A Study on the factors Affecting Online and Offline Shopping with respect to Jamnagar City in Gujarat

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Abstract: The study tries to understand the antecedents of consumer preferences towards online and offline shopping. A conceptual model that addresses consumer value perception for using the internet shopping versus the traditional shopping. Earlier studies have shown that perceptions of price, product quality, service quality and threat strongly impact perceived value and purchase intents in the offline and online network. Observations of online and offline buyers can be evaluated to see how value is constructed in both channels. The objective of this study is to provide an impression of online shopping decision process by comparing the offline and online decision making and identifying the factors that motivate customers to decide whether to do online shopping or go for the offlin e shopping. Consumer's shop when and where they want, where they are comfortable with the products and the choice of shopping. The study finds that female are more into online shopping than male. Since last two years as population are more aware of the technology the online shopping increased immensely. The people from the age group 35 and above are less likely to do online shopping because they are less aware of the technology. However the respondent said that they will love to purchase from online shopping if only the price of the product is less than the market. They revealed that it is fairly important to go for e-shopping.

Keywords: conceptual, perceived, offline, online, technology

INTRODUCTION

The increase in technology provides good opportunities to the seller to reach the customer in much faster, easier and in economic way. O nline shopping is emerging very fast in recent years. Now a day the internet holds the attention of retail market. Millions and millions of people shop online. On the other hand the purchasing of product from traditional market is continuing since years. Many customers go for purchasing offline so as to examine the product and hold the possession of the product just after the payment for the product. In this contemporary world customer's loyalty depends upon the consistent ability to deliver quality, value and satisfaction. Some go for offline shopping, some for online and many go for both kind of shopping. The focus of the study is on the consumer's choice to shop on internet and at the traditional stores at the information gaining period. However online shopping is easier for the people and less price than the offline shopping. While making any purchase de cision consumer should know the medium to purchase whether online shopping or the offline shopping. Consumer should decide the channel for them which can best suit to their need and wants and which can satisfy them. In this competitive world how consumer c an decide the particular medium for their purchase of goods is very important to understand in a managerial point of view. Laing and Lai said that the internet shopping is the third best and most popular activity over internet after online shopping next comes the e- mail using, instant messaging and web browsing[1]. These are even more important than watching or getting entertain by the internet or getting any information or news, this are the two very common thought which comes to the people's mind when considering the internet users do when they are online. The behaviour of online shopping is also known as online buying behaviour and internet shopping. Buying behaviour means the purchase of good over internet using web browser.

STATEMENT OF THE PROBLE M

It is important to look into the situation from an academic research point of view so as to question the reasons behind the condition of the shopping in the state of Gujarat. This research may fill the gap between the choice of online shopping and offline shopping. This study reflect the problems and factors of online and offline shopping. There are

certain problems, why people do not do online shopping and go for market to shop things? What are the major reasons behind the online and offline shopping? This study helps the consumer to get an idea about the online shopping. The study makes the consumer clear about which option should be taken by the consumer to get more benefit out of it.

OBJECTIVES OF THE STUDY
        The present study broadly compares the online and offline shopping, specifically the objectives are:
(a) To find out the significant difference between the online and offline consumer groups in terms of demographic, technology use, availability and attitude of the consumer.
(b) To study the factors influencing the consumer to switch from the offline shopping to online shopping and online to offline shopping.
(c) To study the factors influencing the consumer to shop solely online and solely offline.

(d) To analyse whether the profile of the consumer affect the online shopping and offline purchasing.

METHODOLOGY OF THE STUDY
        This part of study defines all the process of data collection. When it comes to data collection, there are two methods in general used by researcher to collect data, primary and secondary method. Primary method includes observation method, interview/questionnaire method, and case study method. Secondary method is the method in which already collected data. The present study is based on combination of both qualitative and quantitative data. The qualitative data is collected through the sampling from the consumer. Random consumer is selected for the sampling purpose. The sample individual is selected from different age group, different sex and from different location of Jamnagar. The different group of people including student, employee and unemployed, housewives, etc is considered as sample for the study.

(a) Sampling: The target group is of different age, different age group people are considered because to know whether which group of people is involved more in the online shopping and which group of people is not confined to shop online. There are four division of age group in the questionnaire to examine which group is going for more online shopping and which group is going for more offline shopping.

(b) Sa mple size: Determining the size of sample that is needed for a particular piece of research. For this research 150 sample size is taken for the interviews. From this sample size the calculation of simple percentages for each variable is done.

REVIEW OF RELATED STUDIES
        Chaing and Dholakia [2] carried out a study in which they examined the purpose the customer to purchase goods online during their shopping. Mainly there are three variable in their study those affects the consumer to purchase online or to go offline. Those are the accessibility features of the shopping sites, the type of the products and their characteristic, and the actual price of the product. The study revealed that the accessibility and the convenience of the shopping sites create the intention in the customer to purchase or not. When there are difficulty faced by a consumer to purchase online then the customer switch to the offline shopping for the purchase behaviour and the consumer face difficulty in offline purchasing then they go to the online purchasing. After relating both the medium of shopping the consumer said that the online shopping is more convenient for them and gives more satisfaction which inspires the consumer to purchase online in the internet.

        Iyer and Eastmen [3] found that the population of senior who are more literate, more knowledgeable and who are more aware of the technology and those who have a positive behaviour towards online shopping and internet are more into online shopping. But the population of senior who are less aware of the internet and the shopping sites are less involved in the shopping sites because they do not have a positive attitude towards online shopping rather they are much more interested in offline shopping and the seniors who are more involved in the internet uses more online sites for purchasing the goods over the internet. The senior which have more knowled ge about the internet and the shopping sites they compares both the shopping i.e. online and offline shopping for their purchasing of goods. However their knowledge and the use of internet by them have no connection with their age and their satisfaction level while purchasing online.

        Tabatabaei [4] has explored the opinion of the consumer who are purchasing online and the consumer who are purchasing from offline market. The objective is to know why the traditional customer chooses to shop online and what is the factor influence then to purchase online and what are the factor for them to not use the sites for shopping. He has done a survey of 264 respondents in a small mall and then those data were analysed by him. All the customer of this study is literate and has knowledge on computer and internet. The survey consists some of the question like demographic

profile, computer knowledge and the knowledge over the internet. The outcome of the study was that the consumers of online shopping use to shop online more than one time in a month and the consumer of offline shopping shop one to five times in a year from shopping sites.

Hausman and Siekpe [5] analysed an practical study in US regarding the effect of web interface features on consumer online purchase intention. E-commerce system is different from traditional information system. It has both features of information system and marketing channels. It contains machine and human element. An empirica l finding shows that to know the motivation factors for online shopper, cognitive and psychological factors do have meanings. The study finds both human and computer factors are necessary for antecedent for online shopping.

Koo *et al* [6] have conducted an empirical study, they examined the motivational effects of personal values on benefits, attributes, and re-patronage intention in the perspective of shopping online. The study conclude that personal values of social affiliation and self- actualization serves as underlying beliefs in shaping, consumer's online shopping motives. In addition online store attributes are positively related to pre-patronage intention.

Kim H R [7] examined an empirical study in UK to develop an index of online customer satisfaction; this study integrates and applies the concept of satisfaction from three field's i.e. marketing, management information system (MIS) and e-commerce. The main function of this paper is an exploration of the factors affecting satisfaction. The results s how those ten factors on index are good exponent of satisfaction repurchases behaviour and repurchases intention.

Chaing and Roy [8] focused on the consumer choice to shop on the internet and at the physical stores during the information acquisition period. A convenience sample of 34 students enrolled in undergraduate marketing class to select the product for testing, 56 products were developed based on the popularity of online shopping. The result shows that the consumer perceives shopping offline as inconvenient, online shopping intention was expected to be greater for search products than experience product.

FINDINGS AND ANALYSIS
Demographic Pro file of the Study Area

The study was conducted in the Jamnagar, of Gujarat. This following section will be mainly focusing on the demographic characteristics of the study area in terms of sex of the respondent, caste, income, education age.
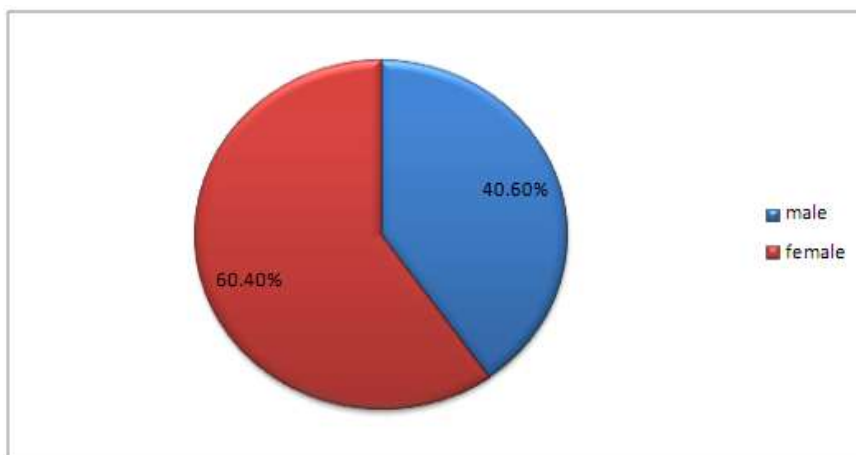

Fig-1: Sex ratio of the respondent

150 respondents were taken into consideration for the study. The graph representation shows the percentage of male and female who are doing online and offline shopping. It shows 40.60% of male go for the shopping while 60.40% female do the shopping. This means that more of the female member involved on the shopping. This gives a general idea of the sex ratio who is more involved in shopping.
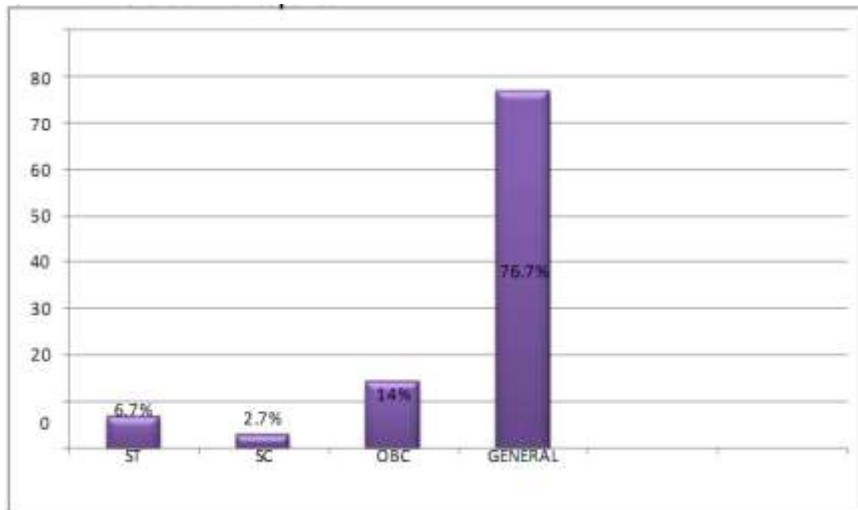
Fig-2: Caste of the respondent
Source: Survey Data and Author's calculation

The above graph representation shows the percentage of population category who opt for online shopping. The general caste population is major customers of online shopping covering 76.7 % of the total population, Followed by OBC category comprising 14% of total population. The SC and S T contribute for 2.7% and 6.7% respectively. It was seen that the general population mostly opt for online shopping because of their changing life style. This makes them shop more online where they can save their time and also maintain their status.

Age of the Respondent
The below graphical representation shows the age category of population who choose online shopping .The major of customers who use online shopping to fulfill their need ranges mostly between 18 to 25 age category comprising of 68.6% of the total consumers and this is mostly seen among them because of the increasing technological revolution among the youth population and they are able to use this technology for their well-being more than other age group category. Next the age group of 25-35 contributes as the second most consumer type using online shopping services of 14.7%. For this age group time is the major factor for using them this stream as way to shop. The rest of the consumers are age group of 35 above and 18 below comprising 8.7% and 8.0% respectively. The percentage of population low because most of the 35 above group have lack of adequate knowledge of technology used. And for 1 8 below money constraint comes into picture.
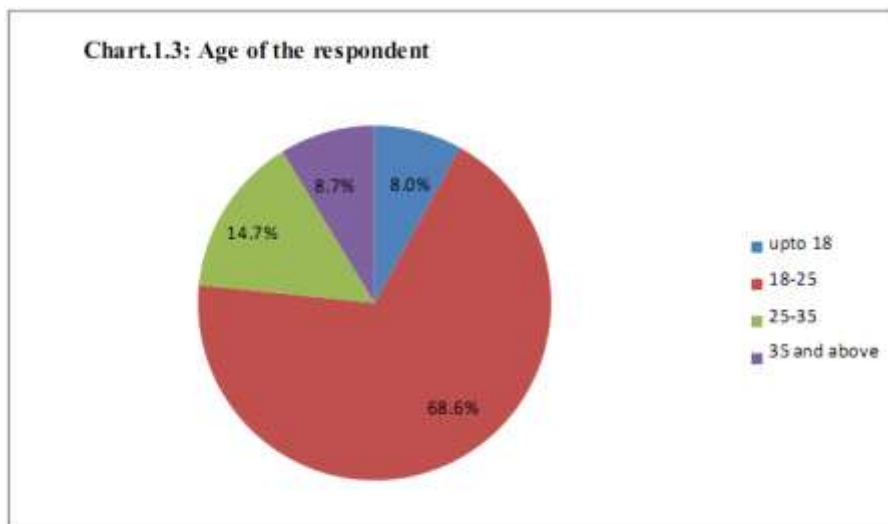

Fig-3: Age of the respondent
Source: Survey Data and Author's calculation

Different Income group of the respondent

The below pictorial representation shows the income of the respondent, and the maximum income for the shopping site comes from the student class. These people are not employed rather they study and do shopping online this is because they are updated with the current technology. The representation shows that the 64.7 % of the people are student. Second comes the group of people who is having income of 15000-30000 it takes around 11.3% then followed by the groups of income 40000 and above which is 10.7%, then comes the less than 15000 income group   which covered 8.7%,and after that 30000-40000 income group and last comes the housewives which takes 4% and 0.7% respectively. Housewives do not go for the online shopping as they do not get time out of their household work and they are also not technologically updated. The graph gives the clear cut idea about which income group is more into the online shopping.
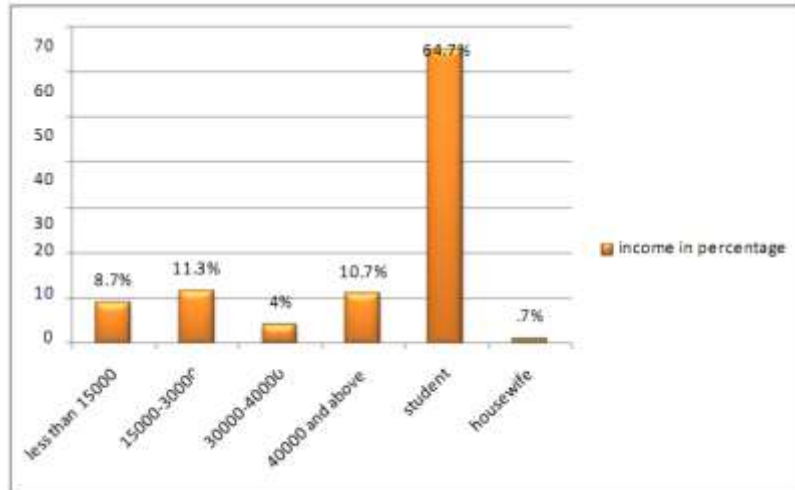
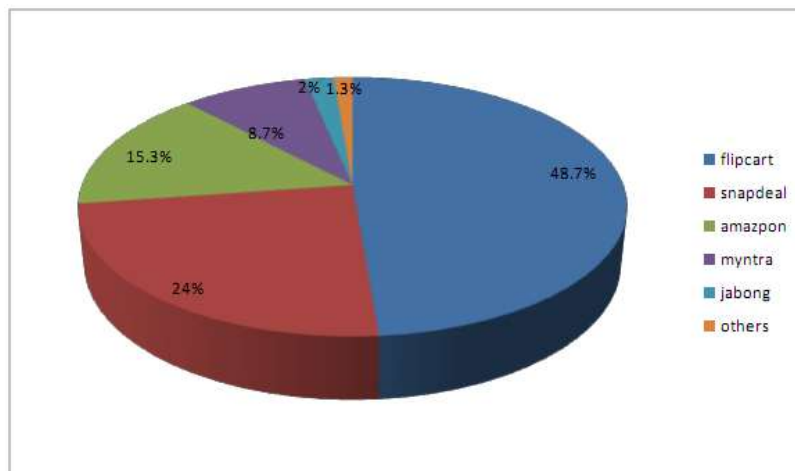**Fig-4: Preference of the different online shopping sites**

Fig-5: Preference of the different online shopping sites
Source: Survey Data and Author's calculation

The most preferred website for online shopping is F lipkart as it was the only site for online shopping in the country for many years later when other sites came into picture its market went down, still it's the most preferred site as its marketing done properly with superior brand quality of products and services over other sites .So, it's still able to retain the market. The next comes the snap deal site where nearly 24% of consumers prefer it. This is because of the recent increasing marketing strategy of the sit e and an assurance to give better service and product. Next comes amazon site which covered 15.3% of the people, it is an online shop giant outside the country still its striving hard to market its brand in the country, and assures a major potential for market in near future. Next online sites preferred are myntra and jabong and the percentage of the people are 8.7%% and 2% respectively. it has come into picture of online shopping because of its fancy offers and benefits it provides. The least number of percentages is 1.3% for other shopping sites like – Yepme, craftvilla.com and other sites.
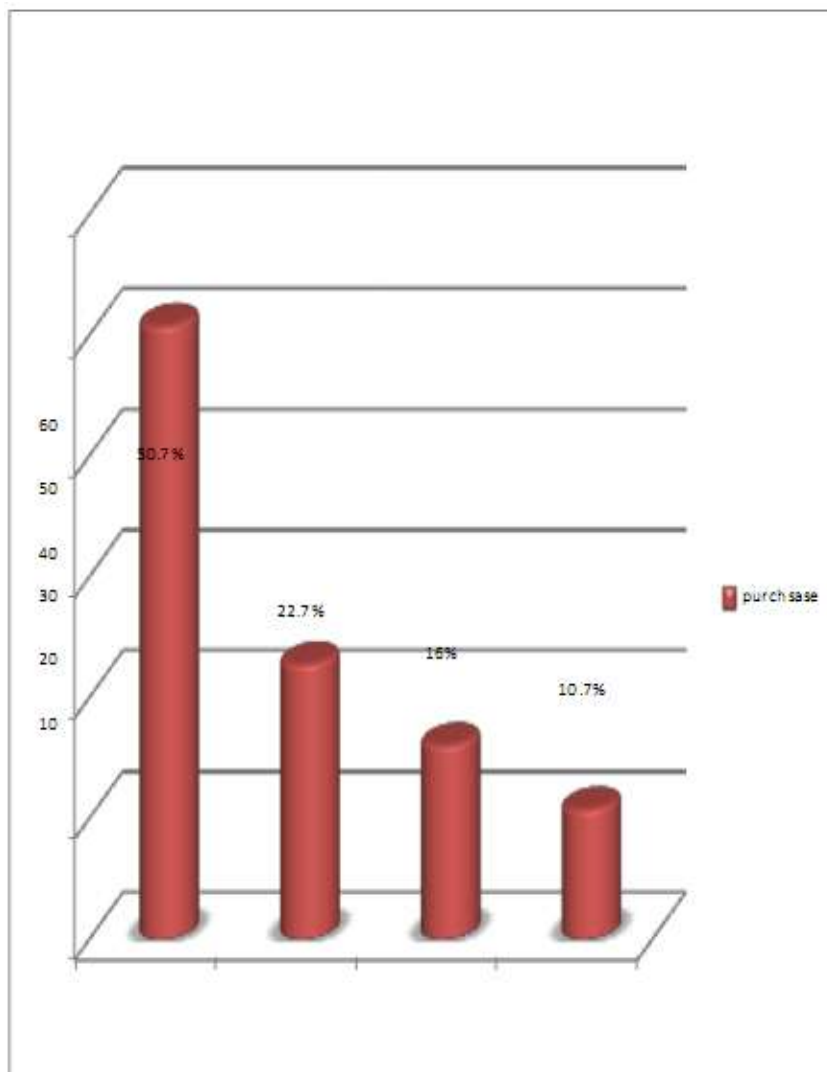
Fig-6: Mostly purchased goods from online sites
Source: Survey Data and Author's calculation

      The consumers mostly purchase clothes online comprising of 50.7% of the population, The increasing demand of clothes online is because of the variety of options the consumers get to choose and that to at a reasonable price. Moreover the quality provided is also superior. So, there is a demand for clothes in online pages .Next comes the electronic items purchase with 22.7% of the total demand. These sites provide these items at factory output price and also provide a warranty over the items. So, consumers find it reasonable to buy it online. The next demand comes of books comprising of 16% of the demand. The other products purchased online covers for 10.7% of the total items purchased online like – footwear, cosmetics, etc.
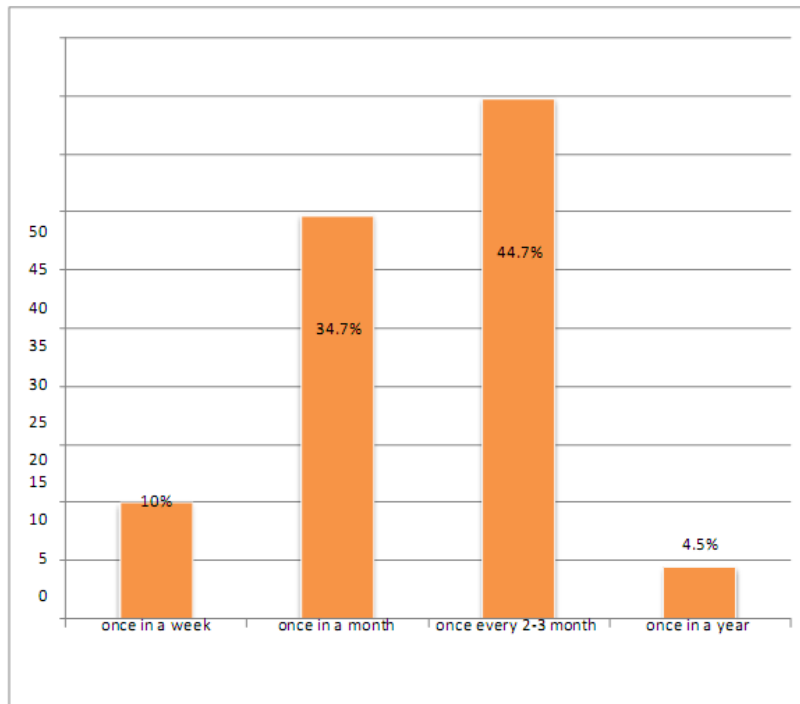
Fig-7: Frequency of the product purchased from online shopping sites by the respondent
Source: Survey Data and Author's calculation

Recent study shows that due to increasing need of society and time constraint has led most of the population switch to online shopping. It is seen that nearly 44.7 % of the regular population do buy the product in every 2-3 months at a regular interval. 34.7% of population do online shopping every month which is because of the availability of income and technology to do shopping. Moreover, 10% of population does online shopping every week.
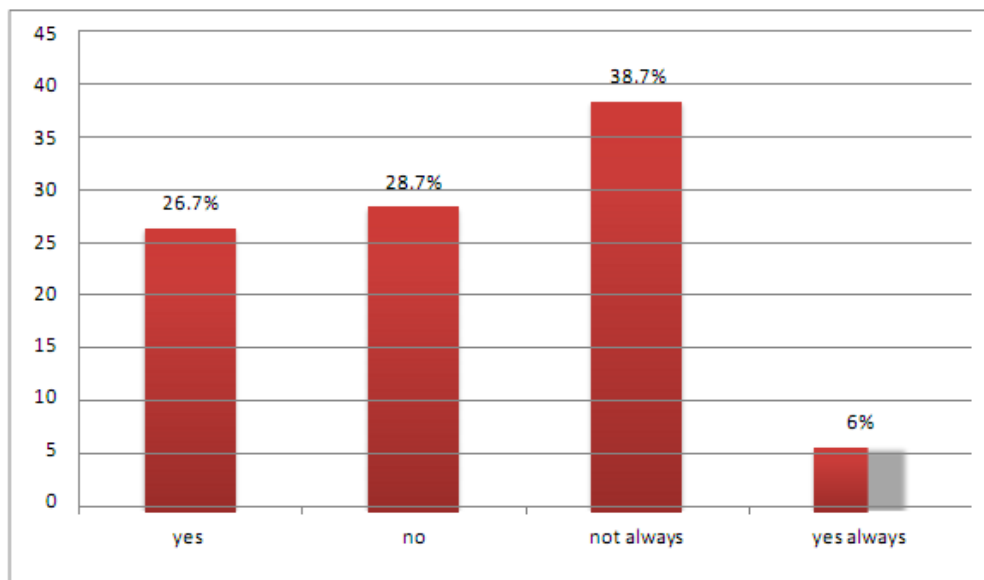
Fig-8: Product available on Pin code
Source: Survey Data and Author's calculation

When a particular product is ordered by a user there is one constraint of whether its delivery option is available in that area or not. Depending on the demand and product availability the sites have filtered the delivery option restricted in developing areas where the cost of delivery is higher is more than the income in that area. So, nearly 38.7% of the time the service of delivery for fancy product is not always available in areas. For nearly 26.7% of the times the delivery options for regular products is available in most of the areas. And 28.7% of the products are not available in the area where the study has done. Only 6% account for always availability of product in an area.
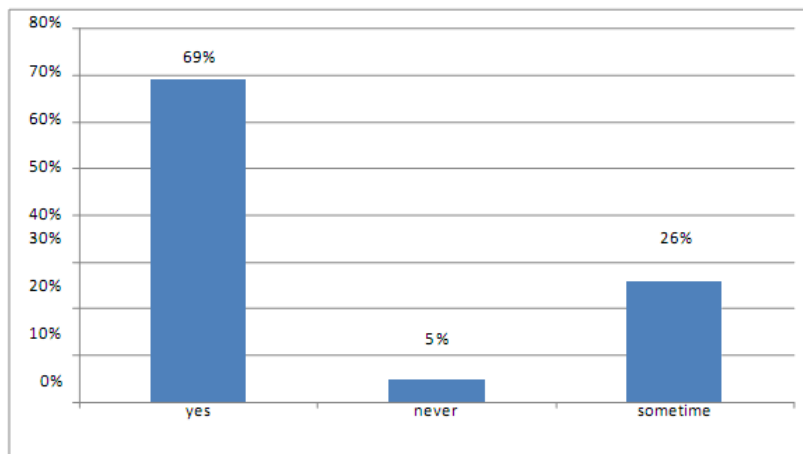
Fig-9: Is website providing the sufficient information?
Source: Survey Data and Author's calculation

Every product which is available for purchase on a particular site gives well- informed information about it along with pictures to attract the customers about it. Most of the times the site provide every valuable information needed and many times its avoided when the product is not upto the mark in 69% of the cases it was seen that every information needed is provided which makes the product administered user friendly and a customer can buy the product judiciously. Only in 5% cases it was seen that the product information is not provided and 26 % of the respondent said that it provide the information sometime.
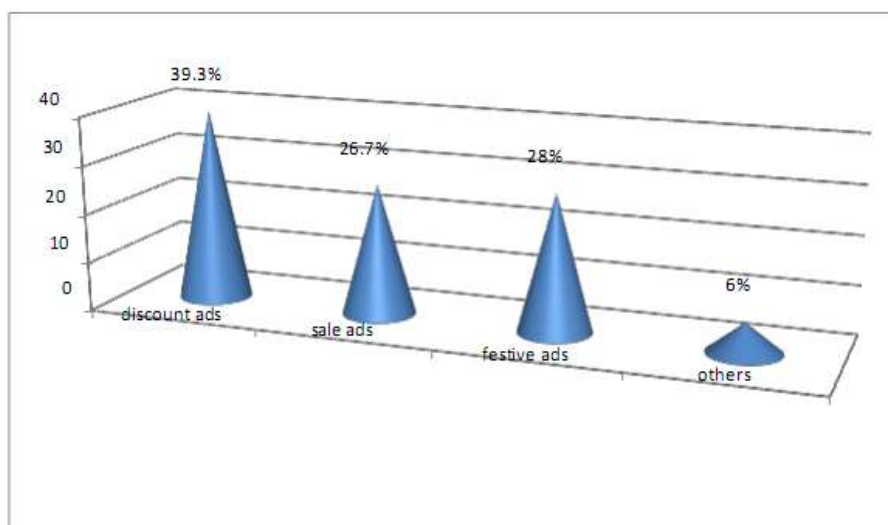

Fig-10 Type of advertise ment mostly attracts to purchase online
Source: Survey Data and Author's calculation

Advertisement plays a major role for making a site a brand in the market. Moreover, advertisement attracts its customer towards them to make income. The type of advertise ment that attracts the customer towards them is discount ads which is 39.3%, which give the customer a reason to buy their products at reasonable prices. Also the sales ads bring more customers nearly 26.7% of total customer gets attracted to it. The fest ive season is the time duration during which major of the population do their shopping is 28% and if ads related to it is published then it brings more customer to them.
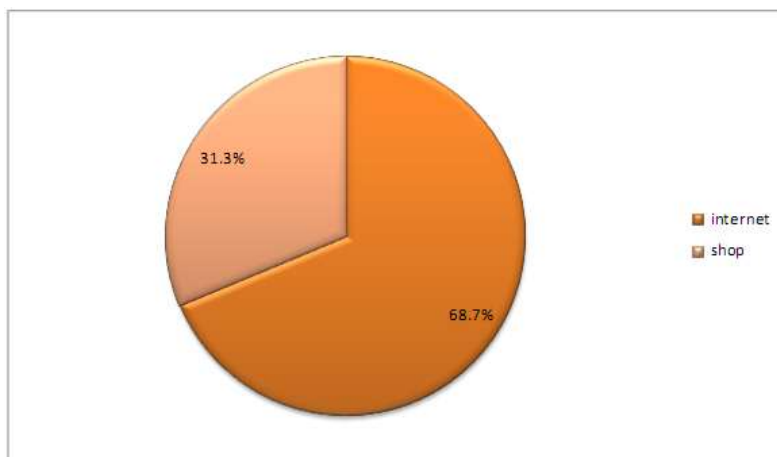
Fig-11: Preference of the product with same price both in shop and on inte rnet
Source: Survey Data and Author's calculation

This Study shows that if the product has same price both in the market shop and internet then, nearly 68.7% of population prefers buying the product over the internet as it saves time and transportation cost added while buying the product. But, in case of shop only 31.3% prefers may be due lack of technological resources to do the purchase. Moreover, it gives the customer a sense of inspecting the product buyingit.
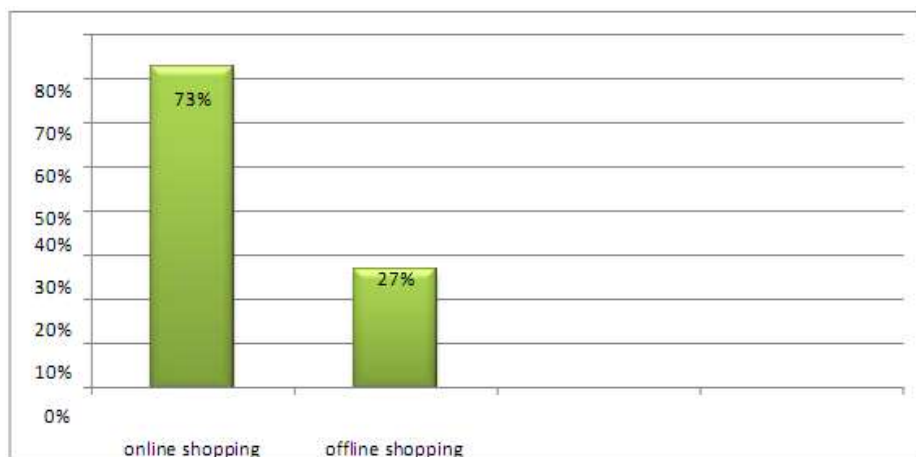

Fig-12: Preference of the respondent for the shopping medium
Source: Survey Data and Author's calculation

From the above graph it is clear that out of 150 respondent 73% respondent want to go for online shopping as they find it more convenient and easier for them but 27% customer want to go through the offline shopping because they are more comfortable in traditional market.
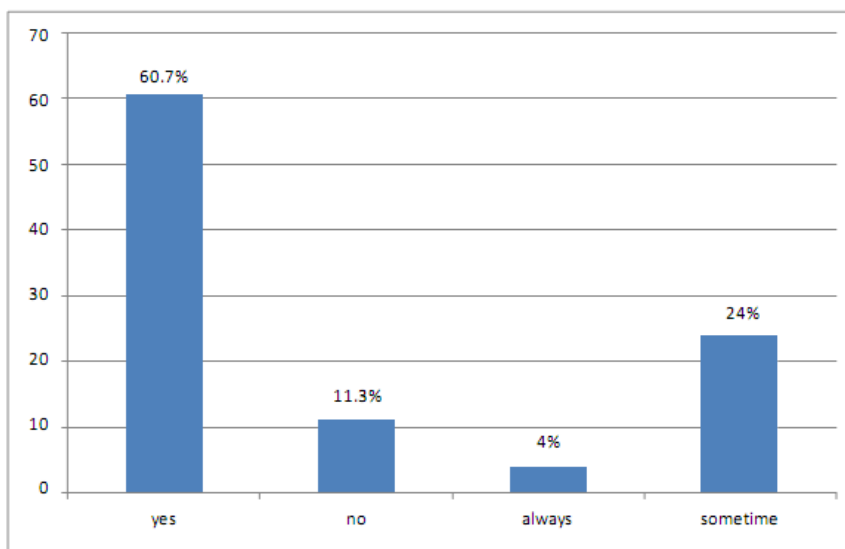
Fig-13: Preference of online shopping whe n price lowe r than market price
Source: Survey Data and Author's calculation

It is clear from the study that 60.7% of people admit that they would prefer online shopping if they would get price lower than the market price. 24% of people say that they are not sure which option to choose and 11.3% say that they would prefer shop over internet shopping. And 4% people said that they will prefer online shopping instead of purchasing from offline shopping or traditional market.
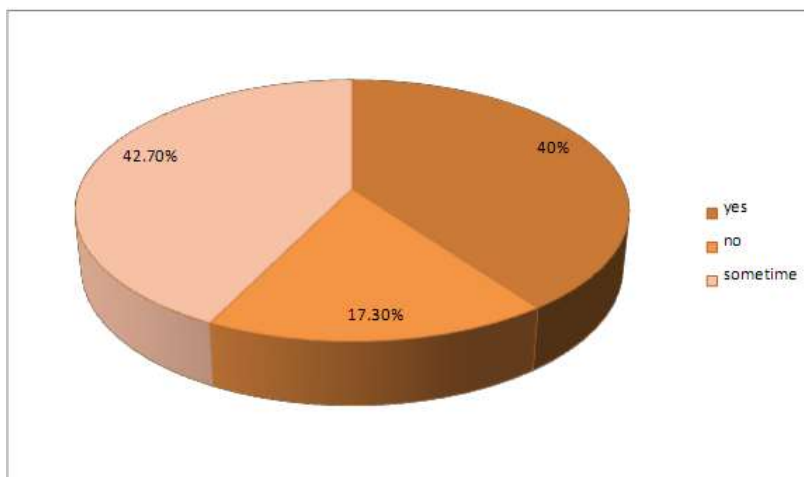

Fig-14: Does online shopping is as secure as traditional shopping?
Source: Survey Data and Author's calculation

The Graph clearly shows what customers think about online shopping, with 42.70% sometime think its secure sometime it is not as compared to traditional shopping.40% customer think online shopping is as secure as traditional shopping, while 17.30 % believe it is not secure.
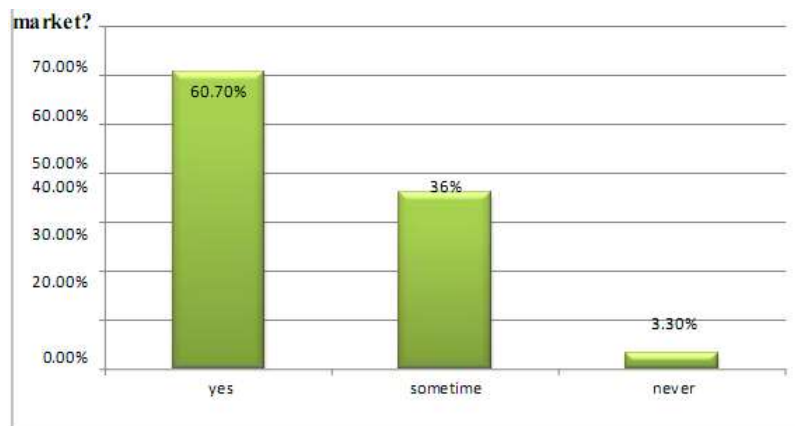
Fig-15: Selection of goods on internet is very broad as compared to the traditional market?
Source: Survey Data and Author's calculation

60.70% customers believe that online shopping you get more variety of goods as compared to traditional shopping, which in turn is less time consuming as you can explore many items/goods in just a click , while 36% customers think that the online shopping doesn't always give you variety of items to purchase , they still somewhat believe in traditional shopping. Though online shopping has its own perks, but unavailability of internet connection causes the customers to go to traditional shopping. 3.30 % customers never think that online shopping gives you more or better variety of product; they still do traditional shopping in order to get the product.
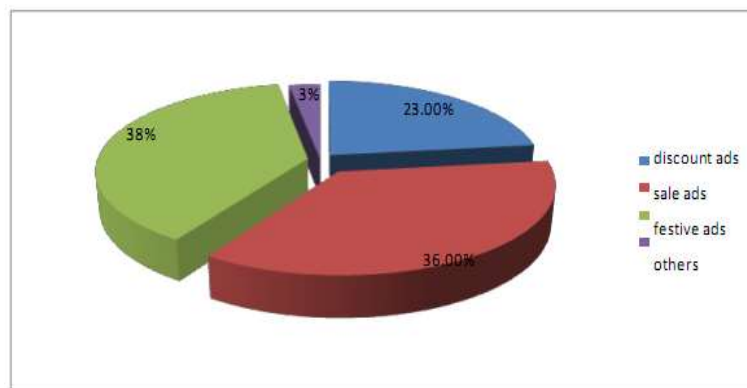

Fig-16: Type of advertisement mostly attracts shop offline
Source: Survey Data and Author's calculation

There are various reasons why people are attracted to shop offline- most prominent reasons are discounts ads, sales ads, festive ads and other miscellaneous ads attracts cus tomers to shop offline. India where festivals are regarded as most auspicious moments, ads play important role in promoting offline shopping. festive ads plays the major role with 38% in attracting the customers to go for offline shopping, followed by sales ads with 36% this type of ads are great events to attract customers by showing ads to customers about sales for a limited period of time. The discount ads which covers up 23 % comes next to sales ads in attracting customer for offline shopping, While remaining 3% are other miscellaneous ads such as off season etc. Also somewhat attracts people**.**
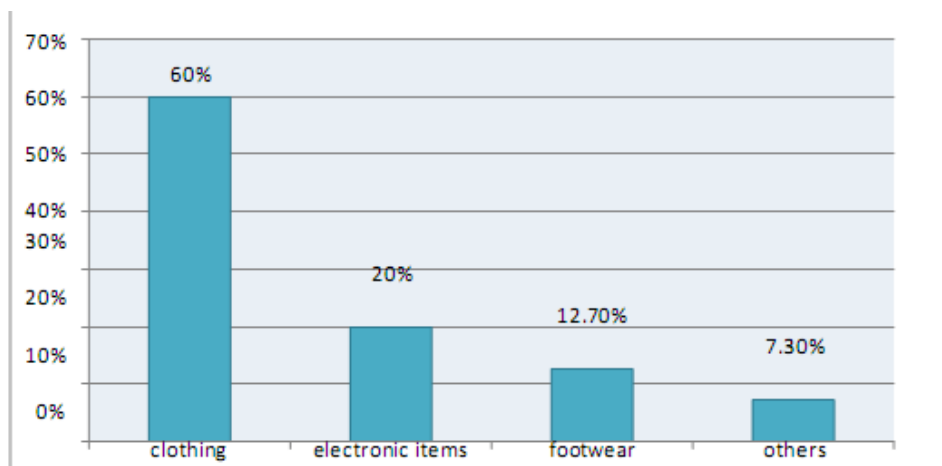
Fig-17: Things you mostly prefer from offline shopping
Source: Survey Data and Author's calculation

The clothing is the commodity which is mostly preferred for offline shopping i.e. about 60%, customer like to feel the fabric of clothes, try it and like to see/try different types of clothing that is why they purchase it from offline market/traditional shopping. The second commodity which is most preferred for offline shopping is electronic items 20%, everyone wants to have their hand on items which are in working good condition, the best way to do check the proper functioning of electronic goods is to shop offline where you can use the gadget for trial and make sure that you don't purchase malfunctioned items. Even footwear 12.70% is among the list of the most preferred offline shopping items, sizes vary from customer to customer, so people prefer to buy those footwear which fits them and they are comfortable with. Rest 7.30% are miscellaneous goods which people go for offline shopping such as groceries, vegetables, consumer products etc.

CONCLUSION
The finding and analysis shows that the consumer who are between the age group 18-25 are more comfortable for online shopping than rest of the group. The group which is coming under the age 35 and above are not much aware of the so many shopping sites and as well as they are not technically advanced to do online shopping they fear whether the product they are ordering will come genuine or not so they less do online shopping rather they prefer traditional market. So it is clear from the finding that the youth are more into e-shopping.

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