopping shopping more popular, convenient, reliable and trustworthy.

- Transaction security and consumers data safety are principal concerns of online shopping. Therefore, online vendors can assure their consumers" by offering personal information privacy protection policy and guarantee for transaction security by improving their technological systems.
- Retailers should be careful about the annoying factors of e-shopping such as being unable to access the website, long delays in completing online orders, inconsistencies in the items available online, mistakes in filling orders, and the hassle of returning goods.
- Online sellers can be more concerned about delivery times and delivery charge and product return policies. They can make it easier, quicker and reliable, so that consumers can enjoy the online shopping experience.

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