A Study On Impact of the Consumers in Online Shopping with Special Reference Towards Chennai City

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Abstract

The rapid growth of e-commerce in India has significantly transformed consumer purchasing behaviour, particularly in metropolitan cities such as Chennai. This study examines the impact of various consumer-related factors—such as convenience, price sensitivity, trust, digital literacy, product variety, and promotional influences—on online shopping behaviour among residents of Chennai City. Using primary data collected through a structured questionnaire and supported by secondary sources, the research analyses consumer preferences, motivations, and challenges associated with online purchasing.The findings reveal that convenience and competitive pricing are the strongest drivers influencing online shopping adoption, while concerns regarding product quality, delivery reliability, and data security continue to pose barriers. The study highlights demographic differences in online buying patterns and emphasizes the growing role of mobile-based shopping platforms. The insights contribute to a better understanding of consumer dynamics in Chennai's digital market place and provide recommendations for e-commerce companies to enhance customer experience and trust.

Keywords: e-commerce, digital literacy, online shopping adoption

1. Introduction:

In the business of e-commerce activity, consumers use internal facility for several reasons like searching for product speciality, prices of products and products reviews, placing of order, making payments etc. Over the past 25 years. The internet has developed into a wide global market for the exchange of goods and services. In many developed countries, the internet has been adopted as an important medium, offering a wide collection of products with 24 hours availability. E-commerce has become a matchless marketing guide in business dealings. Online stores, and services are vital sources of channels in business to

consumer connections. Once a product has been found on the website of the seller, most of retailers use shopping cost which allow the consumer to collect multiple items and to adjust quantities. It is just like filling a physical shopping market in a conservative goods. Some stores permit consumers to sign up for a permanent online account. The consumer often receives an e-mail verification once the transaction is complete.
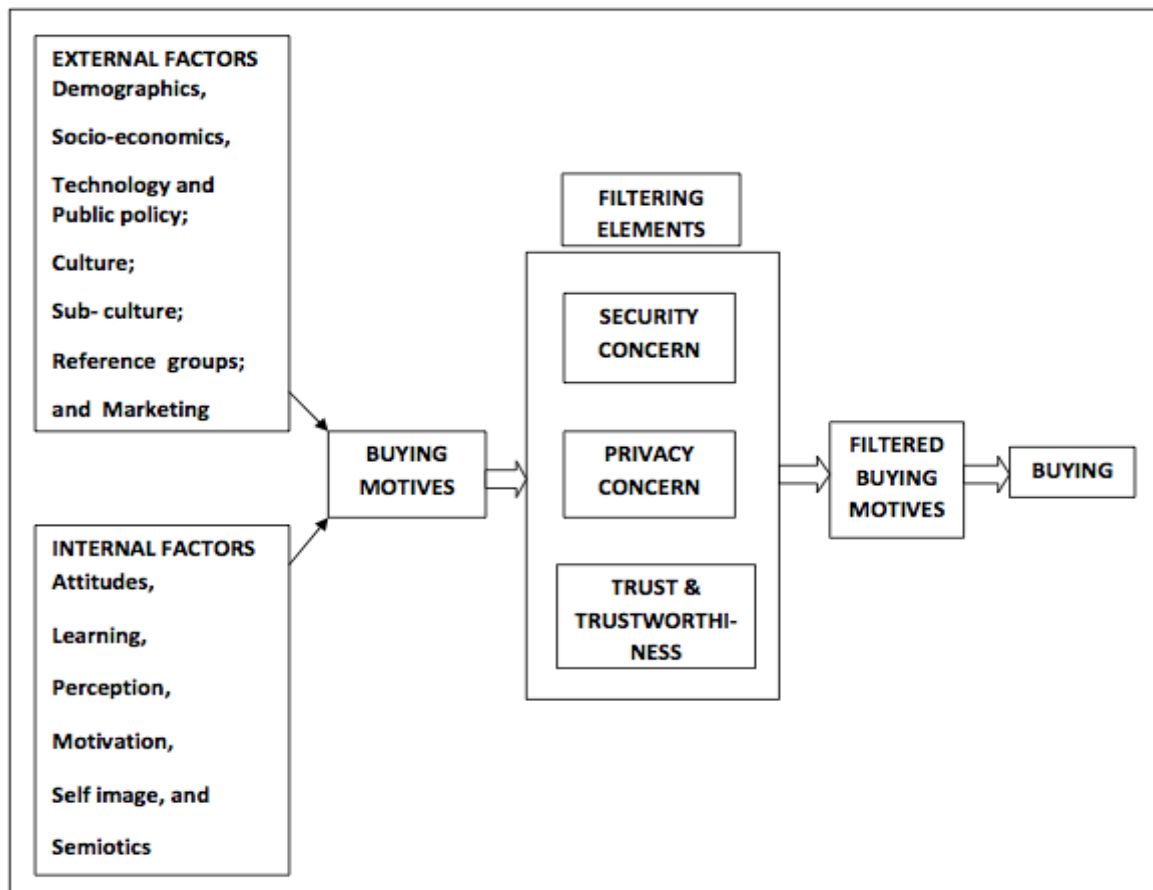
Online shoppers usually use a credit card or a pay pal account to make payments. However, some system enables users to create accounts such as billing to make phones, cash on delivery, debit card, gift cards etc. Once a payment has been received, the goods and services can be delivered through shipping in store pickup etc. The internet, or e-commerce has practiced rapid

Growth from early years. The volume of online business to consumer transaction is increasing of a very high rate. The major online shopping sites in India are E-bay, flipkart, snap deal, myntra, jab ongtradus, shopclues, homeshop 18 etc.

The FFF Modelof Online Consumer Behavior:

In 2012, two management professors Ujwala Dange and Vinay Kimar from Priyadarshini Engineering College and S. B. Patil Institute of Management respectively proposed a model for online customer behaviour. It is not the first time a model like this has been developed but I found theirs to be most relevant to customers of today.

The FFF model takes into consideration interna land external **factors** affecting consumer buying behaviour. It then proceeds to discuss various **filtering elements** customers will apply to make a selection of a store to purchase from and revised **filtered buying behaviour** based on their final selection. The Web

allows for the amassing, analysis, and control of large quantities of specialized data, which enables comparison shopping and speeds the process of finding items. The Web also facilitates trials and can provide instant gratification; customers can test products online, which may stimulate purchase. Ease of use of technology, effectiveness of online search, and user satisfaction are antecedents of the perceived benefits of information search (Kulviwat et al., 2004).

Graphically the model representing customer journey to purchase looks like this:

1.   Factors

Starting from left, the first element Kimar and Dange identified are factors that motivate customers to buy products or services online. They divided them into two categories: external and internal.

The externalfactors are the ones beyond the control of the customers. They can divide into five sectors: Demographics, socio-economics, technology and public policy; culture; sub- culture; reference groups; and marketing.

Internal factors are personal traits or behaviours and include attitudes, learning, perception, motivation, self image, and semiotics.

Based onsuch factors customer develops what Jagdish Sheth, a professor of marketing at Emory University defined as two distinct **types of buying motives**: **functional and non-functional**.

The functional motivesrelate to consumer needs and could include things like time, convenience of shopping online, price, the environment of shopping place (i.e. couch buying), selection of products etc.

Thenon-functionalmotivesrelatemoretothecultureorsocial values likethebrandofthestore or product for instance.

2.   Filtering Elements

Kimar and Dange recognized security, privacy and trust as three hurdles to online purchases. Customers use these three factors to filter their buying choices and decide on the final selection ofstorestheyare willing to buy from. In other words, if your store doesn't pass your customers' security, privacy and trustworthiness criteria, theywon't buy from you. Even if you are cheaper.

Compared to traditional brick and mortar shops, online shopping carries more risk during the purchase process. Customers recognise online as a high level risk purchase and have become aware of what might happen with their data online. They use that knowledge now to filter their purchase options by 3 factors:

▪   Security

It's an unfortunate characteristics of the internet that information there could be easily lost or stolen. Your payment details or personal information could easily be retrieved from a database it is stored in byt he shop for instance, as we have seen recently with few major security breaches. Customers are growing more aware of the dangers of stolen data from the web. And they filter their purchasing alternatives against security criteria.

▪   Privacy

Another type of risk online is having personal information handed over to or stolen by 3rd party companies to send unsolicited emails and spam to customers. Even though the results of privacy breaches may not be as severe as losing your financial data, it can still cause a great deal of frustration and diminish trust in

stores.

A lack of trust in a store's privacy policies is a serious obstacle for many customers. Similarly, many customers look forreassurance that their data will be protected and not handed over to any 3rd parties for further use in marketing.

▪ **Trust and Trust worthiness**

Online trust is essential in building any relationship with customers. There seems to be howevera diminishing trust in online merchants. This is especially true when it comes to smaller, niche stores. Customers focus on Amazon and other giants, shops with big brands behind them and don't applythe same leveloftrusttoasmaller shop. So ifyourunastoreselling bike storage for instance, you should work hard to build a high leveltrust among your customers to be picked up for the order.

3. Filtered Buying Behaviour

The last element of the model covers what authors call the filtered buying behaviours, a set of expectations and motives revised by the filters we discussed above.

Research Problem:

Online shopping stepped its foot as one of the fastest developing market and now-a-days a most common trend which peopleis using tobuy any assets,with the growth of internet over the last 5 years. Most of the businesses have now shifted to online. Chennai holds the 5th position in terms of e-commerce of the consumers in the country. Nearly 55% of the consumers from the state buy technology based products throughe-commerce. The e-commerce hubs of the stateare T-Nagar, Ambattur Industrial Estate, Perungudi Electronic Estate, Sholinganallur, Kellys, Guindy, Nungambakkam, and Saidapet .etc. are as revealed by a recent census conducted by ebay.in, an online shopping website. In this context the researcher have made an attempt to examine the influence of online shopping on consumer behavior with special reference to kolathur in Chennai.

Objectivesof theStudy:

- To understand the attitude of the people towards online shopping in Kolathur.
- To identify the influence of online shopping onconsumer behaviour in Kolathur.
- To identify the nature of the commodities purchased through online shopping in Kolathur.

Methods of Data Collection:

The study was intended to examine the influence of online shopping on consumer behavior. Online shopping is a form of e-commerce which allows consumers to directly buy goods and services from a seller over the internet using a web browser. According to the researcher convenience, researcher took Kolathurassample area for the study. This work is based on the primary and secondary data.

The researcher selected 50 samples from the study area by employing the purposive random sampling. The data was collected with the help of a well-structured questionnaire. The secondary data is obtained from the various websites.

ANALYSISAND INTERPRETATION

Online shopping is a direct marketing innovation, which is still in its infancy.As such itinvolves changes in current pattern of production or consumption.In this developing and competitive world ofe-commerce

it is particularly important to understand the consumer and the values that lead to their satisfaction. There have been intensive studies of online shopping attitudes and behavior in recent year. To get a clear idea about the online shopping pattern of the sample respondents. A primary survey including 50 sample households from Kolathurarea. This paper discusses the trend of online shopping and consumption pattern of the respondents of the concerned area.

TABLE 1.1 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF PARTICIPATION IN ON LINE SHOPPING

CATEGORY	NO. OF RESPONDENTS	% OF THE RESPONDENTS
Online shoppers	37	74%
Do not follow online shopping	13	26%
Total	50	100%

Source: primary data

Table 1.1shows that the distribution of respondents on the basis of people who have online shopping and do not shopping. Among the 50 respondents37 are online shopping and 13 are do not have online shopping.

TABLE 1.2 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF COMMODITY CONSUMED:
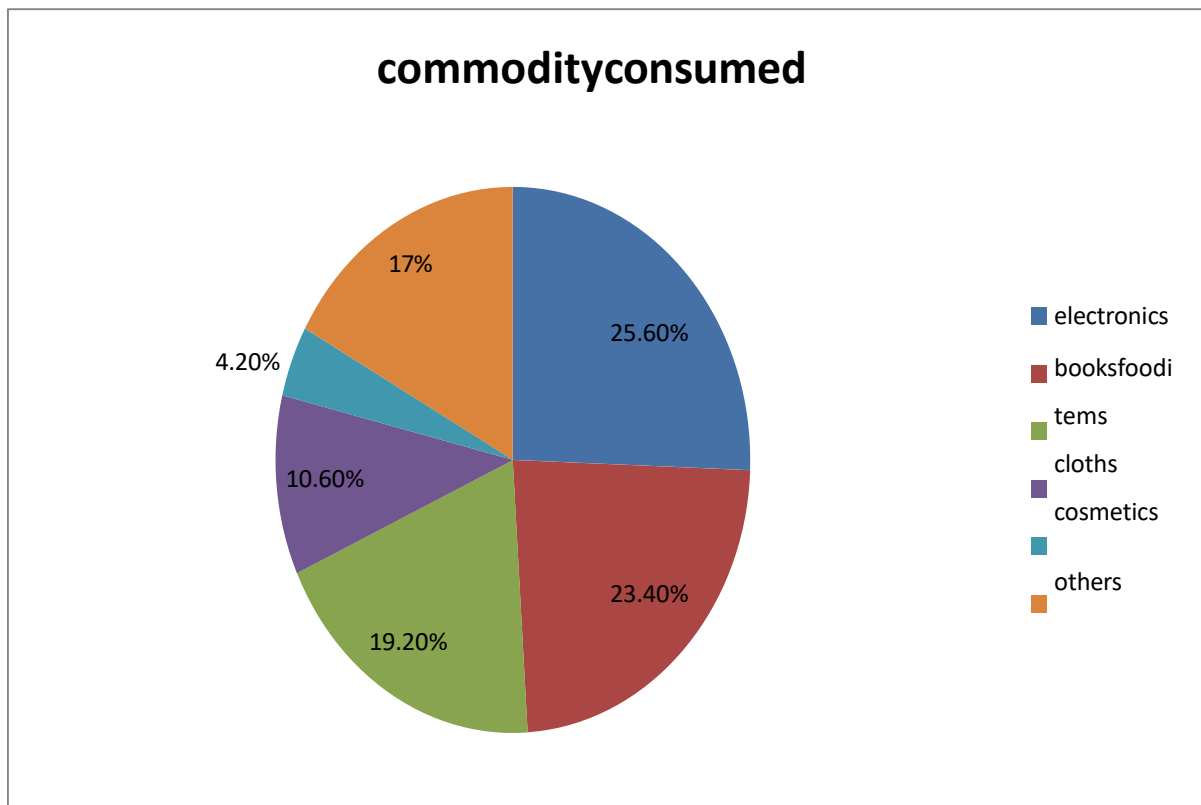
It is clear that most of the respondents are coming electronic equipments that is 25.6%. The 23.4% of the respondents were consumed books, 19.2% of people are purchase food items. 10.6% of the respondents

purchase cosmetics, 17% purchased cloths through online shopping and 4.2% are come under other categories.

TABLE 1.3 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF PROBLEMS FACED:

Natureofproblem	No. oftherespondents	% of the respondents
Delayindelivery	19	38%
Productdemage	11	22%
Cheap quality	9	18%
Otherissues	10	20%
Total	50	100%

Source: primary data

The table examines that the problems faced by online shoppers.Most of the people (38%) are facing delay in product delivery, 22% of the respondents facing product demage, the 18% of respondents was faced cheap quality of the product and 20% of the respondents are facing from other issues.

TABLE 1.4 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF FACTORS WHICH INFLUENCE PRODUCTS SELECTION:

Nature of the product	No.of the respondents	% of the respondents
Price only	8	16%
Price&quality	13	26%
Company&Brand	25	50%
Others	4	8%
Total	50	100%

Source: Primary data

The table 1.4 shows, the factors which influence product selection.50% of the respondents are looking their company and brand, 26% based on price and quality, 8% of respondents looking price only and remaining 4% respondents was looking other nature of products.

TABLE 1.5: DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF MAIN REASON BEHIND ONLINE SHOPPING

Reasons	No.of respondents	% of the respondents
Low price	21	42%
Brand	23	46%
Quality	6	12%
Total	50	100%

Source: primary data

The table shows that the main reason behind online shopping. Most of the respondents are looks brand of the product (46%). And only 12% of the respondents are looking product quality. The 42% of the respondentsare looking branded products.

From the detailed information about the peoples'attitude towards online shopping, Kolathur. We can reach these major findings. Majority of the respondents purchase according to the need while13% of therespondentsnever shopping through online. Large set of therespondentsunder the age group of 20-30 shop online while only small % of the age group of 40-50 shopping through online. Compared to the male respondents women respondents are the majority who (16.6%) under online shopping. The most of online shopping under the earings group of below RS.30,000 monthly incomes while only 45% of respondents falling the income group of more than Rs.50,000 per month.

Majority of the respondents have give 1st rank in buying electronic goods through internet shopping. The respondents have given 2nd rank to books and 3rd rank goes to buying of food items through internet. The overall performance shows that most of the people are purchased products form filpkart, amazon, snapdeal. The first place in flipkart.

From the survey, the researcher get an idea about what are the factors which affect decision making in the final selection of a product most of the respondents are before buying product comparing one product to another product and less of the respondents are comparing their products to another some of the respondents looks their products review.The study examines most of the respondents were focusing high shopping cost as their product.

2. Conclusion:

From the study it clearly indicate that online shopping has becomes a normal part of our lives, mainly because it is so convenient. Everyday, millions of people go online to do research about

goods make purchase from thousands of different online merchants. The web allows customers comparison the shop for the best deal and set product that might otherwise be difficult to find. But while online shopping provides with a high level of handiness. Online shopping can be easy and enjoyable with some protection. India's online market is at an early stage, but is predictable to see heavy growth over the next four or five years. Online shoppers anticipate to see good deals accompanied by free or very low cost shipping. Consumers are looking for fast safely and privacy of information availability, convenience, customer service, price and wider selection during online shopping.

Suggestions:

Companies should improve consumer's value perception about the products and reduce consumers perceived risk in the online shopping environment by providing quality products, timely delivery and fulfil their expectation. Also the companies should make their website easy in use and risk reduction activities should be taken care. Perceived privacy of consumer information can be enhanced by ensuring that at no point of time the consumer is asked for unrelated personal information.

People are averse to online shopping because there is a difficult in returning the defective products. Hence the companies should made the agreement so that try and buy facility is available at the customer doorstep and one can return if the product is faulty. Another problem is that the price sensitive, consumer do not

take much interest in online shopping. So the companies should allow sizable bargain for their customers.

"I think anything we do- eating, walking down the street, online shopping – gives you another perspective on writing stories."- peter ovner.

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