

# Consumer Satisfaction and Perception About Online Shopping: A Study Among the Salaried People in Kerala

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## Abstract

In the past decade, there has been a dramatic change in the way consumer have altered their way of shopping. The advent of the internet, accompanied by the growth of related technologies, has created a significant impact on the lives of people around the world. Online shopping offers the customer a wide range of products and services wherein the consumer is able to compare the price quoted by different suppliers and choose the best deal from it. Internet marketing is theoretically different from other marketing channels and internet promotes a one to one communication between the seller and the final user with round the clock customer service. The increasing purchasing power of customers in Kerala is set to bring online shopping boom in Kerala. Almost all big retailers are now electronically present on the World Wide Web. The purpose of this paper is to ascertain the consumer satisfaction and perception about online shopping among the people in Kerala. Samples of 150 online customers are taken for the study. The study reveals that there is tremendous scope for online companies to grow in the near future. They have to focus on the areas such as quality in delivery services, privacy in transaction, ease of payment etc.

**Keywords:** Customer Satisfaction; Online Shopping; Internet Marketing; Marketing Channels; World Wide Web.

## Introduction

The advent of the Internet accompanied by the growth of related technologies has created a significant impact on the lives of people around the globe. There is a huge trend shift in the conventional business practices. There are now businesses are coming on the internet or online to perform or sell their products. For marketers, one of the most significant impacts has been the emergence of virtual stores that sell products and services online. Consumers can now purchase goods and services virtually anywhere, 24 hours a day, 7 days a week, without geographical and temporal boundaries.

In the past decade, there has been a remarkable change in the way consumer have transformed their way of shopping. Although consumers continue to

purchase from a physical store, consumers feel very convenient to shop online since it frees the customer from personally visiting the store. Internet shopping has its own advantages and it reduces the effort of travelling to a physical store. Decisions can be made from home at ease looking at various choices and prices can easily compare with the competitor's products to arrive at a decision. Online shopping offers the customer a wide range of products and services wherein he is able to compare the price quoted by different suppliers and choose the best deal from it. After bringing revolution in the metro cities, online retailing is set to create sensation even in the rural areas. Furthermore, with the opening up of the Indian economy in relation to change in the FDI strategies, it is a wake-up call for retailers that have done too little to develop an online strategy as retail giants like Flipkart, and Amazon have already started actions and strategy implementation in the Indian retail market. The increasing purchasing power of customers in Kerala is set to bring online shopping boom in Kerala.

## Statement of the Problem

Combined with traditional factors such as brand, advertising and firm capabilities, these factors

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lead to specific attitudes about online shopping. Consumer behaviour regarding the use of internet for shopping varies. Some consumers either lack access or resist using this new channel of distribution, primarily due to privacy and security concerns. Other shoppers choose to browse the Web so as to gather information and then visit the stores to negotiate the purchase face to face with the retailer. Few shoppers visit retail stores first and then buy from an e-tailer. Still others do all the shopping online: gathering information, negotiating, purchasing and either arranging for delivery or picking up the merchandise in the store. It takes time for individuals to build up confidence to shop online. Initially shoppers may restrict themselves to searching for information or using e-mail. As their confidence grows their use of the Internet for purchase is likely to increase with a move to higher value items and more frequent purchases. All these factors come under the purview of this study.

### Objectives of the Study

Online shopping is increasing rapidly. It is the most popular way to shop on a global scale. In online shopping there is no physical contact between the buyer and seller. This study mainly focuses on the consumer satisfaction and perception about online shopping.

The main objective of conducting this study is to analyse

- ❖ To know the factors contributing to the satisfaction of online customers.
- ❖ To analyse whether there is any significant association between the different categories of customers with regards to their satisfaction level.
- ❖ What are the main factors, which concerns the online consumers to shop online on internet
- ❖ To know about the impact of demographic factors affecting online shopping behaviour.
- ❖ To study whether there is any association between age and frequency of online purchase.
- ❖ To study whether there is any association between preferred online shopping company and gender of the respondents.

### Research Methodology

The purpose of this paper is to determine the consumer satisfaction and perception about online

shopping. Sample study has been adopted for the purpose of data collection. Mainly primary data has been used for collecting the data; secondary data is also used to supplement the primary data. A sample of 150 online customers is taken for the study. Multi-stage sampling is done. In the first stage three districts are selected at random from the whole Kerala. In the second stage one municipality and one panchayath are selected from each selected districts. 25 online shoppers from each panchayath and each municipality are selected on a convenient basis. Questionnaire method is used for collecting data. The data collected will be analysed on various statistical techniques.

### Literature Review

There are several research studies conducted in the area of online shopping to examine the factors influencing consumers satisfaction and perception to make e-commerce purchases through online shopping.

The study conducted by (Zuroni Md Jusoh, Goh Hai Ling, 2012) aims to determine the factors influencing consumer's attitude towards e-commerce purchases through online shopping. The study investigates how socio-demographic pattern of online buying and purchase perception affect consumer's attitude towards online shopping. The NBFCs are working on interest free instalment plans for online purchasers. The EMI option is likely to be offered in the near future. This option is now available only for buying from large brick and mortar stores. For offering EMI schemes to purchases on online marketplaces like Flipkart, Amazon and Snapdeal, these lenders have to tweak their payment systems while ensuring that they meet central bank guidelines. The nation is one of the world's fastest-growing ecommerce markets and various estimates suggest the market could grow to as much as \$100 billion by 2020 from \$2.9 billion now (Atmadip Ray, Writankar Mukherjee, 2015). Marketplace is fast turning into e-marketplace. From needle to ship, everything is being sold and bought on the internet. With new and new players coming in, it is but natural for the existing players as well as new entrants to come up with innovative techniques to sell their goods and services. Offering "deals" and "lucrative discounts" is one such glamorous trend. The authors have tried to examine the factors which lead people to buy these discount coupons and the consumer behaviour towards them (Nidhi Vishnoi Sharma, Varsha Khattri, 2013) .

Neil F. Doherty, Fiona Ellis Chadwick, 2010. The authors points out the fact that in the world of internet the consumers have an upper hand over the retailers as they have access to the an ocean of information. Only those retailers who satisfy the need of customers initially can survive in this highly competitive. Over the years the e-tailing has shown rapid growth and the trends shows that it will also continue in the future.

Dr. Gagandeep Nagra, Dr. R Gopal, 2013. In this article the authors focus on different factors affecting online shopping behaviour among consumers. The study reveals that Indian online market has tremendous potential for growth as India is highly populated. The study divulges that online shopping in India is significantly affected by various demographic factors like age, gender, marital status, family size and income.

### Analysis And Interpretations

This chapter is devoted to analyze the survey data in tables. On the basis of the analysis of the data presented in these tables, interpretations are made.

**Table 1:** Frequency of online purchase among customers and Age wise Classification of the Respondents.

Frequency of online purchase among customers	Age wise Classification of the Respondents				Total
	Below 20	20 to 40	40 to 60	Above 60	
Never	0	3	0	0	3
Less than once in a month	3	38	20	3	64
Seldom	0	50	10	1	61
Often	0	14	4	0	18
Very often	0	1	3	0	4
<b>Total</b>	<b>3</b>	<b>106</b>	<b>37</b>	<b>4</b>	<b>150</b>

Source: primary survey

$H_0$ : There is no association between age and frequency of online purchase among the customers.

$H_a$ : There is association between age and frequency of online purchase among the customers.

**Table 2:** Chi-Square Tests of Frequency of online purchase among customers and Age wise Classification of the Respondents

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.016	15	.262

Likelihood Ratio	19.623	15	.187
Linear-by-Linear Association	.000	1	.994
N of Valid Cases	150		

Since the significance value of age and frequency of online purchase among the customers (0.262) is exceeding 0.05, the null hypothesis is accepted. That is, there is no association between age and frequency of online purchase among the customers (Table 2).

**Table 3:** Cross tabulation of preferred online shopping company and Age wise classification of the respondents.

Frequency of online purchase among customers	Age wise Classification of the Respondents				Total
	Below 20	20 to 40	40 to 60	Above 60	
Flipkart	3	30	16	2	51
Amazon	0	27	8	2	37
yebhi.com	0	1	2	0	3
Myntra	0	19	6	0	25
Jabong	0	10	4	0	14
e bay	0	13	0	0	13
Others	0	6	1	0	7
<b>Total</b>	<b>3</b>	<b>106</b>	<b>37</b>	<b>4</b>	<b>150</b>

Source: primary survey

$H_0$ : There is no association between preferred online shopping company and age of the respondents.

$H_a$ : There is association between preferred online shopping company and age of the respondents.

**Table 4:** Chi-Square Test on Preferred online shopping company and Age

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.177	18	.381
Likelihood Ratio	23.709	18	.165
Linear-by-Linear Association	3.070	1	.080
N of Valid Cases	150		

Since the significance value of preferred online shopping company with age (0.381) is exceeding 0.05, the null hypothesis is accepted. That is, there is no association between preferred online shopping company and age of the respondents (Table 4).

**Table 5:** Preferred on line shopping company and Gender of the Respondents

Preferred online shopping company	Gender of the Respondents		Total
	Male	Female	
Flipkart	20	31	51
Amazon	24	13	37
Yebhi.com	1	2	3
Myntra	2	23	25
Jabong	5	9	14
e Bay	3	10	13
Others	6	1	7
<b>Total</b>	61	89	150

Source: Primary survey

$H_0$ : There is no association between preferred online shopping company and Gender of the Respondents.

$H_a$ : There is association between preferred online shopping company and gender of the respondents.

**Table 6:** Chi-Square Tests on Preferred on line shopping company and Gender of the Respondents.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.843	6	.000
Likelihood Ratio	30.611	6	.000
Linear-by-Linear Association	.443	1	.506
N of Valid Cases	150		

Since the significance value of preferred online shopping company with gender (0.000) is less than 0.05, the null hypothesis is rejected. That is, there is association between preferred online shopping company and gender of the respondents (Table 6).

**Table 7.** Preferred on line shopping company and Place of Residence of the respondents.

Preferred online shopping company	Place of Residence of the respondents		Total
	Panchayath	Municipality	
Flipkart	25	26	51
Amazon	21	16	37
Yebhi.com	1	2	3
Myntra	12	13	25
Jabong	5	9	14
e Bay	6	7	13
Others	5	2	7
<b>Total</b>	75	75	150

Source: Primary survey.

$H_0$ : There is no association between preferred online shopping company and place of residence of the respondents.

$H_a$ : There is association between preferred online shopping company and place of residence of the respondents.

**Table 8:** Chi-Square Tests on Preferred on line shopping company and Place of Residence

	Value	Df	Asymp. Sig. (2sided)
Pearson Chi-Square	3.548	6	.738
Likelihood Ratio	3.615	6	.729
Linear-by-Linear Association	.024	1	.877
N of Valid Cases	150		

Since the significance value of preferred online shopping company with place of residence (0.738) is exceeding 0.05, the null hypothesis is accepted. That is, there is no association between preferred online shopping company and place of residence (Table 8).

### Major Findings of the Study

The study is focused on consumer satisfaction and perception about online shopping. Based on the analysis of data collected from a sample of 150 respondents, the study arrives at the following findings.

- ❖ It is clear from the studies that age group between 20 to 40 are using online shopping companies when compared to other age groups
- ❖ The study reveals that majority of the respondents chose flip kart for online shopping compared to others.
- ❖ The study shows that there is no association with preferred online shopping company and age.
- ❖ The study reveals that there is association with preferred online shopping company and gender of the respondents.
- ❖ Based on the study it is clear that there is no association with age and frequency of online purchase among the customers.
- ❖ It is clear from the study that discount is the major factor which influence online purchase as it has higher satisfaction.
- ❖ The study shows that the satisfaction level of customers on the basis of age is highest among



the age group of below 20 and lowest is among the age group of above 60.

- ❖ The study shows that satisfaction of customers on the basis of frequency of purchase is high among the respondents doing online purchase very often and less among the customers doing online purchase less than once in a month.

### Conclusion

The findings and results reflect the perceptions and factors influencing satisfaction of online shoppers in Kerala. The results indicate that the respondents are becoming more internet savvy every day. The younger generation belongs to the age group between 20-40 are using internet for online shopping compared to other age groups. As they become more confident they are ready to buy high value products from online. From the above study I would like to conclude that, there is tremendous scope for online companies to grow in the near future with the aids of new technologies. In the highly competitive online market to keep up loyal customers the online companies should provide them quality products and discounts. The online companies should improve their quality in delivery services, privacy in transaction, ease of payment etc. to attract more and more customers in to the world of online shopping.

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