A COMPARATIVE STUDY ON ONLINE AND OFFLINE SHOPPING

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ABSTRACT

Each and every thing now a day is based upon technology or we can say that this is the era of technology without which we can't imagine our life. Shopping through online sites is now a latest topic of research. Working people don't have so much time to go to the market and do shopping. That is the reason they prefer online mode of shopping. The main motive of this research paper is to know the customer perception towards both the shopping medium online and Offline shopping. In this paper we are comparing both the shopping medium and also study those factors which influence customer to buy the product whether from online and offline shopping. For this purpose we have used questionnaire method to get the response of the people towards this. A sample of 100 respondents was taken to conduct the study. The findings reveal that.

Keywords: Online Shopping, Offline Shopping, Customers Perception

INTRODUCTION

Shopping is an activity in which a customer browses the available goods or services presented by one or more retailers with the intent to purchase a suitable selection of them. It is the process of b purchasing items in exchange for money. Now days there are two medium available for shopping. These mediums are online and offline shopping. Online shopping is one of the most popular ways to make purchases. It is act of purchasing products or services over the Internet. An offline shopping is a traditional way of buying services or products.

It depends upon a person which medium they follow for shopping. It's an era of technology so people want to take the advantage of that thing and prefer online shopping but still there are some persons who don't trust online sites and prefer offline shopping. This paper shows the Customer perception perception towards online and offline shopping and also find out those factors which influence the shopping medium of the consumer whether it is online or offline shopping.

REVIEW OF LITERATURE

Kozinets, (1999) identified that social media provides a new channel to acquire product information through peer communication, and these informational society influences affects the consumer decision processes and product evaluations. Kotler and Amstrong (2001) customers go through five stage of purchasing decision process when making a purchase decision. These five steps of buying decisions are (i) Need Recognition, (ii) Information Search, (iii) Evaluation of Alternatives, (iv) Purchase Decision, and (v) Post Purchase Behavior.Rubin A. M. (2002) has indicated that there is a connection between social interaction and framing of consumers' opinion. Schlosser (2005) has indicated that even a small amount of negative information from a few postings can have substantial impacts on consumer attitude.According to Riege A. (2007) an effective relationship is necessary for transferring the knowledge. Different types of proximity affect the effectiveness of knowledge transfer between individuals. The reason is that proximity can be part of culture factor which can be linked with values shared by a different group of people, which provide guidelines for their behaviors.Allsop, D. T. et al., (2007) says that one of the peers to peer communication with high influential channel is the Word-of-mouth or e-word of mouth.Mirza, H. (2008) says that social media is the medium with the highest respondents in term of expressing themselves and sharing of experience is something that the respondents

are looking for in social network. Further he identifies four basic characteristics of social media which are Openness, Conversation, Community and Connectedness. Openness because social media are open for comments, participation and sharing of information and contents are usually not password protected. Conversation as a characteristic of social media is a two way communication channel unlike traditional media where the main approach is broadcasting of messages. The next characteristic is that social media allows people to build community with in a short time and discuss their interest. At last social media make use of links in other websites to connect people and resources.Shin (2008) Interactivity with target brand in social media is perceived differently by consumers depending on the message they convey. The Economist (2009, April 2) stated that consumers rely on personal sources such as "recommendation by friends" to make purchases.Mangold and Fauld (2009) suggests that social media has also influenced consumer behavior from information acquisition to post-purchase behavior such as dissatisfaction statements or behaviors.Kozinets et al., (2010) says that Social media websites provide a public forum that gives individual consumers their own voice, as well access to product information that facilitates their purchase decisions.Bernadette D'Silva et al., (2011) suggest that social media can be used as a growing platform for launching new products. This can lead to higher sales and helps in increasing the market share of the products. Further analysis indicates that the youth have their own set of preferences for different social media websites.Arora and Yadav (2012) in their study find that three factors are considered for checking the impact of Facebook on product purchase decision i.e. brand community engagement, information about the product and word of mouth. Consumer is mostly influenced by positive word of mouth rather than other factors.

SIGNIFICANCE OF THE STUDY

Online marketers has not only to compete with traditional shopkeepers but are also facing stiff competition from many fast emerging online companies which are fast and swift in their customers approach. This study will be an effective guideline for any online business startup.

OBJECTIVES OF THE STUDY

1. To compare customers perception towards online and offline shopping based on demographic variables. (Gender, Monthly Income, Age, Occupation, Marital Status)
2. To investigate the factors which affect Online and offline shopping.
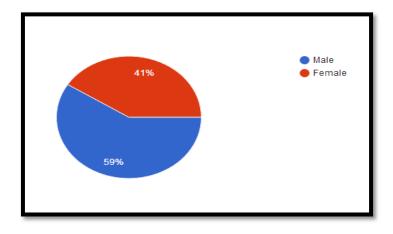
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RESEARCH METHODOLOGY

Sources of data

For this study both primary as well as secondary data was used. The primary data for the study has been collected with the help of customers by using well-structured questionnaire and secondary data was collected from books, journals and various websites.

Research Design

Descriptive Research Design has been used to achieve the objectives of the study.

Sampling Size

For this study, 100 customers have been taken as the sample. The sample has been collected from some regions of Punjab.

Sampling Technique

Convenience sampling technique has been used in this study. Selection of Customers according to convenience sampling technique.

Result and Discussion

This section contains the analysis of data collected during the survey. Data is analyzed by using Google forms.

Demographic Profile of Respondents

➢ Gender of respondents

Figure 1 Gender of respondents

Figure 1 shows that 59% of the respondents are Male and 41 % are Female.
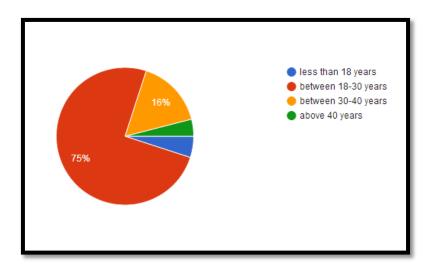
- ➢ Age of the respondents

Figure 2 Age of the respondents

Figure 2 shows that 75% respondents are between the age between 18-30 years, 16% of the respondents are in the age between 30- 40 years, 9 % are in the age above 40 years.
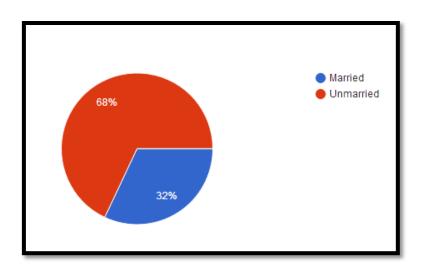
- ➢ Marital Status of respondents

Figure 3 Marital Status of respondents

Figure 3 shows that 68% respondents are unmarried and 32 % respondents are married.

- ➢ Educational Qualification of the respondents

Figure 4 represents the Educational qualification of respondents

Figure 4 shows that 62 % of the respondents are Post Graduate 27% of the respondents are Graduate and 11% of the respondents belong to secondary or less
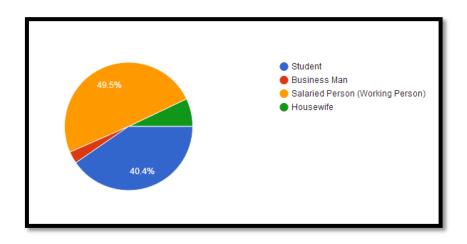
➢ Occupation of the respondents

Figure 5 represents the occupation of the respondents

Figure 5 shows that 49% of the respondents are salaried person, 40% of the respondents are students, 11% of the respondents are housewife's
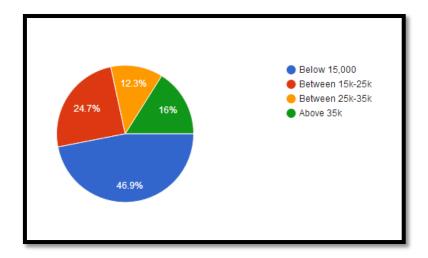
➢ Monthly income of the respondents

Figure 6 represents the monthly income of the respondents

Figure 6 shows that 46.9% of the respondents fall under monthly income below 15,000, 24.7% of the respondents having monthly income between 15k-25k, 16% of the respondents having monthly income above 35k and 12.3 % of the respondents having monthly income between 25k-35k
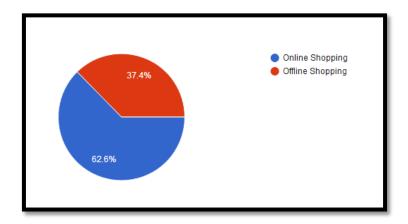
➢ Which type of medium you prefer the most?

Figure 7 shows that 62.6 % of the respondents prefer online shopping while 37.4% of the respondents prefer offline shopping.
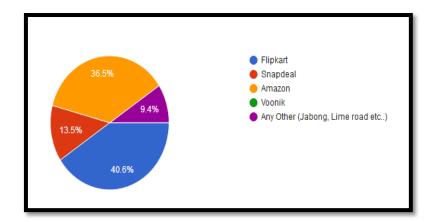
➢ Which online site do you prefer for shopping?

Figure 8 shows that 40.6% of the respondents prefer flipkart, 13.5% of the respondents prefer snapdeal, 36.5% of the respondents prefer amazon and 9.4% of the respondents prefer other sites like limeroad, jabong.

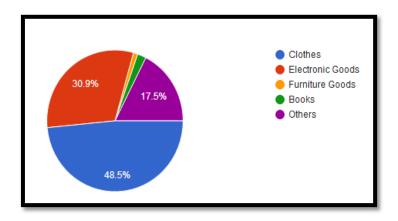➢ Which type of goods you purchased the most from online sites?

Figure 9 shows that 48.5% of the respondents purchase clothes from online sites, 30.9% of the respondents purchase electronic goods and 17.5% of the respondents purchase other goods.

➢ From how many years you are availing the facility of online shopping?
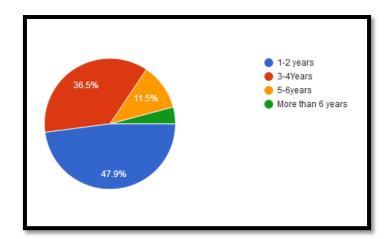
Figure 10 shows that 47.9% of the respondents prefer online shopping from 1-2 years, 36.5% of the respondents prefer online shopping from 3-4 years and 11.5% of the respondents prefer online shopping from 5-6 years.

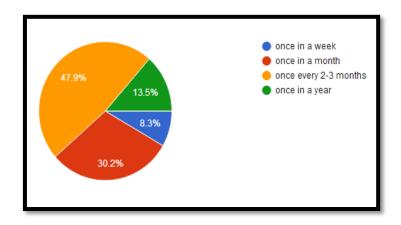➢ After how much time you purchased the product from online site?

Figure 11 shows that 47.9% of the respondents purchase online product once every 2-3 months, 30.2% of the respondents purchase once in a month, 13.5% purchase once in a year and 8.3% of the respondents purchase once in a week.
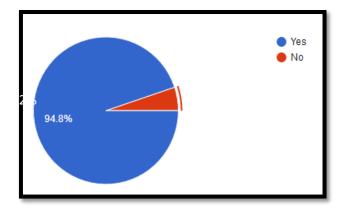
➢ Is product deliver on time?

Figure 12 shows that 94.8% of the respondents feel that delivery of the online product is on time and 5.2 % of the respondent is not agreed with this statement.

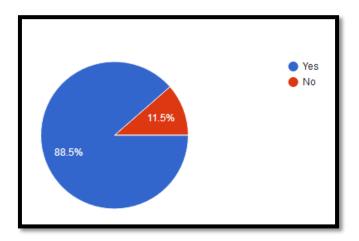➢ Is website providing sufficient information?

Figure 13 shows that 88.5% of the respondents says that websites providing sufficient information regarding the products while 11.5% of the respondents disagree with the statement.

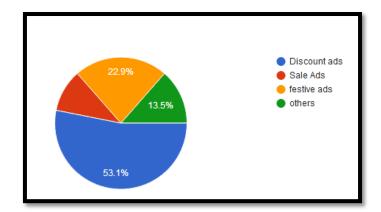➢ Which type of advertisement mostly attracts to purchase online?

Figure 14 shows that 53.1% of the respondents attracts with discount ads to purchase the product online, 22.9% of the respondents attracts from festive ads and 13.5% of the respondents attracts from other ads.

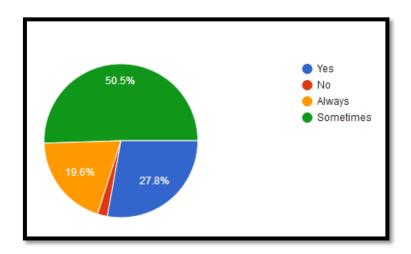➢ How much you prefer online shopping when price of the product is lower than market price?

Figure 15 shows that 50.5% of the respondents sometimes prefer online shopping when price of the product is lower than market price, 27.8% of the respondents definitely buy the product and 19.6% of the respondents have not affected by these lower prices.

➢ Does online shopping is secured as offline shopping?

Figure 16 shows that 69.4% of the respondents feels that online shopping is secured as offline shopping where as 30.6% of the respondents disagree with the statement.

 ➢ Do you think that Selection of goods on internet is very broad as compared to the traditional market?

Figure 17 shows that 69.8% of the respondents think that Selection of goods on internet is very broad as compared to the traditional market where as 30.2% disagree with the statement.

 ➢ Which type of advertisement mostly attracts to purchase offline?

Figure 18 shows that 42.9% of the respondents attracts with discount ads to purchase the product offline, 20.4% of the respondents attracts from sale ads , 19.4% of the respondents attracts from other ads and 17.3% of the respondents attracts from festive ads.

➢ Which type of goods you purchased the most from offline?

Figure 19 shows that 49.5% of the respondents purchase prefers to purchase clothes offline, 26.3% prefer electronic goods, and 12.1% prefer other goods and 9.1% prefer furniture goods.

➢ Do you think that accessing shopping websites is a parameter to know the difference between online and offline shopping?

Figure 20 shows that 84.7% of the respondents say that accessing shopping websites is a parameter to know the difference between online and offline shopping rest 15.3% disagree with the statement.
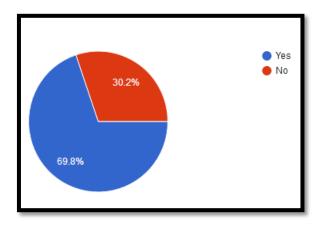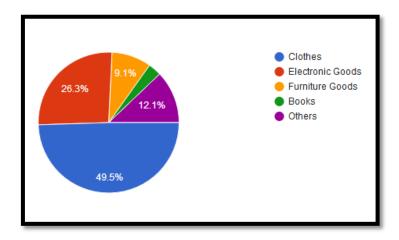
➢ Which factor influences you to do online shopping?

Figure 21 shows that 42.9% of the respondents prefer online shopping because it saves time. 24.5% of the respondent prefer online shopping because of the easily availability of the product, 17.3% of the respondents prefer online shopping because of door to door service and 15.3% of the respondents prefer online shopping because they don't want to go to shop.

Which type of shopping medium is best?

Figure 22 show that 60.6% of the respondents prefer online shopping while 39.4% of the respondents prefer offline shopping.

FACTORS AFFECTING ONLINE SHOPPING

Convenience: Online shopping is much more convenient than offline shopping. Instead of visiting the shop you can just si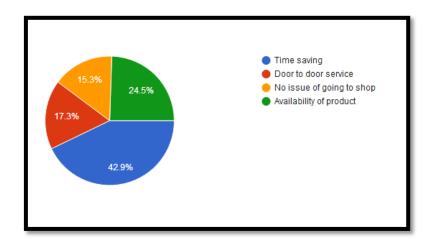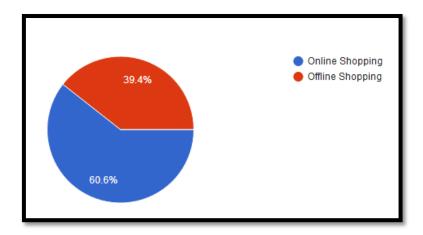t at your home or office or any other place and do the shopping. Once you have decided on what you want to buy the payment process is seamless and the order is delivered to your place. We can have a lot of choice during online shopping. It also avoidthe part of waiting, asking, questioning about the product.

Pricing Policy: Online retailers gets an inherent advantage in pricing as they don't have to bear expenses like store rent, bills etc. They can pass their price directly to customer and generally offer a lower price to customer than offline market. Even when shipping charges are included than also it is better than the offline shopping. Hence, determines the level of online shopping. Lower the price- higher the mood to demand, higher the price –lower the demand. Price of any commodity also influences the purchasing power of any specific buyer. Consumer generally prefer mild or normal price with good quality and do not want to spend or expense lot for any kind of stuff. So buying and selling both are simultaneously affected by the price of product.

Quality: The quality of product at online sites and offline stores vary a lot and then this determines the frequency of online shopping. Quality also carries good affecting nature over any kind of shopping. As consumer or buyer want to have a good quality of product as they spent their huge sum of money. In general, qualities is a primary need over any kind of purchasing as it somewhat secure or give a good sense of buying or kind of guarantee about the product preferred.

Online trust: It depends on customer perception whether they trust a particular site and its product and services. Hence the frequency of online shopping also depends upon whether they trust a particular site or not. People are different in there nature and thoughts, some kind of people trust online dealing some kind of people are in fear of online dealing. Trust carry a lot of points examples- trust about the same product size quantity weight and security etc.

Income: The person whose income is more, do more online shopping as compared to the person whose income is less. Income plays a major role to purchase online products. Higher income people prefers to purchase online more than offline as it gives them reliability and convenient. Higher the income higher wills the purchasing of online product and vise-versa.

Information: The information given in the site may not be correct or may not be appropriate information. The full information about the quality of the product may not reach to the customer. Hence it will affect the online buying of the customer.

Variety: The kind of variety that a customer gets online is hard to match any product purchased offline. The online retailer's stock products from the entire major brand and a customer can find any product in their listing no matter how hard to find it is in the offline store. Online and offline both shopping provide variety of range from various brands. Variety in it itself is the foremost dealing factor which influence the market. Larger the variety of product in shop higher the selling and vice-versa. People generally prefer to move where they get more variety of products.

Offers: Apart from offering products at lower price most online shopping regularly come up with discount offers in association with bank, brand etc. Which entail customer to get additional saving while buying products online? Offline stores only give offer or discount during stock clearance or when the manufactures gives the discount on the products. Online shopping always provides offers at all the time and day. In every purchase we get some offers even if there is no festival or carnivals. Offers are a great factor which attract customer to purchase online. Offers carry a great influence in shopping.

Instant gratification: Customer buying offline gets their products as soon as they pay for it but in online shopping customer have to wait for their product to get their product. Under normal circumstances waiting a day or two does not matter much but when a customer want to get the product instantly than offline shopping become necessary.

Available product and services: Online shopping offer customers more benefit by providing more variety of goods and services that they can choose from. There are some goods which a customer can only find online.

FACTORS AFFECTING OFFLINE SHOPPING

Some factors which affect the shopping offline those are as follow:

Less number of choices: There are limited numbers of choices when it comes to offline shopping. The numbers of varieties are limited. The ranges of products available in the shops are limited. Sometimes, the stocks are old and are up for discount and sale.

Time consuming: It takes a lot of time to go shopping to a store. Distance from home or workplace to the store is time consuming. It is also time consuming while trying out the outfits in a store or even going through other products.

Information: What generally happens is that the information provided by a shopkeeper isn't correct. Also this information doesn't always suit our needs. And we buy products according to what they say when we ourselves don't have adequate knowledge about the products. Such purchases are based on goodwill when we happen to know the shopkeepers.

Authenticity: Offline shopping is more authentic than online shopping. While buying the product we can feel the texture of it and know what it's like. We exactly know what we are buying while buying anything offline.

Taste and preference: The taste and preferences of the customer change from time to time. While buying any product from a store we have the flexibility and the choice to try out outfits. But while buying any product from a website we don't have this facility. Therefore, buying offline caters more to the changing taste and preferences of the customers.

Bargaining: In offline store a customer can do physical bargaining to the seller unlike shopping online. In online shopping a customer cannot do bargaining as the price of the product is fixed. Some of the customer purchased products depending upon bargaining so they do not go for online shopping as they feel shopping online is more costly than the market.

FINDINGS AND SUGGESTIONS

The study shows that 59% respondents are male and 41% are female. Most of the respondents prefer online shopping for buying the products. As per this study 62.6% respondents prefer online shopping medium whether 37.4% respondents prefer offline shopping. Most of the respondents prefer flip kart for shopping and mostly buy clothes.

SUGGESTIONS

Offline shopping medium needs some changes like more variety in the product, availability of the product on time, complete knowledge of the product to the seller. This medium will have to do these changes to attract more customers on the other hand if I talk about online medium this medium has to provide knowledge to the old persons about how to use their sites so that even they can buy the product without any help.

CONCLUSION

Preference of shopping medium whether it is online or offline by the respondents depends upon demographic variables and the sources which both the medium used to attract customers.

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