

# **A Study on Factors Affecting Online Shopping Behavior: A Case Study of Karnal**

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## **ABSTRACT**

Firms and Consumers are showing a significant and quick development in business through the Internet. Several firms utilized the Internet having the objective of decreasing marketing expenses along with lowering the prices of their services as well as products for maintaining a competitive advantage in highly competitive marketplaces. An interesting trend that is attracting the attention of both researchers and practitioners is the increase in interest rate in the Internet as purchasing as well as shopping medium. The main goal is to determine the factors that impact consumers in the Karnal district's online shopping buying behavior, as well as to determine whether various categories of online Karnal buyers, such as regular buyers, frequent buyers, occasional buyers, along with trial buyers; perceive website factors in various ways. The outcomes of the study revealed that every website feature has a vital impact on the attitudes of all online purchasers regarding online shopping. The findings indicate that vast majority of respondents under the age of 29 utilize the internet just for online shopping. Approximately 75% of those who answered the survey are recent graduates who buy on the internet.

**Keywords:** Consumers, Online Shopping, Consumers Attitude

## **Introduction**

A sort of electronic commerce, online shopping allows consumers for purchasing services or commodities directly from vendors through the internet, utilizing a computer browser. The concept of online shopping is rapidly expanding. Consumers are increasingly turning to the internet to purchase services and goods, acquire product information, as well as even just to browse for entertainment. Thus, online shopping systems have become highly relevant in the whole relationship among marketers along with their customers (Koo et al 2008).

There are a variety of services available on the internet as a result of the exponential growth in business potential. Online shopping is the most popular services offered over the internet in recent years. It offers several advantages for both businesses and consumers. Online

shopping has allowed businesses to reach more customers while also saving money. They were successful in reaching out to consumers who live in rural places. Essentially, they act as stepping-stones towards the concept of a global village. Furthermore, the inventory management costs are reduced dramatically as a result of online shopping. (Richa, 2012).

For shopping reasons, consumers do not need to physically visit the stores/outlets; instead, they may shop from anywhere. Customers may effortlessly purchase on the internet, even if they are located in a remote location. Although in this case consumers can browse through any number of websites before making a final decision. In a nutshell, online shopping presents customers with an almost limitless number of options. The consumer can shop at any time. Customers will save both time and energy as a result of online shopping. Even more so, because there is a limitless number of options and customers have less free time, they can quickly look for and compare the items/products they prefer. Consequently, the current study is being conducted for determining the factors which impact the online shopping behavior in Karnal.

### **Factors Inflecting the Adaptation of Internet Shopping**

**Search Engines:** Internet Users mostly rely on search engines for locating the information. Due to the fact that search engines primarily assist users' judgement in ranking Websites.

**Auction Websites:** In order to provide more opportunities for e-merchants to offer their service or product, an auction website might be a beneficial tool to employ. In order to attract customers, auction websites typically offer low prices.

**Online Shopping Malls:** With the advent of online shopping malls, e-retailers were given an unprecedented opportunity for accessing a client while also offering a wide range of consumer goods through retail stores.

**Conveniences:** Online shopping provides the benefits of time and cost savings, that were two important elements in the decision to make an online purchase.

**Price:** In online shopping, price is significant consideration for customers. Prices are not always important to online customers, as price comparisons among multiple e-retailers on the same item can be time-consuming as well as the price distinction between the two is sometimes negligible.

**Brand:** The quality associated with a brand's service or product is defined as follows: As more information is gathered, more understanding of the options is gained, and more customer awareness is generated, the popularity of brands as well as features improves.

**Refund:** If a customer is dissatisfied with their purchase, the e-retailer must offer an unconditional return policy, according to the requirements of online customers.

**Promotion:** E-retailers may utilize limited-time offers to encourage customers to make purchases on their website.

**Security:** For e-commerce to be a success, security must be a top priority. E-commerce might fail when Internet consumers had a low level of trust in the service providers.

### Literature Review

An important focus in the present study on consumer online buying decisions is finding the elements that influence customers' desire to conduct internet shopping

**Thompson (2002)** found that the Web has been used primarily for marketing purposes since its inception as a corporate medium. Most successful businesses will use the Internet as a primary distribution method in the near future. Advertising agencies, consumer marketers along with Mass media seemed to be in the midst of Internet discovery.

**Li and Zhang (2002)** Through a 35 empirical publications study, published in primary IS (Information Systems) journals along with 3major IS conference proceedings, the current state of research on online buying attitudes and behavior was determined. On the basis of our findings, a taxonomy has been created. This paper presents and discusses a conceptual model of internet purchasing in the context of existing empirical research.

**Teo (2002)** According to the findings of the study, the Internet will soon become a significant distribution channel for the vast majority of successful businesses. As a result, this study investigates attitudes regarding many elements of online buying and contributes to a better knowledge of possibilities of electronic commerce for both professionals as well as researchers.

**Shergill and Chen (2005)** The study focuses on the considerations that internet shoppers in New Zealand keep in mind while making online purchases. Also explored was the way in which different sorts of online customers saw websites in a variety of ways. According to the findings of this study, the four most important variables that impact consumers' opinions of online purchase are website privacy/security, website customer service, website fulfillment/reliability, and website design.

**Delafroozet al. (2009)** The key idea of this research was to determine the significance of people's attitudes regarding online shopping. These results of the regression analysis revealed the factors that influence customers' opinions regarding online shopping. Furthermore, customers' opinions regarding online shopping were impacted by their utilitarian orientations, the ease of online shopping, the price, and the broader choices available.

**Jim and Jaafar (2011)** perceived marketing mix, perceived reputation, perceived after-sales service, perceived privacy, perceived security, and perceived usability have all been examined in this study, which was conducted in China.

**Nikalje (2013)** Consumers' attitudes on e-commerce purchasing through online shopping are being investigated in this research, with the goal of identifying the elements that impact these attitudes. It also investigates how sociodemographic factors (such as age, income, and employment), patterns of online purchasing, and perceptions of purchases influence customers' attitudes about online shopping. A significant disparity is discovered between customer attitudes across different types of consumers and ages.

## **Section II**

### **Research Methodology**

This research has been performed in the city of Karnal, which was chosen on purpose for this purpose. The subjects of this study were chosen at random from a group of 300 internet shoppers who participated in a previous study. The percentage and frequency analyses were developed for analyzing the consumers' socio-economic status who purchase online. The exploratory factor analysis method was utilized for investigating the elements that impact the online shopping behavior of consumers.

### **Research Objective**

1. The main objective was to discover the most important elements impacting the buying behavior of Karnal district consumers when they shop online.
2. To find out how different types of Karnal online buyers, such as regular customers, frequent customers, occasional customers, and trial customers, view and react to various aspects of the Karnal website.

### **Data: Results & Analysis**

There has been a total of 300 suitable replies obtained for the individualized 350 questionnaires that have been sent among the participants in order to obtain the maximum amount of information feasible from each participant.

**Socio-Economic Status of Consumers of Online Shopping:** Table 1 represents the analysis results of the socio-economic status of online shoppers, with the findings given in the form of questions. According to the findings, about 64.33 % of consumers of online shopping are males, with the remaining 35.67 % of customers of online shopping being women. It has been shown that around 39.67 % of online shoppers are between the ages of 29 and 38 years, with the next largest age groups being 18 to 28 years (32.00 %), 39 to 48 years (17.00 %), and 49 to 58 years (11.33 %).

According to the findings, 38.00 percent of online shoppers have completed their undergraduate degrees, followed by postgraduate degrees (27.33 percent), diplomas (16.00 percent), upper secondary education (10.00 percent), along with secondary education (7.67 per cent). According to the data, approximately 32.67 per cent of online shoppers have an annual income of Rs.4,01,000–Rs.5,00,000. This is followed by incomes of more than Rs.5,00,000 (28.00 per cent), Rs.3,01,000–Rs.4,00,000 (17.00 per cent), Rs.2,01,000–Rs.3,00,000(14.33 per cent), and incomes of less than Rs.2,00,000 (13.32 percent).

**Table 1. Socio-Economic Status of Consumers of Online Shopping**

Socio-Economic Status	Frequency	Percentage
<b>Gender</b>		
Male	193	64.33
Female	107	35.67
<b>Age Group</b>		
18 – 28 years	96	32.00
29 – 38 years	119	39.67
39 – 48 years	51	17.00
49– 58 years	34	11.33
<b>Educational Qualification</b>		
Secondary	23	7.67
Higher Secondary	33	11.00
Diploma	48	16.00
Graduation	114	38.00
Post-Graduation	82	27.33
<b>Annual Income</b>		
Less than Rs.2,00,000	24	8.00
Rs.2,01,000–Rs.3,00,000	43	14.33
Rs.3,01,000–Rs.4,00,000	51	17.00
Rs.4,01,000–Rs.5,00,000	98	32.67
More than Rs.5,00,000	84	28.00"

**Table 2. Factors Affecting Online Shopping Behavior of Consumers**

Factor	Item	Rotated Factor Loadings	Eigen Value	% of Variation	Factor Name
I	Shopping online allows me to purchase things at any time of day or night	0.68	2.03	23.86	Convenience
	Shopping online provides access to detailed information	0.63			
	This is easy for	0.65			

<b>Factor</b>	<b>Item</b>	<b>Rotated FactorLoadings</b>	<b>EigenValue</b>	<b>% ofVariation</b>	<b>FactorName</b>
	selecting as well as making comparison with other products while shopping online				
	Determine the appropriate product on the internet is Simple	0.61			
	Shopping online ensures fast delivery for me	0.59			
II	Searching and choosing the proper product is made easier because of the website's design	0.60	1.49	19.43	Website Features
	Easy product searches are made possible by the design of the website	0.58			
	As long as the website delivers security and convenience of use, I prefer to buy from it	0.62			
	I like to purchase from a website which gives me with high-quality content	0.66			
III	My security is protected while Shopping Online	0.64	1.17	16.72	Security
	I feel more secure	0.57			

Factor	Item	Rotated Factor Loadings	Eigen Value	% of Variation	Factor Name
	when I shop online				
	I like to purchase stuff online from a trusted company	0.60			
IV	When buying online, it takes less time to assess as well as choose a product	0.59	1.04	11.90	Time Saving
	Purchasing items through online shopping saves time	0.55			
	Online shopping moreover does not waste time	0.57			
	Cumulative Variation percentage	-	-	71.91	-
	Cronbach's Alpha	-	-	-	0.87

**Extraction Method:** Principal Component Analysis Rotation Method: Varimax with Kaiser Normalization Rotation converged in 9 iterations

**Factor - I:** Based on the findings, this can be concluded that five variables out of fifteen have strong, rather closely clustered factor loadings on factor - I.

This factor comprises the following:

- Shopping online allows me to purchase things at any time of day or night (0.68)
- Shopping online provides access to detailed information (0.63)
- It is simple to select and compare items while purchasing online (0.65)
- Finding the appropriate product on the internet is simple (0.61)
- Shopping online ensures fast delivery for me (0.59)

"**Convenience**," is the name we have given this factor.

**Factor-II:** is formed with:

- Searching and choosing the proper product is made easier because of the website's design (0.60)
- Easy product searches are made possible by the design of the website (0.58)
- As long as the website delivers security and convenience of use, I prefer to buy from it (0.62)
- I like to make purchases from a website, which provides me with high-quality material (0.66)

"**Website Features**" is the term given to these variables.

**Factor-III:** This factor includes:

- I feel more secure when I shop online (0.64)
- Online shopping is a safe and secure experience for me (0.57)
- I like to purchase stuff online from a trusted company (0.60)

They are called "**Security**" variables.

**Factor-IV:** This factor is made up of:

- When buying online, it takes less time to assess and choose a product (0.59)
- Purchasing items through online shopping saves time (0.55)
- Furthermore, online shopping does not waste any time. (0.57)

"**Time Saving**" is the name given to this feature.

At 0.87, the Cronbach's Alpha scale showed that each metric had satisfactory internal consistency. Consumers' online buying habits are said to be influenced by variables such as convenience, website features, security, and time savings.

### **Conclusion**

Most online customers are men between the ages of 29 and 38, and the majority of them are in this age range. Online customers are predominantly college-educated and earn between Rs.4,01,000 and Rs.5,00,000. Customers' online shopping habits are influenced by characteristics such as time savings, security, website features, and convenience according to an exploratory factor analysis. Consumers' purchase decisions are influenced by convenience, security, website features, and time savings at a 1% level, according to the regression research. Consumers' purchase decisions are influenced by time savings, security, website features, and convenience savings at a 1% level, according to the regression research. It is imperative for online merchants to guarantee that the online buying procedure on their websites is as simple, easy, as well as convenient as possible for their customers to shop online. Websites that are simple and user-friendly will inspire customers to make a purchasing decision that they are more likely to make again. Additionally, online sellers must ensure that their customers receive a timely shipping service. One approach to do this is for online merchants to maintain enough inventories of products and to establish a tracking system which allows both customers and online retailers for tracking and be updated about the delivery status of items. Online retailers must streamline and integrate their company operations with warehouses, suppliers, along with delivery providers in order to achieve this goal. Additionally, in order to assuage consumers' concerns, online retailers must provide their customers with a detailed privacy policy regarding the sharing of personal information. According to the policy, all information obtained will be treated as strictly confidential as well as will not be shared with or passed on to another party without the approval of the individuals.

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