

**A COMPARATIVE STUDY OF ONLINE BUYING BEHAVIOUR  
OF UNIVERSITY STUDENTS IN MEGHALAYA AND  
MIZORAM**

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A COMPARATIVE STUDY OF ONLINE BUYING BEHAVIOUR OF  
UNIVERSITY STUDENTS IN MEGHALAYA AND MIZORAM

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### CERTIFICATE

I certify that the thesis entitled “A Comparative Study of Online Buying Behaviour of University Students in Meghalaya and Mizoram” submitted to the Mizoram University for the award of the degree of Doctor of Philosophy in Commerce, is a record of research work carried by Ms. Zothanchhungi under my supervision. She has fulfilled all the requirements laid down in the Ph.D regulations of Mizoram University. It is her independent work and has not formed the basis for the award of any research degree in this University or any other University or similar Institution of higher learning.

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## **DECLARATION**

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February 2021

I, Zothanchhungi, hereby declare that the subject matter of this thesis is the record of work done by me, that the contents of this thesis did not form basis of the award of any previous degree to me or to do the best of my knowledge to anybody else, and that the thesis has not been admitted by me for any research degree in any other University/ Institute.

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## PREFACE

Online shopping transforms the shopping experience of customers and change the way people buy and sell goods and services. Despite concern about the security of online shopping, number of online shoppers has seen unprecedented growth over the past years around the world. Availability of wide product choices, its convenience and time saving factor as well as an improved delivery services attracts more people changed their shopping pattern from the traditional mode of shopping to rely on the online shopping every now and then.

While online shopping is still at the early stage of development in the Northeast India, this region is providing ample opportunities for the online marketers. With the growth of internet penetration in India and increased e-commerce activity which provides impetus for online shopping in the country, understanding consumer online buying behaviour is the key for marketers to enhance and attract online customer for their future growth. Keeping this in view, the present study is attempted to explore and compare the online buying behaviour of university students from two Northeastern States viz: Meghalaya and Mizoram.

The entire study is divided into six chapters. They are as follows:

Chapter 1- *Introduction*: The first chapter highlights the meaning and origin of the study of consumer behaviour. It discussed the nature and growth of online shopping in the country along with the evolution of online shopping and comparison of online and offline shopping. The framework of the study including review of literature, need for the study, statement of the problem, objectives of the study and research methodology are included in this chapter.

Chapter 2- *Demographic Profile and Internet Usage of the Respondents in NEHU and MZU*: This chapter presents the demographic profile and internet usage of the respondents. The first section discussed an overview of online buyers in India and the second section presents profile of the respondents. In the third

section of this chapter, respondent's demographic characteristics have been analyzed by using frequency analysis. The last section of the chapter presents an overview of internet users in India and internet usage (frequency of use of internet and type of internet connection used) by the respondents.

Chapter 3- *Factors Influencing Online Buying Behaviour in NEHU and MZU*: This chapter proposes to study various factors influencing the online buying behaviour including the web-based factors among the respondents in NEHU and MZU. The influences of personal factors, social factors, cultural factors and psychological factors on consumer buying behaviour in general have been discussed. Second section of this chapter focuses on factors influencing online buying behaviour along with how the website attributes of the online stores influence online buying decisions of the respondents.

Chapter 4- *Online Buying Decision Making Process among respondents in NEHU and MZU*: This chapter intends to study and compare the nature of online shopping and the decision making process of the respondents including the frequency of online shopping, site preferences, types and number of products bought, amount spent and preferences of mode of payment. The hypothesis testing has been done on whether there is a significant difference between the respondents in their shopping behaviour.

Chapter 5- *Problems of Online Shopping & Post-Online Buying Behaviour in NEHU and MZU*: The chapter has attempted to identify the most common problems of online shopping among the respondents. Later section of this chapter comprised of the post-online buying behaviour of the respondents and how they view online shopping in terms of its safety, reduction of their offline purchases due to online shopping, reasons of complaints made regarding their past purchases, recommendation of online shopping and their attitude towards their future online buying have been studied in this chapter.



Chapter 6- *Summary of Findings and Suggestions*: This chapter summarizes the present study and aims to give suggestions based on the findings of the study. This chapter also brought out the areas for further research for the prospective researchers in the field of consumer online buying behaviour.

Lastly, the thesis concludes with Bibliography and Appendices along with the bio-data and particulars of the candidate.

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### **LIST OF ABBREVIATIONS**

ASSOCHAM	Associated Chambers of Commerce and Industry of India
CAGR	Compounded Annual Growth Rate
COD	Cash on Delivery
CRISIL	Credit Rating Information Services of India Limited
DHL	Dalsey Hillblom Lynn
DTDC	Desk to Desk Courier & Cargo
E-Commerce	Electronic Commerce
FedEX	Federal Express
GDP	Gross Domestic Product
GSMA	Global System for Mobile Communications

IAMAI	Internet and Mobile Association of India
IBEF	India Brand Equity Foundation
IMRB	Indian Market Research Bureau
KPMG	Klynveld Peat Marwick Goerdeler
M-Commerce	Mobile Commerce
MZU	Mizoram University
NAAC	National Assessment and Accreditation Council
NEHU	North-Eastern Hill University
OECD	Organisation for Economic Co-operation and Development
PwC	Pricewaterhouse Coopers
UNCTAD	United Nations Conference on Trade and Development



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**CHAPTER- 1**  
**INTRODUCTION**

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## **CHAPTER- 1**

### **INTRODUCTION**

Online buying (commonly known as online shopping) is the process whereby consumers directly buy goods or services over the Internet. Online shopping have change the way of conducting the business, it allows the buying and selling to take place with no barriers of time and distance. Today, most of the things can be purchased online, from daily basic needs to the high end products. Improved means of internet access and impressive discounts have drawn more and more people towards online shopping. It is safe to say that Indian retail sector is now moving from the *brick and mortal* to *click and mortal* model. A great online shopping revolution is expected in India in the coming years.

The year 1991 noted a new chapter in the history of the online world, at that time, nobody expected that the online buying and selling will become a trend in the world and India will also share a good proportion of this success. The role of e-commerce could not be ignored for the growth and development of Indian economy. According to Goldman Sachs Report (2015), e-commerce market will account for 2.5% of the India's GDP by 2030. In the last couple of years, the growth of e-commerce industry in India has been phenomenal as more shoppers have started using this platform.

#### **1.1 CONSUMER BEHAVIOUR**

##### **1.1.1 Meaning**

The study of consumer buying behaviour is a complex and dynamic issue which cannot be defined easily. Consumer behaviour can be explained in the most simplest way as the behaviour that the consumer display before purchasing, while purchasing and after purchasing.

It includes:

- What they buy?
- Why they buy it?
- When they buy it?
- Where they buy it?
- How often they buy it?
- How often they use it?
- How they evaluate it after the purchase?
- The impact of such evaluations on future purchases, and
- How they dispose of it?

According to American Marketing Association, consumer behaviour refers to the study of how customers, both individual and organizations, satisfy their needs and wants by choosing, purchasing, using and disposing of goods, ideas and services.

**Table 1.1: Definition of Consumer Behaviour by various authors**

<b>Authors</b>	<b>Definition</b>
Kotler (1994)	Consumer behaviour is the study of how people buy, what they buy, when they buy and why they buy.
Engel et. al (1995)	The set of physical and mental activities played out by consumers as a result of their decisions, the manner in which they seek, pick, buy and use products and services to satisfy a latent need.
Solomon et.al. (1995)	The study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires.
Hawkins and Coney (2001)	The study of people, groups of people and organizations and the processes that are constructed for choosing,

	obtaining, using and assorting consumer goods and services, promoting ideas and experiences that satisfy their needs and desires, it also studies the impact of these processes both in public and in private consumption.
Kardes (2003)	The study of human responses to products, services, and the marketing of products and services.
Schiffman and Kanuk (2007)	The behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.
Stallworth (2008)	A set of activities which involves the purchase and use of goods and services which resulted from the customers' emotional and mental need and behavioural responses.

It can be noted from the above definitions that it all lead to common view that consumer buying behaviour is a process of choosing and selecting, purchasing and disposing of goods and services as per the needs and wants of the consumer. However, there is a general consensus among the researchers and academics that this process is subject to continual change over time as the purchasing characteristics of the consumers change due to their physical and psychological needs.

### **1.1.2 Origin of Consumer Behaviour**

The field of consumer behaviour is rooted in a marketing strategy, the *marketing concept*, which evolved in the late 1950s through several alternative approaches – the production concept, the product concept and the selling concept. The emergence of the production concept can be traced back in early 1900s when Henry Ford became consumed with the idea of producing affordable cars that the average Americans can afford. This business approach assumes that consumers are mostly interested in availability of products at low prices. While the product concept assumes that

consumers will buy products that offers high quality. A product orientation leads the company to produce high quality products without finding out whether or not these products and its features are what the consumers are really looking for. As a result of the production concept and the product concept, a new concept, selling concept emerged. This concept focuses on the need of the sellers and as its primary focus is selling the product, it fails to consider customer satisfaction.

Later, marketers began to realize that if they produced only those goods which will satisfy the consumers, they could sell more goods easily and this leads to the birth of the *marketing concept*. The marketing concept assume that marketers must determine the needs and wants of specific target markets and deliver the desired satisfaction better than their competitors. Needs and wants of the consumer is the primary focus as opposed to the selling concept. The widespread adoption of this marketing concept provided the impetus for the study of consumer behaviour.

### **1.1.3 Consumer Research**

The marketing concept states that marketers must understand the needs of specific groups of consumers and satisfy these needs better than the competitors. Consumers are highly complex individuals, subject to a variety of psychological and social needs. Predicting consumer behaviour is difficult, it is filled with uncertainties, surprises and risks. Accurate predictions can yield vast fortunes while inaccurate predictions can result in heavy losses. To identify and fulfill consumer needs require an extensive marketing research.

The term *consumer research* represents the process and tools used to study consumer behaviour (Schiffman and Kanuk, 2007). It enables marketers to study and understand consumers' needs and wants and how they make consumption decisions. No single solutions exist for conducting consumer research, to get into the minds of consumers (Blackwell et. al, 2009). Relying too heavily on common sense rather than on sound scientific research can be misleading and dangerous (Kardes, 2003). Consumer researchers of today commonly use qualitative research and quantitative research to study consumer behaviour. Qualitative methods are used by the consumer researchers who are interested in the act of consumption rather than the act of

buying, while quantitative methods is used to understand the effects of various promotional inputs on the consumer to help enabling the marketers to predict consumer behaviour. Consumer research has become relevant especially in the present business scenario where business decisions are extremely complex and competition intensified as a result of globalization and liberalization.

## **1.2 WHY STUDY CONSUMER BEHAVIOUR?**

Consumer behaviour has changed noticeably in the past decade. Philip Kotler, who is acknowledged as the Father of Modern Marketing agreed that understanding consumer behaviour and knowing customers is never simple. Consumers sometimes make purchasing decisions based on their emotional beliefs which they even themselves are not well aware of. In today's dynamic and rapidly evolving marketplace, to succeed in any business, marketers need to know and understand their consumers as much as possible. An ever increase in media choices create a challenge for the marketers to not only identify their target markets but also to know how and where to reach them.

Studying consumer behaviour enables marketers to predict how consumers will react to promotional messages and to understand why they make purchase decisions (Schiffman and Kanuk, 2007). According to Egan (2007) better awareness of consumer behaviour is a positive contribution to the country's economic state as the quality of goods and products are exceptionally good in countries where buying behaviour is well understood and this in turn increased the competitiveness of the products and services in international market by increasing the export potential of the country. Understanding consumer buying behaviour can be extremely important for manufacturers as well as service providers in order to gain competitive advantage over its competitors in several aspects (Kotler and Keller, 2011). Knowing the target consumers and their decision making process increases the chance of designing marketing strategies and promotional messages that will favourably influence them.



## 1.3 ONLINE BUYING BEHAVIOUR

### 1.3.1 Evolution of Online Shopping

-**1979:** It first began way back in 1979 when **Michael Aldrich**, pioneer of online shopping, used Teletext (VideoTex) that is a two way message service which allowed transactions to be completed electronically.

- **Between 1980 -1990:** First online B2B transaction took place in 1981. Mintel, an online service accessible by phone lines was used to make online purchases in 1982. Boston Computer Exchange, world's first e-commerce company was launched in 1982. Its primary function was to serve as an online market for people interested in selling their used computers.

- **Between 1990- 2000: Tim Berners- Lee** created the first World Wide Web server and browser in 1990. The internet became commercialized in 1991 and the world saw the rise of e-commerce. Many technological innovations emerged during this period. Book Stacks Unlimited was launched in 1992 as the first online book marketplace. Yahoo was launched in 1994. In 1995, Amazon.com launched its online shopping site by selling books online and in the same year, eBay was founded by Pierre Omidyar. The year 1997 saw the emergence of comparison online sites after witnessing the potential of a few online stores. Google entered the world of e-commerce in 1998 and in the same year, Paypal was founded. Alibaba launched its online marketplace in 1999.

- **2000 – till today:** In 2000, Google introduced Google Adwords for e-commerce business to advertise to people using Google search. Shopify was launched in 2004. Alibaba's sites Taobao and Tmall were launched in 2003 and 2008 respectively. Amazon launched Amazon Prime in 2005. Google Wallet was introduced in 2011 as a digital payment method and Apple Pay in 2014.

COVID-19 outbreaks around the world have a huge impact on online shopping. By May, 2020 E-commerce transactions reached \$ 82.5 billion which is 77% increase from 2019 (BigCommerce, 2020). As a result of the

pandemic, more customers have started to buy online which they normally buy in physical stores.

### **1.3.2 Comparison between Online Buying and Offline Buying**

While making any purchase decision, consumer should decide the channel of buying which would best suit their needs and wants, whether to go for online buying or offline buying. How consumers decide particular medium for their purchase of goods and services is important from a managerial point of view. The main difference between the two lies in practical benefits of offline buying. Unlike online consumers, offline consumers can inspect, touch and examine the product before buying.

Most of the components of consumer behaviour theory have been applied to the study of online consumer behaviour as well. However, there are still significant differences between offline and online consumer behaviour that warrant a distinguishing conceptualization (Cheung et.al, 2003). While many researchers do not see any fundamental differences between traditional and online buying behaviour, it is often argued that a new step has been added to the online buying process, the step of building trust or confidence (Lee, 2002).

## **1.4 ONLINE SHOPPING IN INDIA**

The Indian E-commerce industry has been on an upward growth trajectory. It is expected to surpass the US to become the second largest E-commerce market in the world next to China by 2034 (India Brand Equity Foundation, 2019). Since 2014, the Government of India has announced various initiatives namely, Digital India, Make in India, Start-up India, Skill India and Innovation Fund etc. The timely and effective implementation of these programs is likely to support the e-commerce growth in the country. Growing broadband penetration, availability of cheap mobile phones, acceptance of online marketplaces, improvement in logistics services and lack of physical retail infrastructure in many places due to high realty costs highly contributes for the growth of online shopping in the country.

**1.4.1 Growth of Internet Users:** The growth of internet users encouraged e-commerce companies to play active roles. In 2017, India had 331.77 million internet users. This figure is projected to grow to 511.89 million internet users in 2022. Despite the untapped potential, India already is the second largest online market worldwide (The Statistics Portal). As recent report of Juniper Research (a mobile, online and digital market research specialist) showed that the confidence to shop online is on the rise as 71 per cent non-buyers (respondents) from tier 1 and 11 cities said they plan to shop online in the next 12 months. According to Internet and Mobile Association of India (IAMAI) and market research firm IMRB (Indian Market Research Bureau), overall internet penetration in India is currently around 31 per cent of the total population. Global networking giant Cisco reported that digital transformation will take India's internet users from 373 million (28 percent of population) in 2016 to 829 million (59 percent of the Indian population) in 2021. KPMG Report, 2016 also showed it is expected that online shoppers to grow from 12 percent in 2015 to 40 percent in 2020. India will have the second-largest digital population in the world with 1 billion users by 2030 (Golden Sachs Report).

**1.4.2 Employment Generation:** The most important impact of growth of online shopping has been the creation of employment opportunities. According to ASSOCHAM (Associated Chambers of Commerce and Industry of India), e-commerce is expected to create anywhere between 5 lakh to 8 lakh million employment opportunities by 2018-19, with e-tail alone creating 2.5 lakh jobs in 2016 and it is estimated that there will be an additional employment of close to 1 lakh people in e-retailing warehousing and logistics alone by 2017-20. The socio-economic impact of online shopping in India is remarkable. Online seller base is projected to grow to 1.3 million by 2020 and it is expected to add more than 10 million net new jobs (KPMG, 2016). Global e-commerce players entering the Indian market results in increase in employment generation.

A report given by Klynveld Peat Marwick Goerdeler (KPMG) in 2016 showed the e-tail market is expected to emerge as a destination for highly-skilled technology job employing nearly 0.3 million people by 2021. And besides

technology, the regular corporate functions like HR, finance & accounts, administration, customer care, vendor management, merchandising, etc. are expected to add nearly 0.1 million employees to the workforce by 2021. Online market has also created a big impact on entrepreneurship and startup business and has helped providing diverse opportunities for many people with varied skills build careers, such as developers, advertisers, designers, photographers, stylists, etc. Besides, e-tail has also provided new opportunities to craftsmen, artisans, merchants, sellers, and women (e.g: Mahila e- Haat – a web based marketing platform to women entrepreneurs to directly sell their products to their buyers).

**1.4.3 Mobile Commerce:** Mobile commerce became the latest trend in e-commerce and it is expected to grow due to its convenience for online shopping. Mobile commerce, commonly referred to as m-Commerce is the wireless electronic commerce used for conducting a business, it enables people to buy and sell products or services including monetary transaction through using mobile phones or tablets. The m-Commerce adoption has increased significantly in the country due to factors such as increasing internet penetration, availability of affordable smart-phones, cheap mobile data plan and increasing computer/internet awareness. According to a payment processing company, Worldpay Inc., Indian m-Commerce market is growing at the rate of 28 per cent annually and it is expected to be more than a double over the next four years with worth of US\$54 billion in 2022. It is on track to overtake desktop sales as the online channel of choice as early as 2020. Further, it is forecasted that Indian m-Commerce market will be among the top five largest m-Commerce markets in the world by 2022.

India is among the top three highest number of smart phone users next to China and the US, where over 500 million have smart phones and internet connectivity (Internet and Mobile Association of India (IAMAI) and Kantar IMRB, 2018). In the year 2017, as many as 108 million consumers did online shopping, with mobile phones becoming the preferred choice of device for e-commerce sales (ASSOCHAM-Resurgent joint study, 2018). Online shopping site like Snapdeal is now getting half of its traffic from mobile and Flipkart gets 40% traffic from mobile

up from 15%. As price of smart phone reduce, these figures will only increase. For this reason, e-commerce has started focusing more on mobile commerce. It is speculated that for the next wave of digital commerce, consumer will come through the mobile (Dudhewala, 2014). Many experts are optimistic that mobile wallets such as Paytm, Google Pay, PhonePe, Amazon Pay, Mobikwik, Yono by SBI etc. have the power to displace the cash on delivery (COD), which is the most common choice of payment method in online shopping due to cashback offers and its feasibility. The challenge for the further growth of m-commerce in the country is reducing the gap between urban smartphone users and rural smartphone users.

**1.4.4 Online Grocery Store:** Online grocery stores are gaining popularity in India and it is expected to grow in the future. As a result of increasing consumer awareness, rising disposable income and advent of various technological advancements over the last few years, availability of wide product range at one place, change in lifestyle due to hectic working conditions, convenience and ease of shopping. We have seen the growth of online grocery stores over the last couple of years and the continuous growth is likely to be there in future. *The online grocery market in India is projected to grow at a CAGR of 55% during 2016 – 2021.* BigBasket, Grofers, and PaperTap are the leading players in India online grocery market. These players are anticipated to maintain their dominance in the market through 2021. Few companies are expanding their operations by partnering with local retailers in numerous Indian cities, while others are adopting inventory business model to address the growing demand for everyday consumer products across India (*TechSci Research report, 2016*).

In grocery sector only, India is currently sixth largest in world with grocery shopping being expected to rise from \$383 billion a year to \$1 trillion by 2020 (Retail Consultancy Technopak). Online grocery is expected to be the fastest growing segment in online retail, estimated to Rs 100 billion in revenues for the next three years (CRISIL Report, 2018). Major online retail players in the country expanded their business in this sector. Amazon had launched its grocery service Pantry in 2017, Flipkart launched Flipkart Supermart in 2018 and other giant e-tailers are expected to follow their footsteps in the coming years. But currently, most of the

online grocery stores are located in metro and tier-I cities. Consumers residing in tier II and tier III cities, still remain untapped due to lack of confidence, low awareness and price conscious behaviour. An increasing number of e-grocers are strategically targeting these cities to remain competitive in the market and further growth in this sector. Due to urbanization and increase in the level of income, it is expected to expand more in these cities too.

**1.4.5 Role of Social Media:** Social media provides additional benefits to shoppers and provides marketers a new avenue to contact customers. Millennial shoppers, 18 – 35 years are particularly active in this platform to keep up with the latest trends (Consultancy.in). Social networking sites such as LinkedIn, Twitter, Google, Facebook, Instagram and others have become useful medium for staying updated via the posts published on this media. It allows the user to easily log- in and made online purchases. For the online sellers, social media enable them to analyse the customer choice based on their purchase activities. Advertising and promotions done on this platform have become an important factor of online buying. A well-structured social media strategy is important for improving the development and growth of an ecommerce business. Social media needs to be a part of a company's marketing budget because it gives a powerful way to create a connection with the targeted audience (Jothi and Gaffoor, 2017). It provides an effective way to attract the interest of the large audiences and enable to connect with new customers as well as stay in touch with the existence customers. The future of social commerce in India is a promising one like in other countries considering its business success around the world.

**1.4.6 Innovation in Logistics:** Logistics directly impacts the order fulfillment in e-marketing and become one of the most challenging task as well as offers biggest opportunities. Growth of online shopping led to the overall strengthening of manpower requirements across the supply chain by logistics players. Overall logistics, transportation, warehousing and packaging sector employs over 16.74 million people and is estimated to employ more than 28.4 million by 2022 and the revenue for the e-commerce related logistics industry is expected to increase 70 times to US\$ 2.6 billion by 2020 (KPMG,2016). Logistic services have become the

highest contributor of revenue for many logistic players, for example – 25 per cent of Blue Dart’s revenue comes from logistics.

Apart from major logistic players like Indian Post, DTDC, FedEx, Aramex and DHL, there have been an increase in the number of logistics such as Delhivery, Go Javas, Ecom Express, First Flight, Shiprocket and many more as a result of the growth of e-marketing in the country. Some of the e- tail players such as Flipkart and Myntra have their own logistic services for the purpose of carrying out their business – Ekart and Myntra Logististics. The idea behind having a self operated logistic service is to keep the cost of delivery o products under control as well as keeping customer experience in check. Recently, Amazon introduced Project Armada to India that allows **sellers to use their own delivery trucks like which was earlier** launched in the US.

**1.4.7 Online Travel Market:** Online travel industry in India is changing rapidly due to which a growing number of Indians have turned to the convenience of the web for better travel prices. Mobile applications have brought the most significant reform in online travel market. A management consulting firm, Praxis Global reported that the online travel market in India is expected to touch \$13.6 billion by 2021 and will account for almost 43 per cent of total travel category in the country.

## **1.5 ONLINE SHOPPING IN NORTH-EAST INDIA**

The Northeast India is the easternmost region of India representing both a geographic and political administrative division of the country. It comprises of eight states, namely; Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim. This region is one of the most ethnically and linguistically diverse regions where each state have its distinct cultures and traditions. Despite its geographical disadvantage, lack of infrastructure and technological backwardness compared to the mainland India, the growth of online shopping in this region is remarkable.

A Google Trends study (2016) shows that six of the seven North-East States – Arunachal Pradesh, Nagaland, Mizoram, Meghalaya, Tripura and Manipur along with Sikkim, feature among the top 10 States in the country that search for the term “online shopping” (Law, 2017). There has been a rise in demand for unavailable products in the local market as well as discounted branded wear. The development in logistic services has also play an important role for the growth of online shopping in this region. A leading fashion e-tailer Myntra, for instance, developed a distribution centre in Guwahati in 2014 and in Aizawl, capital city of Mizoram which has led to 500 per cent jump in Myntra’s sales in Aizawl alone (Jain, 2015).

Many online shopping sites such as Jabong, Snapdeal, Flipkart, Myntra, Lenskart, ebay India etc. are getting impressive orders from this region. Singh (2013) highlighted that the founders of giant online marketing sites in India such as Jabong, Snapdeal, Lenskart and Myntra are saying that the region is doing really well in terms of acceptance of online retail and the market potential is also very big. The region is one of the fastest growing markets in the country for them and they have seen good transactions for their products from the region. In the online shopping portal’s latest report (India Battle of the Gadgets), Guwahati and Aizawl have interestingly surfaced among the top 20 cities in the country. Goswami (2012) mentioned that increased penetration of the Internet driven by higher disposable incomes, availability of cheaper access devices and the advent of 3G have led to rapid adoption of e-commerce in all corners of the country.

*“Youngsters today are extremely fashion conscious and tech savvy and online shopping gives them a platform to access the best brands at affordable prices with the convenience of shopping from anywhere. North Eastern markets behave similarly. From a geographic reach and availability perspective, perhaps more so - we are seeing a steady increase in business from this region,”* Ashutosh Lawania, Co-founder of Myntra. He added that the North Eastern states – Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura generate about 8 per cent of traffic and business for Myntra and the company expects further growth.



*“North East is doing really well in terms of acceptance (of online retail) and the market potential is also very big. The taste for fashion is very refined there and customers are trendy, experimental and are ready to try out fresh arrivals,”* Praveen Sinha, Co-founder of Jabong.

*“The percentage of contribution from the region to the New Delhi-based company's overall business is in double digits. The region is one of the fastest-growing markets in the country for us. We are growing in double digits month on month,”* Saurabh Goyal, Vice- President of Snapdeal.

*“About 20 per cent of our overall business comes from the North East plus West Bengal. Fashionable eyecare products are much in demand,”* Piyush Bansal, CEO of Lenskart.

According to Akhil Saxena, Vice-President of Amazon India, good demand has been noticed from the region and categories such as fashion (apparel and so on), consumer durables, personal care and consumables are seen as the demand drivers. *“The focus is on expanding our delivery logistics and ramping up operations. We have seen demand go up there (in the N-E)”*.

## **1.6 CONSUMER PROTECTION IN ONLINE SHOPPING IN INDIA:**

As the e-commerce market grows, the regulations governing the market become particularly relevant. There are multiple set of regulations governing the e-commerce sector, such as Income Tax Act,1961, Consumer Protection ACT, 1986/2019, Information Technology Act, 2000, Foreign Exchange Management Act, 1999, Payment and Settlement Systems Act, 2007, FDI (Foreign Direct Investment) Policy, 2020 etc. Apart from this, the Government of India, under the Ministry of Consumer Affairs has launched portal i.e: National Consumer Helpline (NCP) as an Integrated Grievance Redress Mechanism (INGRAM). This portal helps in creating awareness among consumers to protect their rights and inform them of their responsibilities. Consumers can register online their grievances through this portal ([www.consumerhelpline.gov.in](http://www.consumerhelpline.gov.in)).

Recently, the Consumer Protection (E-Commerce) Rules, 2020 under the Consumer Protection Act, 2019 came into force from July, 2020. As per the rule, an aggrieved consumer can file complaints about a defect in goods or deficiency in services from home instead of the place of business or residence of the seller as it provides for e-filing of consumer complaint. E-commerce is now tightly regulated and the online sellers are now expected to disclose all relevant product information, including country of origin and respond to the grievance of consumers within prescribed timelines. Consumers have several protected rights including right to safety, information, choices, to be heard and educated as well as to a mediated settlement. Online marketers will now need to exercise greater care and caution in terms of quality, quantity and product safety.

### **1.7 CHANGING SCENARIO OF ONLINE SHOPPING DUE TO COVID-19**

COVID-19 which was officially declared as a global pandemic by the World Health Organization on 11<sup>th</sup> March 2020 has rapidly changed our ways of life as we are facing many new challenges. Social distancing, lockdowns, work from home, wearing masks and using hand sanitizers become the new normal in our daily life. There is an overnight changes in our shopping behaviour as well, from what we are buying to where and how we are buying. The global spread of COVID-19 has been accompanied by a lot of uncertainty, the crowd mentality have been affected. The survey conducted by United Nations Conference on Trade and Development (UNCTAD), 2020 showed that consumers in emerging economies have made the greatest shift to online shopping and these changes in online shopping behaviour are likely to have lasting effects. In India, it has led to a rise in the number of first- time online shoppers, who had been so far inhibited to shop online (Halan, 2020).

Amazon, one of the leading e-commerce player in the country, and the world, has announced that customers are relying on them like never before in their social distancing and self-quarantine efforts. Businesses around the world are being affected, from rapidly changing consumer behaviour to supply issues. They have to adapt and be flexible to meet the changing needs of the people.

The effect of the pandemic on e-commerce is not uniform across product categories. A surge in demand was observed for items related to essential commodities such as personal protection, groceries, digital services etc. While the demand dropped for items related to travel, sports, apparel, luxury goods etc. Many operators of brick-and-mortar stores are now considering e-commerce a potentially crucial complimentary or alternative sales channel (Organisation for Economic Co-operation and Development (OECD), 2020). New users as well as elderly consumers who started to engage in online shopping due to the pandemic might stick to their newly acquired mode of shopping. As convenience has always been one of the key drivers of e-commerce, it is likely that most of the new users will keep shopping online in the future.

## **1.8 PRESENT STUDY**

This section highlights the need for the study, review of literature and research design. Research design includes statement of the problem, objectives and hypotheses of the study, research methodology and statistical tools used for data analysis.

### **1.8.1 Need for the Study**

Most studies on online shopping behavior intended to investigate factors affecting consumers' online buying behavior. There are complex group of factors that have an influence on online consumer behavior such as social, culture, education, race, personality, environment and resources availability. The research on online buying behavior helps in understanding consumer's attitude towards online shopping, benefits perceived by them and what factors attract them towards online shopping. Convincing the consumers to shop online is a challenging task for online marketers. If online marketers know the factors influencing online buying behavior, relationship between these factors and online buyers, it will further help in developing their marketing strategies to attract more customers.

While India is witnessing an immense growth in online shopping, it has been observed that Northeast India has not been as developed as other parts of the country.

But over the years, this region has gained attraction from major players in online retail sector. It is becoming one of the fastest-growing markets for online retailers and emerged as the drivers of growth for some leading e-commerce companies, which claim double-digit growth in the market (Jain, 2015). Various factors such as increased disposable income, brand consciousness among the people, infrastructure development, technological improvement, computer literacy, better communication and connectivity links play an important role for the growth of online shopping in this region.

### **1.8.2 LITERATURE REVIEW**

This section presents a summary of literature published on demographic profile of online consumers, online buying decision making process, factors influencing online buying, problems and prospects of online shopping in India as well as in other countries. It focuses on examining and evaluating findings of previous researches on the research topic, and establishing the relevance of this information to the present study.

#### **Demographic Profile of Online Consumers**

In order to study the consumer behavior in any aspects, it is important to understand the consumers and to do so knowing the consumer is a must. There are several studies based on the demographic profile of the online buyers conducted earlier which are helpful in understanding the online buying behavior of the consumer.

Sakkthivel (2006) made an attempt to identify the significance of demographics (age, gender, occupation and income) in influencing the consumption of different categories of services over internet. For the purpose of the study the services were categorized into high, medium and low involvement services based on the involvement, investment and time spend by consumers. It is found that age has significance relationship for consumption of all different categories of services while gender has negative relationship for consuming all services online. Occupation has negative relationship in consuming high involvement services, whereas, it has positive relationship in consuming medium and low involvement services over internet. The results also showed that income has negative relationship for high and

medium involvement services and shown positive relationship in consuming low services online.

Hashim et.al (2009) conducted a study on the influence of consumers' demographic profile of online shopping using Fishbien's theory. Five variables namely, age, gender, salary, job designation and marital status were taken to study whether there is significant difference between these variables and attitude towards online shopping. It is found that all the variables do affect the consumer' online shopping behaviour which support Fishbien's attitude theory that implicate demographic profile as important variable that influence positive or negative attitude in an object and for this study, the tendency to shop online. Further, it is concluded that male shoppers, younger generation and higher income earners are more likely to shop online.

Herve and Mullet (2009) examined the impact of age on the perceived importance and interaction of three factors known to influence people when buying clothes viz: price, durability and suitability. It is found that for younger customers, a low price was considered sufficient reason to buy, while for the older customers, suitability was a more important factor and for the eldest people, durability was the most important.

Nayar and Gupta (2010) studied the impact of changing demographic profiles of Indian customers on their internet shopping behaviour to explore the barriers and factors for achieving successful e-retailing in India's retail industry. The study revealed that gender, age and education have significant association to web shopping in the Indian scenario, while there is a negative association with income when internet is chosen as the shopping medium. The study also suggested future research to analyze the psychographic factors affecting internet shopping and consumer concerns in internet retailing.

Bashar et.al (2012) studied influence of demographic factors on consumer impulse buying behaviour to test the association of demographic factors such as age, gender, income group, educational qualification and profession with impulse buying behaviour of consumers who shop in the area of Delhi & NCR. The study has

identified positive relationship between impulse buying and demographic factors considered for the study. It further concluded that this relationship seemed both logical and useful, and is deserving of further study.

Richa (2012) examined the impact of demographic factors of consumers on online shopping behavior with 580 respondents from Delhi, Mumbai, Chennai, Hyderabad and Bangalore. The results of study revealed that online shopping in India is significantly affected by various demographic factors like age, gender, marital status, family size and income. The study also showed that gender impact frequency of online shopping positively and family size impact overall spend on on-line shopping. The overall results proved that the respondents have perceived online shopping in positive manner which clearly justifies the project growth of online shopping in the country.

Kumar (2014) conducted a consumer behaviour survey in Himachal Pradesh to see the impact of demographic factors on consumer behaviour. The study concluded that consumer behaviour doesn't remain the same or constant in every situation and it changes from time to time. There are various demographic factors which affect consumer behaviour and as the change comes in these factors, consumer behaviour also changes. Demographic factor such as age, sex, income, occupation, education, marital status and family background significantly affects the behaviour of consumers.

Baldevbhai (2015) examined whether consumers' demographic profile could influence online shopping using 4 variables such as age, gender, education and income. All these variables do affect the consumers' online shopping behaviour supporting Fishbien's Theory that implicate demographic profile as an important variable that influence tendency of consumers to shop online. Further, the study revealed that there is a significant difference between age, education, income and online shopping behaviour, while there is no significant difference between gender and online shopping behaviour.

Rajayogan and Muthumani (2015) studied key factors influencing the buying behaviour of e-stores and the impact of demographic variables such as age, gender, monthly income and occupation status on the buying behaviour. Interestingly, the study found that there is no significant difference between gender and their buying

behaviour intention, while there is a significant difference between age and income with the buying intention. It also concluded that working professionals tend to shop online more and there is association between income and mode of payment where high income people are more risk takers.

Reddy and Srinivas (2015) studied the impact of demographic factors such as age, gender, marital status, family size, education and income on online shopping behaviour of Indian consumers with special emphasis on satisfaction level, future purchase intention, frequency of purchase, number of items purchased and overall expenditure. The study was conducted in metros and big cities of the country covering New Delhi, Kolkata, Mumbai, Hyderabad, Bangalore and Chennai. Unlike findings of many previous studies, age, income and education of the consumers doesn't have much impact on online shopping. Female shoppers shop online more compared to male shoppers and the overall spending of the smaller family size is more than large and extended families. The study concluded the respondents have perceived online shopping in a positive manner.

Padmaja and Mohan (2015) studied impact of demographic factors on buying decisions and customer's online product preferences in Bengaluru. The study presented an overall idea and growth of online retailing in India, understanding customers' attitude towards online buying and their satisfaction level. As per this study, age, income and occupation have impact on online buying behavior while gender has no influence on online buying behavior.

Sethi and Sethi (2017) studied whether or not gender, income and marital status have influence on online purchase intention. It emerged that males are more likely to shop online than females and unmarried people are the most likely to shop online. It concluded that gender and marital status has a significant effect on online purchase intention. It is also further suggested that marketing campaigns should direct towards making females more familiar with the use of technology for online shopping.

Singh and Rana (2018) studied the effect of demographic factors on consumers' perception on online shopping. It is found that gender, age and annual

income of respondents does not influence the consumer perception whereas educational qualification and marital status has significant impact in adoption of online shopping.

Bhat and Darzi (2019) explored the influence of gender and age on consumers' perception towards online shopping with special focus on three dimensions which are associated with demand management of Indian consumers such as convenience, interactivity and enjoyment. It is revealed that gender does not have any influence on the purchase benefit variables while convenience and interactivity have an influence on those who are below 20 and 21 - 30 years age groups.

Al-Alawi et.al (2020) investigated effect of certain demographic factors of Gulf Cooperation Council countries' (GCC) university students and staff in using online shopping. The findings indicated that education has a large influence on e-shopping use. Gender did not appear to be a significant factor, but consumer income significantly impacts the online shopping of consumers. The results also suggested a positive relationship between online trust and online purchase intention as well as a relationship between the ability to use the internet and the online shopping of consumers. The more consumers are capable of using the internet, the more online shopping users there will be. The study also suggested that online retailers need to provide competitive prices and user friendly websites.

### **Factors Affecting Online Buying Behaviour**

Li and Zhang (2002) in their study on the current status of online shopping attitudes and behaviour through an analysis of 35 empirical studies suggested that there are ten relevant factors influencing online consumer behavior. These ten factors could be categorized into five independent variables (external environment, demographics, personal characteristics, vendor/service/product characteristics, and website quality) and five dependent variables (attitude toward online shopping, intention to shop online, decision making, online purchasing, and consumer satisfaction).



Teo (2002) in his study of the attitude towards online shopping and the internet in Singapore showed that the main reason cited for choosing to purchase online among respondents was to buy things that were not available in Singapore and the main deterrents to purchasing online have been customers' preference to examine products, the need to possess a credit card and security concerns and retailers have to work on this areas to attract more consumers to shop online. The study also revealed that Internet usage in Singapore is most prevalent among ages 20 - 24 years and it suggested that marketers should consider providing customized advertisements to target this potential group and organize their marketing campaigns around the characteristics of the desired target groups.

Constantinides (2004) analysed factors affecting online consumers' behaviour and examined how e-marketers can influence the outcome of the virtual interaction and buying process by focusing on the web experience. The study identified the main constituents of the web experience as being the functionality of the website (usability and interactivity), the psychological elements (trust building and credibility of the online vendor and website) and the contents elements (aesthetics aspects of the online presentation and the marketing mix). Further, it has been highlighted that the uncontrollable factors such as external and personal factors are similar for offline and online customers though the tools to influence their buying behaviour are not quite the same.

Horrigan (2008) studied trends of online shopping among Americans, the findings showed that majority of the respondents view online shopping as a way to save time and a convenient way to buy products, but they also express discomfort about sending personal or credit card information over the internet. The study also showed that demographic factors such as race or gender have no significant impact on predicting levels of online shopping. Perceptions about the convenience of online shopping and worries about sending personal information online are the biggest determinants of whether people shop online or not.

Wang et.al (2008) made exploratory research on the influencing factors of online shopping in China. The study pointed out four major influencing factors of online shopping as making safe medium of payment and credit means of online

shopping, preserving privacy of online shoppers, consumer cognition, consumer's computer and internet experience. The risk perception of consumer became the main restrictive factors of online shopping and most of the internet users in the country were indulging in online entertainment other than online shopping.

Nuseir et.al (2010) analysed factors that are likely to influence consumer decision making during their online shopping. Five factors such as security, product/service characteristics, internet infrastructure, e-price and e- promotion were employed to define their effect on the online purchase decision. It is found that there is a relationship between consumer purchase decisions and security, product/service characteristics, internet infrastructure and e-promotion, while there is no relationship between consumer purchase decisions and e-price. The study concluded that lack of high quality e-promotion will restrict consumer's decision to purchase online and e-pricing has not reached to the perceived value of consumer which creates hurdles in the consumer online purchase decision.

Haq, Zia Ul (2012) identified four key dimensions of online shopping as perceived by the consumers which are overall website quality, commitment factor, customer service and security. Web security has received the most consistent support as factors influencing online shopping. Further, it has been revealed that the perception of online shoppers is independent of their age & gender but not independent of their qualification & gender and income & gender.

Javadi et.al (2012) analyzed factors affecting online shopping behaviour of consumers in Iran by using a conceptual model which examined the relationship between perceived risks, return policy service & infrastructural variables and attitude towards online shopping and the influence of an individual's domain specific innovativeness, attitude, subjective norms and planned behaviour towards online shopping. The findings showed that fear of losing money and financial details have negative effect on attitude towards shopping online while subjective norms and domain specific innovativeness has positive effect on online shopping behaviour which means that when customers have significant attitude towards online shopping, this will effects their shopping behaviour.

Nazir et.al (2012) in their study on how online shopping is affecting consumers buying behavior in Pakistan, they concluded that the main influencing factors includes price, confidence, security, convenience, time, after sale service and discounted deals. According to their survey, online shopping is getting popularity in the young generation such as students and professionals. Price was considered to be the most fascinating and affecting factor for the majority of students and the general public.

Salehi (2012) conducted a study to identify factors influencing consumers towards online shopping in Malaysia. The study focused on nine independent variables namely appearance, quick loading, security, sitemap, validity, promotion, attractiveness, believability, and originality. The findings of the study indicated that the first five factors influence consumers towards online shopping and security is the factor that contributes most towards online shopping.

Sinha and Kim (2012) attempted to identify factors affecting Indian consumers' attitude toward shopping online by investigating Indian consumers' risk perceptions. The convenience risk seemed to be the only factor significantly affecting Indian consumers' online purchases. In terms of gender difference, perceived risk is significant for male but not for female while attitude has been significant factor for female, innovativeness has been significant factor for male. The concerns associated with product delivery, social and perceived behavioural control have been found to be significant factors affecting attitude towards using internet for shopping.

Chandra & Sinha (2013) in their study on factors affecting the online shopping behavior with reference to Bhilai Durg concluded that the most influencing and attractive factor is the web design / features with possibilities followed by convenience, time saving and security. They concluded that when individuals have more experience with online buying, the impact of perceived factors on intentions to buy online is different from that of inexperienced online buyers. Information obtained from experience over a period of time undoubtedly has the potential to modify future intentions of online buying.

Motwani et.al (2013) conducted a study to compare the perception of customers of India and USA regarding online shopping with 250 respondents approached from different cities of India and USA. The findings showed that significant difference was observed for the product constituent factor, while no significant difference was observed for all other factors related to perception of consumers in India and USA with regard to online shopping.

Sharma & Sitlani (2013) revealed four important factors viz. perceived risk, internet traits, attitudinal traits and convenience to be affecting the online shopping behavior of higher education students in Indore. It was further revealed that perceived risk in terms of chances of being cheated, delivery of damaged goods, lacked of safety in paying through a credit card and misuse of personal information to be the most important factor. They suggested that e-retailers must work on risk-reduction strategies to reduce their concern more specifically as it emerged as the most important factor.

Pathak et.al (2014) attempted to find out the perception of consumers towards online shopping over traditional shopping in Guwahati and it has been concluded that despite the time saving and availability of discounts and products at low prices, customers still do not prefer online mode in case of expensive goods though they do not mind for low cost products. The absence of feel, touch and see in online shopping is the main reason why people hesitant to do so. The overall perception towards online shopping among the respondents was not so favorable.

Puranik and Bansal (2014) studied internet users' perception towards e-shopping by examining factors that influence online shopping. Relevant information, trustworthiness, prior experience, instant review, product delivery, transparency and image of the seller are founded to be important factors of online shopping. Further, it is expected that the findings enable e-marketers to assess the features that specifically attract consumers to shop online and help the company to understand customer perception towards the online services provided before, during and after the purchase.

Kaur et.al (2015) studied factors affecting buying behaviour of consumer towards online shopping and problems faced by online shoppers in Chandigarh. The study identified ease of use, time saving and flexibility as factors positively affecting online shopping whereas, products characteristics and physical inspection negatively affect the buying behaviour of consumers. It has been concluded that despite the problems associated with online shopping, the percentage of online shoppers is definitely bound to grow at higher pace in future.

Khurana and Kaur (2015) examined how e-commerce is shaping the future of business, the role of technology and changing behaviour of customers towards online shopping through extensive reviews of literature. The study highlighted that e-commerce and m-commerce are strongly affected by demographic and psychographic factors. The dominant factors of online shopping are summarized as convenience, ease of use, secure mode of payment, cost and time saving. Online sellers are advised to get ready to face technological changes which have the power to make or break their business.

Lim et.al (2015) determined the relationship between subjective norm, perceived usefulness and online shopping behaviour while mediated by purchase intention. It has been concluded that subjective norm and perceived usefulness positively influence online purchase intention while subjective norm negatively influence shopping behaviour. The connections between purchase intention and online shopping behaviour showed the strongest relationship, purchase intention was influenced by perception of families, friends and media.

From the qualitative analysis of factors influencing online buying behavior of college students by Jadhav and Khanna (2016), the main influencing factors for online shopping were identified as availability, low price, promotions, comparison, convenience, customer services, perceived ease of use, attitude, time consciousness, trust and variety seeking.

Rohini and Kajapriya (2016) gave an overview of online shopping scenario in India. The study showed that among many factors the growth of broadband internet, retail based social networks, mobile integration, improved online banking services, multi-channel commerce strategy, rising demand from tier II and tier III cities,

discounts/ coupons and recent government initiatives are the main drivers for the growth of online shopping in the country.

Vaghela (2017) studied factors affecting online shopping behavior in the city of Surat and concluded that perceived ease of use, vendor's characteristics, perceived usefulness, website design are important factors for online shopping. Further, it is found that there is no difference in terms of gender towards factors affecting online shopping which means male and female are giving equal importance to these factors and same is with respect to the income group.

Bucko et.al (2018) conducted a study to determine factors that affect the consumers' willingness to purchase product from the online store in the condition of Slovak market. 232 university students were selected randomly as respondents for the study and exploratory factor analysis was used to analyze the data gathered. The findings of the study showed that 7 components such as price, availability, social proof, scarcity, product details, conditions and social media activity are the most common factors affecting online shopping behavior and out of which price of the product became the most important factor among the respondents.

Jukariya and Singhvi (2018) studied factors affecting online buying behaviour of students in Udaipur. The finding showed that the one factor which undoubtedly has great impact on their online buying is the personal privacy and security followed by transaction security and multiple payment options, convenience and time saving. The results of the study can be utilized by practitioners in relooking and revamping their strategies for online shopping and help many consumers in order to understand all advantages that online shopping is offering.

Santoso and Bidayati (2019) revealed a significant and positive relationship between online purchase intention and hedonic motivations, trust factor, and website quality & design which were found to be very influential determinants of the consumers' decisions in online shopping.

Wagner et.al (2019) investigated the factors influencing online purchase intention and concluded that online purchase intention is also strongly influenced by

trust. Among the factors influencing online shopping includes perceived risks, guarantee return policy, perceived image of website, transaction security and consumer database safety.

### **Online Buying Decision Making Process**

Ferreira et.al (2013) examined the consumer behaviour under the online and offline channels. Satisfaction, loyalty and commitment have a positive correlation for both online and offline shoppers. It is found that when shopping experiences feel satisfied, they eventually develop a commitment to the method of buying and became loyal for both the channels of buying. Further, respondents prefer to have the possibility to look for and decide where to buy in an offline and online perspective. Regardless of the sector and the channel of buying, satisfaction is the main driver in the decision making process.

Shalini & Kamalaveni (2013) studied the online buying behavior of netizens in Coimbatore. It has been concluded that the online buying behavior depends upon the consumer's psychological state in terms of making or not making the purchase on the net. The study also highlighted that the demographic and internet usage profile of the netizens played a decisive role and wielded a significant influence on their buying behavior. The majority of the respondents were very cautious about the security and privacy features while shopping online.

Gross (2014) studied the influence of interactivity and information overload on consumers intent to purchase online. Theoretical model has been framed with the help of decision making models from various studies. According to this study, interactivity and information overload model confirms that the flow of information can determines one's online shopping experience. It is concluded that in order to combat information overload relating to decision making, online retailer should make information search queries as one of the most important factors in web construction or implementation activities as it has an impact on consumer's ability to make a positive purchasing decisions.

Shekhawat and Singhal (2014) compared the online and offline consumer decision making process with reference to tourism industry. The study showed that

the differences appear from the pre-purchase to post-purchase stage. Online customers have number of websites to check the products and services available in very less time while offline information search is more time consuming. In purchase stage, online shopping provides customization, more variety, 24/7 facility but lacks in privacy and financial security whereas offline buying is less risky in terms of safety. Online buyers have to contact email or online complaint toll free numbers while offline buyers can have direct interaction in post-purchase stage. It is suggested that as there is lack of human contact, empathetic relations should be maintained through emails or greetings at post-purchase stage.

Wei, Liying (2016) studied decision making behaviour towards online shopping with an intention to expand decision making process by taking shopping motivation factors and decision support systems into consideration. The study concluded that situational factors, characteristics of products as well as the experience of past online shopping are the basic motivations to shop online. Moreover, the decision support systems, which is classified as decision support technologies and interactive decision aids, tend to help online customers to analyse and summarise the large amount of information and increase the level of convenience and satisfaction.

Aprilia and Setiadi (2017) studied how one of the most prominent social commerce, Instagram enables Gen Y to browse online stores and the process of online buying decision through this platform. The study shows that respondents can distinguish trusted and non-trusted virtual stores for their shopping destination, which makes them an experienced shopper. Further, it shows that Instagram plays a significant role in the buying decision process when consumers are searching and evaluating information.

Stankevich, Alina (2017) highlighted factors/moments that influence consumers' decision making process through an extensive literature review. The moments that matters in different stages of decision making includes creation of preferred status for need development, provide a relevant description of product, creating emotional connections or experiences with products, focus on time delay



between purchase decision and actual decision, catching the point if customer is not satisfied or turn into loyal customer if satisfied. Various model of decision making has been reviewed, the study concluded that to answer what happen between information search and post purchase, there is no one right answer till now.

Aragoncillo and Orus (2018) explored the phenomenon of impulse buying and compare whether online channel or offline channel is perceived as leading to more impulse buying. When comparing both channels, the degree of impulsivity depend more on personal factors than on channel factors, meaning that those who are an impulsive buyer in an offline channel is also an impulsive buyer in online channel and vice versa. It is found that social networks play a relevant role in motivating impulsive buying behaviour while the convenience of internet which was proposed as both an encouraging and discouraging factor of online impulse buying did not offer conclusive results.

Kanade and Kulkarni (2018) attempted a study on online buyer decision making process and concluded that decision making process shows similarities as well as differences for offline and online customers. In case of offline consumer, 4P's of the marketing mix are considered as the main controllable tools influencing the consumer behaviour, whereas in case on online consumer, a set of different factors experienced during virtual interaction (user friendly web, trust and credibility of online retailer, web presentation) seems to be controllable factors affecting online consumer behaviour.

Puspitasari et.al (2018) conducted a study on buying decision making process in e- commerce. A conceptual model has been framed for the purpose of the study by taking five variables, namely, electronic word of mouth, social identity, perceived risk, consumer's trust and purchase intention. The hypothesis testing of the study showed that online purchase intention has a positive relationship toward a purchase decision. Electronic word of mouth also has positive relationship toward trust on e-commerce, while social identity and risk perception has a negative relationship towards trust on e-commerce. Consumer trust has a positive relationship toward online purchase intention while risk perception has a negative relationship for the

same. It is concluded that trust variable is the most influencing factor toward purchase intention in e-commerce.

Qazzafi (2019) concluded in the study of consumer buying decision process that consumer purchase the products when the need arises and uses all five stages of consumer buying decision making process during purchase of high involvement or costly products while the probability of skipping one or more than one stages are more in low involvement or daily usage products.

### **Problems of Online Shopping**

Yazdanifard and Wada (2011) studied the challenges faced by customers in online shopping. The study mentioned that shoppers abandon shopping card at the transaction completion stage due to perceived transaction inconvenience, risk and waiting time, issues of privacy and safety. It identified four key drivers of e-service quality to maintain steady relationship with the customers such as friendliness, information, adaptation and aesthetics that impact significantly from e-shopping. The finding of the study shows that shopping motivation greatly depends on the products and it suggested that manager should take a step to identify what satisfies the customers in order to meet their needs.

Arora (2013) explored the factors that amount to the growth of e-retailing and suggested positive recommendations for futuristic growth of e-retailing in India. Provision of anywhere anytime services with best price with better bargain, mobile governance, increased used of net banking and debit/credit cards, mechanism of product comparison, emergence of nuclear family, increased internet and broadband penetration are among the factors responsible for significant growth of e-retailing in the country. The study suggested that retailing company should ensure that customer has the right information, right mechanism, feel safe and secure while transacting online. It is believed that e-retailing in India can be a success if the e- retailers change their business models and understand their customer more.

Raghu Nath and Panga (2013) reviewed various research studies carried out on E-commerce to find out the problems and prospects. The study highlighted that e-

commerce served as an information agent that provides buyers and seller with information in the market. But despite the great advantages, the challenges lie with the privacy and security concern. It is concluded that e-commerce requires careful application for consumer protection issues and effective IT security systems for which necessary technical and legal provisions need to be put in place and strengthened constantly.

Malhotra (2014) analysed the current and future of electronic business in India along with the challenges being faced in this business. The study believes that highly intense urban areas with very high literacy rates, huge population with fast increasing literacy rate, a rapidly growing internet user base, technology advancement and adoption etc. make India a dream destination for e-business players. However, the challenges regarding high online purchase return, payment issues and low internet penetration should be taken into consideration for the growth of electronic business in the country.

Nair (2015) studies the opportunities and challenges of e-retailing in India. The study identifies the increasing internet users and online buyers, smart phone revolution and growth of mobile internet, increasing bank transactions, rising disposable income and increase in rapid urbanization as the key factors contributing to the growth of online retail in India. The major challenges for e-retailers as per the study include logistics problem, poor internet speed, customer trust and loyalty, touch and feel mental barriers, COD and return management, complex tax regime and FDI policy in B2C e-commerce. It is concluded that with a steady growth rate of 50-60 per cent, online retail can make a significant contribution to retail industry and economy of our country if these challenges are overcome.

Kumar, Rahul (2016) conducted a study to understand the online buying behaviour of consumers and future of online shopping in India. Despite the Indian market not fully developed for e-stores, Indian customers are highly dependent on the online shopping websites. It is concluded that there is vast scope for the growth of online shopping in almost all the segments of Indian market. Travel planning is one of the major services used by Indian online shoppers. The young

population is the main attraction of this online industry and they highly contribute for fast growth of online shopping in India and it suggested that the online sellers should target this segment for better future growth.

Panigrahi et.al (2016) mentioned that though the penetration of e- business in India is low as compared to markets like US and UK, it is growing at a much faster rate with a large number of new entrants. The key challenges that are being faced by the consumers relating to e- commerce includes ethical issues, perception of risk in e-service encounters, challenges for e- business education and legal system. The study suggested that India need to promote e- commerce business to the rural India by developing effective communication to map value of the goods produced and make available goods and services at low cost to the consumers.

Praveen (2016) highlighted that online shopping is beneficial not only for buyers but also for the sellers as they get detailed information about the product pinned together with the reviews of existing users. The study provided marketers insights on India to sharpen their digital and mobile commerce initiatives and build a strong mobile strategy as mobile devices become the most commonly used means of online shopping.

Sobha (2016) studied the importance of online shopping in Indian market and the problems faced by online consumers along with the perception of consumers towards online shopping. The study revealed that ease of shopping, availability of wide options, convenience, shop at any time etc. are the most important factors that may improve the online shopping behaviour of customers while risk of credit card transactions, chance of identity theft, difficulty in returning the product, fear of quality of product, loss of privacy etc. restrain them from online shopping. It is suggested that since the consumer behaviour might change from time to time, e-retailers should adapt the products and services according to customer requirements.

Tripathi and Khan (2016) made an attempt to clarify the idea of online business and studied the benefits and constraints of online business. The study highlighted the differences between traditional commerce and e-commerce, advantages and limitations of e-commerce. It is concluded that despite few

hindrances to online business, internet business has brilliant prospects in India and suggested that we have to redesign ourselves to welcome web based business and receive its rewards.

Mahavidyalay and Nagar (2017) pointed out that many of the online shopping problems seem to arise because the retail and online divisions of major stores are run by entirely different groups and these groups sometimes seem more like competitors rather than players working on the same team. The study also mentioned that the most common problems of online shopping in India as receiving wrong products, damaging products in transit, delay in delivery of products, failing to receive the products and concern when buying from foreign companies. It is also suggested that since India is linguistically diverse, there is a need for online shopping services in multi languages.

Rameshkumar (2018) highlighted that delay in delivery, warranty issues, lack of after sales service, lack of security, hidden costs and digital payment failures are the majors problems faced by the customers in online shopping. The study suggested online marketers to implement precautionary steps to solve these problems as well as to develop regional language related websites.

Though several studies have been done in the area of consumer buying behaviour across the country, but few are in the context of Northeast India. Considering the growth and prospects of online shopping in this region as well as the importance of understanding this channel of shopping, the present study focused on the online buying behaviour of consumers in two of the Northeastern states of Meghalaya and Mizoram.

### **1.8.3 WHY STUDY ON UNIVERSITY STUDENTS?**

Many previous studies and survey reports shows that the age groups who are most active in online shopping are the age group of the university students, which is below 35 years of age. IAMAI & Nielsen Report (2019) also revealed that 2/3<sup>rd</sup> of the Internet users in India are in the age group of 12-29 years. Online shopping, being the new way of shopping and new phenomenon in electronic business can be easily adapted by these age groups due to their knowledge of computer and the younger generations are faster in adapting to new things than the older generations. Majority of consumers of online shopping are graduates (Ganapathi, 2015). Sulaiman et.al (2008) stated that younger generation likely do online shopping more because of their knowledge in computer technology as opposed to the older generation. Similarly, Sorce et.al (2005) found that younger consumers searched for more products online and they were more likely to agree that online shopping is more convenient than offline shopping.

The students being the children of the family and financially supported by the parents becomes the biggest influence of online shopping in the family. Role of children have changed in the family and in the society, they are termed as 'hidden persuaders' in the family who intended to buy more (Reddy & Srinivas, 2015). The younger population is the biggest attraction of the online industry and they may contribute substantially to the growth of online shopping in India (Sharma, 2014). Students spend hours using the internet every day for different purposes which in turn makes them most keen in buying online.

### **1.8.4 RESEARCH DESIGN**

#### **1.8.4.1 Statement of the Problem**

There have been a number of studies on online buying attitudes and behaviour in recent years. Most of these studies have attempted to identify factors influencing or contributing to online buying attitudes and behaviour. Although researchers from a variety of business disciplines have made significant progress over the past few years, the scope of these studies is broad and it appears relatively

fragmented. With the growth of internet penetration in India and increased e-commerce activity which provides impetus for online shopping in the country, understanding consumer online buying behaviour is the key for marketers to enhance and attract online customer for their future growth. All customers have their own desires and demands for the products, it is crucial for the online marketers to identify and know about their online customers. Online buyer also differs in terms of their demographic profile (Richa, 2012). Online shopping is still at the early stage of development in the Northeast India. Not many studies have been found on consumer behavior towards adopting this new shopping channel, especially a comparative study between the Northeastern states in this particular topic. Keeping this in view, the present study is attempted to explore and compare the online buying behaviour of university students in Meghalaya and Mizoram.

#### **1.8.4.2 Objectives of the Study:**

The following are the objectives of the study:-

1. To explore demographic profile of online buyers among university students in Meghalaya and Mizoram.
2. To identify and analyze the factors influencing the online buying behaviour of university students in the two states.
3. To compare the online buying behavior in terms of their decision making process and post-online purchase behaviour.
4. To study the constraints faced by the online buyers in both the states.

#### **1.8.4.3 Research Methodology**

The present study is designed to compare the online buying behavior of sample respondents from among university students in Meghalaya and Mizoram. The study covers university students of Mizoram University (MZU) and North Eastern Hill University (NEHU). Under NEHU, there are Shillong Campus and Tura Campus. For the present study, only the main campus of NEHU viz; Shillong Campus is taken into consideration.

### Sampling

The sample consists of 400 students, 200 each from both the universities in these cities. As the total number of online shoppers among the students is unknown in NEHU and MZU, a total of 400 samples is the ideal sample size as per the sample calculator with 95% level of confidence and a margin of error of 5%. As per convenience, these total samples were distributed equally between NEHU and MZU. For collecting the respondents, Proportionate Stratified random sampling was used within those functioning schools of studies in both the universities. Those who bought at least 6 products in a year through online were taken into account for the present study.

### Time period

Primary data were collected through a structured questionnaire during September to December, 2015 in North Eastern Hills University and during February to April, 2016 in Mizoram University

**Table 1.2 Distribution of sample size based on functioning School of Studies**

Universities					
NEHU			MZU		
School of Studies	Population Size	Sample Size	School of Studies	Population size	Sample Size
School of Economics, Management & Information Sciences	152	20	School of Economics, Management & Information Sciences	286	41
School of Education	127	16	School of Social Sciences	304	43
School of Humanities	252	33	School of Education & Humanities	175	25
School of Human and Environmental Sciences	146	19	School of Earth Sciences & Natural Resources Management	194	28
School of Life Sciences	164	21	School of Life Sciences	121	15
School of Physical Sciences	150	19	School of Physical Sciences	108	17



School of Social Sciences	280	36	School of Engineering & Technology	220	31
School of Technology	283	36			
<b>Total</b>	<b>1554</b>	<b>200</b>		<b>1408</b>	<b>200</b>

**Source: Annual Report of NEHU & MZU, 2013-2014**

### **Sources of Data**

The study is conducted based on primary and secondary data. Primary data were collected by administering a structured questionnaire which consisted of three parts. The first part of the questionnaire is relating to the demographic profile of the respondents, second part is relating to the internet usage of the respondents while the third part is relating to the online buying behaviour which includes the buying decision, factors influencing buying behaviour, problems and post online purchase behaviour. The researcher approached the respondents in person as well as took the help of the class representatives to cover all the departments under each school of studies.

For the secondary data, extensive literature review was undertaken on different study in the area of online buying behaviour carried out both inside and outside the country. Apart from that, secondary data were collected from journals, books, relevant reports & websites such as (ASSOCHAM, IAMAI, IBMF, IMRB, OECD, UNCTAD etc.), Annual Report of NEHU and MZU, newspapers, magazines and e-resources.

#### **1.8.4.4 Research Hypotheses**

H<sub>01</sub>: There is no significant difference between respondents in NEHU and MZU on frequency of online shopping.

H<sub>02</sub>: There is no significant difference between respondents in NEHU and MZU on number of products bought online.

H<sub>03</sub>: There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping.

H<sub>04</sub>: There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences.

#### **1.8.4.5 Tools Applied for Data Analysis:**

Simple statistical tools such as percentages and weighted scores were used to analyse and interpret data collected. Mann-Whitney U test was used to find whether there was any significant difference between the respondents in terms of frequency of online shopping, number of products bought online, amount spent on online shopping and probability of future online shopping based on past experiences.

#### **1.8.5 LIMITATIONS OF THE STUDY**

There have been significant changes in online shopping over the years. The online retailers are becoming more aware and more specialize in key functions such as logistics and after sale services as a result of the infrastructure and technology development in recent years. Several changes and improvements have taken place. Secondly, the respondents chosen for the study are university students, broader sample size will be desirable for an in depth study on the online buying behaviour in Meghalaya and Mizoram. Lastly, the researcher mainly focused on various types of products bought online. We have seen the growth of online services due technological advancement and digital transformation, further study can be conducted on the online buying behaviour towards these services for those who are interested in this particular field of study.

## **CHAPTERISATION:**

- I. Introduction
- II. Demographic Profile and Internet Usage of the Respondents in NEHU and MZU.
- III. Factors Influencing Online Buying Behaviour in NEHU and MZU.
- IV. Online Buying Decision Making Process among Respondents in NEHU and MZU.
- V. Problems of Online Shopping & Post- Online Buying Behaviour in NEHU and MZU.
- VI. Summary of Findings and Suggestions.

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## CHAPTER 2

### DEMOGRAPHIC PROFILE AND INTERNET USAGE OF THE RESPONDENTS IN NEHU AND MZU

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## **CHAPTER 2**

### **DEMOGRAPHIC PROFILE AND INTERNET USAGE OF THE RESPONDENTS IN NEHU AND MZU**

This chapter presents the demographic profile and internet usage of the respondents. The first section discussed an overview of online buyers in India and the second section presents profile of the respondents. In the third section of this chapter, respondent's demographic characteristics have been analyzed by using frequency analysis. The last section of the chapter presents an overview of internet users in India and internet usage (frequency of use of internet and type of internet connection used) by the respondents.

#### **2.1 INTRODUCTION**

Broadly, demographic profile refers to the socio-economic characteristics of people such as age, gender, education, income, marital status, occupation, family size and so on. The term demographics refer to particular characteristics of a population. It is derived from the Greek words *demos* (people) and *graphy* (picture). Demography is the study of the vital and measurable statistics of a population (Schiffman and Kanuk, 2004). Demographic information provides data regarding research participants and is necessary for the determination of whether the individuals in a particular study are representative sample of the target population for generalization purposes (Salkind, 2010). Demographics are the statistical component of marketing which are used to identify population segment by specific characteristics. (Sessoms, 2017) and it helps in generalizing about groups in order to identify customers.

Consumer behaviour, preference and attitude are changing and becoming highly diversified. Demographic research is a powerful and functional tool that can personalize marketing campaigns, increase interest and loyalty, as well as provide improved functionality and efficiency with minimal or no loss of time efficiency (Shriyan, 2009). The demographic information helps marketer to avoid costly

mistakes in the marketing plan. Each of the demographic factors influences the behaviour of consumer and contributes to the overall demand for various products and services (Hawkins et.al, 1995). There are enormous opportunities present for online marketer to tap the potential for rapidly increasing online market space in India. The understanding and mapping of online consumers through demographics could enable their focus better (Sakkthivel, 2006). Demographic variables are considered as the personal buying decision variables like psychological and social variables (Adcock et.al, 1998) and helps in revealing ongoing trends that signal business opportunities, such as shifts in age, gender and income distribution (Schiffman and Kanuk, 2007).

Demographic information is often the most accessible and cost- effective way to identify a target market. It is also useful for Governments, corporations and non-government organizations to learn more about a population's characteristics for many purposes. Segmenting a population by using demographics allows companies to determine the size of a potential market. It is frequently used as a business marketing tool to determine the best way to reach customers and assess their behavior. The use of demographics helps to determine whether or not its products and services are being targeted to that company's most important consumers. Most large companies conduct demographic research in order to determine how to market their product or service and best capture the potential consumer. It is valuable to know the current customer and where the potential customer may come from in the future. Knowing demographic information helps in making better business decisions. The present study examines the demographic profile of the respondents and provides an overview of online buyers in India in this chapter.



## **2.2 ONLINE BUYERS IN INDIA: AN OVERVIEW**

Online shoppers are growing fast in the country. As per a joint ASSOCHAM (The Associated Chambers of Commerce and Industry of India) -Forrester study, 2016, being driven by a young demographic profile, increasing internet penetration and relative better economic performance, India's E-Commerce revenue is expected to jump from \$30 billion in 2016 to \$120 billion in 2020, growing at an annual rate of 51 per cent, the highest in the world. India is one of the youngest online demography globally. As per the study about 75 per cent of internet users are in the age group of 15-34 years. The growth is expected to be a continuing trend in coming years. According to Statista (The Statistics Portal), the forecasted number of digital buyers in India based on factual numbers from 2014 to 2016 shows that in 2020, over 329 million people in India are expected to buy goods and services online. India's retail e-commerce CARG (Compound Annual Growth Rate) is projected to reach 23 percent from 2016 to 2021. The growth of online shopping is driven by data consumption, improved logistics and huge discounts. It is expected that Indian E-commerce sector will continue to drive more employment opportunities and contribute towards creating more entrepreneurs through this sector. India has the second largest internet user- base which exceeds 450 million and out of this 70 million (approx.) are estimated to have more than three to four years of online experience. As this number grows, the Indian e-commerce industry is expected to grow into a 100 billion USD market by 2022 (PricewaterhouseCoopers (PwC), India).

According to E-commerce giant Amazon India report, more than half of the consumers come from the non-metro cities. Absence of good quality shopping malls and big brand's outlet have driven the consumers to jump from offline to online for better options in these cities. The report also highlighted that Indian digital shoppers mostly belong to top eight metro cities and small metros and most of these shoppers fall in the age group 16 – 34 years. Men in India are more avid shoppers than women because of demographic and cultural differences. Men outnumbered women in each of the country's 29 states during the 2011 census and 114 million more Indian men than women have mobile phones, according to international mobile industry monitor

GSMA (Bhattacharya, 2009). In India, youth constitutes a considerable proportion of the online users comprising a significantly larger share than the global internet users. As per KPMG study (2014), 39 percent of online consumers are between 25-35 years, 36 percent for the age group of 15-24 years while 16 percent for 35- 44 years, 9 percent for 45 years and above. Internet as a medium has provided a platform to the youth to do things which were not possible earlier. Also, as a result of increasing exposure to mass media and rising number of social networking apps targeting the youth, 29 per cent of the active internet users are youths (IAMAI, 2013).

Meanwhile, the Urban- Rural Digital Divide is still a major challenge for the growth of online marketing in the country. Internet and Mobile Association of India (IAMAI) and Kantar Indian Market Research Bureau (IMRB) (2017) reported that urban India with an estimated population of 455 million (as per 2011 Census), has 295 million internet users. While rural India with an estimated population of 918 million (as per 2011 census), has only 186 million internet users. Out of the overall internet users in the country, there are an estimated 143 million female users of internet which is approximately 30 percent of the total internet users. The digital gender gap is another issue in the digital world of our country. The government initiative, Digital India is paving its way for digital literacy and it is expected to play an important role in closing this digital urban- rural gap and digital gender gap in the coming years.

### **2.3 PROFILE OF THE RESPONDENTS**

Respondents are those who have been invited to participate in a particular study and have actually taken part in the study. This definition applies to both qualitative and quantitative studies (Given, 2008). For the present study, the respondents are the university students selected from North- Eastern Hill University (NEHU), Meghalaya and Mizoram University (MZU), Mizoram. Mizoram and Meghalaya have a lot of similarities. Both the states are tribal states in Northeast India which are located in the hilly region and the means of transportation are not fully developed. For example, these two states are not connected by railway. Regardless of the economic backwardness of the region, both the states have a

central university with 'A' Grade accredited by NAAC (National Assessment and Accreditation Council) viz; Mizoram University and NEHU. Mizoram University and NEHU are chosen for the comparative study since they are the established universities in their respective states offering many programs in sciences, social sciences, commerce, humanities, engineering etc.

### **2.3.1 North- Eastern Hills University (NEHU)**

North Eastern Hill University (NEHU) is a Central University established on 19<sup>th</sup> July 1973 by an Act of Indian Parliament. The objectives of the university, as laid down in the act are 'to disseminate and advance knowledge by providing instructional and research facilities in such branches of learning as it may deem fit; to pay special attention to the improvement of the social and economic conditions and welfare of the people of the hill areas of the North-eastern region, and in particular, the intellectual, academic and cultural advancement'. The university is in the suburb of Shillong, the state capital of Meghalaya. The university has two campuses, one at Mawkyntoh-Umshing, Shillong and the other at Chandmari, Tura. The jurisdiction of the University extended originally to the states of Meghalaya and Nagaland and the erstwhile Union Territories of Arunachal Pradesh and Mizoram. With the establishment of the Mizoram University, the jurisdiction of NEHU over Mizoram ceased from June, 2001. In February 1996, the University set up a campus at Tura with the Departments of English, Garo and Education. Recently, Department of Rural Development and Agricultural Production has been added to the existing three departments at Tura.

The academia of NEHU is classified into eight schools of study namely, **School of Economics, Management and Information Science** (Agri-Business Management and Food Technology (Tura campus), Commerce Department, Economics Department, Journalism and Mass Communication, Library & Information Science Department, Management Department (Tura campus), Tourism and Hotel Management Department), **School of Education** (Adult and Continuing Education Department, Centre for Distance Education, Centre for Science Education, Education Department, Education Department (Tura campus), **School of Human &**

**Environmental Sciences** (Anthropology Department, Environment Studies Department, Geography Department, Horticulture, Rural Development and Agriculture Production), **School of Humanities** (English Department, English Department (Tura campus), Garo Department (Tura campus), Hindi Department, Khasi Department, Linguistics Department, Philosophy Department), **School of Life Sciences** (Biochemistry Department, Biotechnology & Bioinformatics Department, Botany Department, Zoology Department), **School of Physical Sciences** (Chemistry Department, Mathematics Department, Physics Department, Statistics Department), **School of Social Sciences** (Cultural & Creative Studies Department, History & Archeology Department(Tura campus), History Department, Law Department, Political Science Department, Sociology Department) and **School of Technology** (Architecture Department, Basic Sciences & Social Sciences Department, Biomedical Engineering Department, Computer Applications Department, Electronics and Communication, Energy Engineering Department, Information Technology Department, Nanotechnology Department).

At present there are fifty-three undergraduate colleges affiliated to the University including eight professional colleges. The University Central Library whose membership includes university and college teachers, postgraduate and undergraduate students and members of the non-teaching staff has a collection of close to 2,00,000 books, 38,000 bound periodicals and it subscribes to 316 foreign and 366 Indian current journals ([www.nehu.ac.in](http://www.nehu.ac.in)). NEHU has been accredited with 'A' Grade by the National Assessment and Accreditation Council (NAAC). National Institutional Ranking Framework (NIRF) of Ministry of Human Resource Development, Govt. of India ranked NEHU 88<sup>th</sup> overall in India and 61<sup>st</sup> among universities in 2018. In a short span of about 30 years, NEHU has evolved as a matured institution with a serious academic, social and cultural agenda having a clear vision for its future growth.

### **2.3.2 Mizoram University (MZU)**

Mizoram University is a central university under the University Grants Commission, Government of India and was established on 2<sup>nd</sup> July 2001 by the Mizoram University Act, 2000 of the Parliament of India. The jurisdiction of the university therefore extends to the whole of Mizoram. According to the Act, the objectives of the university are “to disseminate and advance knowledge by providing instructional and research facilities in such branches of learning as it may deem fit, to make provisions for integrated courses in humanities, natural and physical sciences, social sciences, forestry and other allied disciplines in the educational programmes of the University; to take appropriate measures for promoting innovations in teaching-disciplinary studies and research; to educate and train man-power in the development of the state of Mizoram; and to pay special attention to the improvement of the social and economic conditions and welfare of the people of that State, their intellectual, academic and cultural development”. Keeping these objectives in view, Mizoram University has embarked on various programmes for academic and administrative development.

The academia of MZU is also classified into eight schools of study namely, **School of Economics, Management and Information Science** (Economics Department, Commerce Department, Library & Information Science Department, Management Department and Mass Communication Department), **School of Earth Sciences & Natural Resources Management** (Forestry Department, Environmental Science Department, Geology Department, Geography Department, Resource Management, Horticulture, Aromatic and Medicinal Plants (HAMP) Department and Extension, Education & Rural Development (EE&RD) Department), **School of Life Sciences** (Zoology Department, Botany Department and Biotechnology Department), **School of Physical Sciences** (Physics Department, Chemistry Department and Mathematics & Computer Science Department), **School of Social Sciences** (Psychology Department, Public Administration Department, Social Work Department, Political Science Department, History & Ethnography Department and Sociology Department), **School of Education & Humanities** ( Education

Department, Mizo Department, English Department and Hindi Department), **School of Engineering & Technology** (Department of Information Technology, Department of Electronics & Communication Engineering, Department of Electrical Engineering, Department of Computer Engineering and Department of Civil Engineering) and **School of Fine Arts, Architecture & Fashion** ( Planning & Architecture Department).

Mizoram University also offers Vocation Programme in Software Development, Web Technology and Multimedia, Handloom Weaver and Bee Keeper. At present, there are 31 undergraduate colleges, including 2 professional institutions and 1 constituent college under this university. The University Central Library has a collection of 95,818 books, 213 Thesis, 123 M.Phil Dissertations, 269 Master Degree Dissertations/Project Work and 10,776 numbers of Bound Volumes of Journals. The Library at present subscribes to 226 Journals, 48 General periodicals and 14 dailies. MZU has been accredited with 'A' Grade by the National Assessment and Accreditation Council (NAAC). National Institutional Ranking Framework (NIRF) of Ministry of Human Resource Development, Govt. of India ranked MZU in the band of 101-150 overall in India and 81<sup>st</sup> among universities in 2018.

#### **2.4 DEMOGRAPHIC PROFILE OF THE RESPONDENTS**

Demographic variables such as age, gender, education, income and other socio-economic measures are used to describe the nature and distribution of the sample in a research. Demographic variables are independent variables by definition because they cannot be manipulated (Salkind, 2010). In the simplest term, it can be explained as attributes of a human population that are studied statistically for a given research. Consumer demographic is among the most frequently used factors studied in online shopping research all over the world. This study choose six demographic variables namely, age, gender, education, occupation, family size and family income for the purpose of studying the demographic profile of the selected online buyers.

### **2.4.1 Gender**

Gender is an important factor that influences the shopping habit of the customer. It is a term that refers to social or cultural distinctions associated with being male or female. Gender identity is the extent to which one identifies as being masculine or feminine (Diamond, 2002). It is a socially constructed definition of women and men, determined by the conception of tasks, functions and roles attributed to women and men in society and in public and private life (Gender in practice: Swiss Agency for Development and Cooperation). The desire, want, interest and need of female and male differ. Traditionally, shopping is an activity more favored by women. It is the women who are usually in charge of household shopping and hold more positive attitudes towards the traditional store and catalogue shopping than their male counterparts (Alreck and Settle, 2002). However, online shopping, as the new shopping channel seems to result in a different, if not opposite, gender wise (Zhou et. al, 2007). Males and females want different products and they are likely to have different ways of thinking about obtaining these (Mitchell and Walsh, 2004). The products that male and female consumers are interested in buying are different. There are some products that are naturally associated more or less with males or females. For example, male are more interested in hardware, software, electronics appliances etc. while women are more interested in personal care, food, clothing and beauty products such as cosmetics.

In the online shopping environment, attitude and change of gender pattern has been studied and explained by various researchers by using different models or factors as well as information technology acceptance and resistance, product involvement and risks associated. Marketers need to understand gender based tendencies to better satisfy the customer as gender served as an important basis of market segmentation. In Indian society, it is assumed that the females of the family play a pivotal role while any buying decision is made. Women tend to shop more on impulse or because its 'in fashion' while men tends to shop more out of necessity or pure desire (Khurana, 2015). Recent research has shown that men and women differ in terms of their internet usage. Men tend to go online because they are information

hungry whereas women did it in order to get communications media to entertain and educate them (Schiffman and Kanuk, 2007). A person's gender can have a huge effect on their way of thinking which in turn leads to differences in their way of shopping. Keeping this in mind, the present study classified the respondents based on their gender.

**Table 2.1: Gender of the respondents**

Sl.No.	Gender	Universit y		Total
		NEHU	MZU	
1	Male	91 (45.50)	112 (56.0)	203 (50.75)
2	Female	109 (54.50)	88 (44.0)	197 (49.25)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.1 shows the distribution of respondents according to their *gender*. From the table, it found that out of the total respondents male respondents (50.75%) were slightly more than female respondents (49.25%). Further, the table suggests that in NEHU, more than half (54.50%) of the respondents were female while less than a half (45.50%) represent the male population. As for MZU, there were more (56%) male respondents compared to female respondents (44%).

From the above table, it is found that there are more male online shoppers in MZU compared to NEHU, while there are more female buyers in NEHU compared to MZU. However, the present study did not focus on the gender specific study on the online buying behaviour. Therefore, no conclusion can be drawn on whether men or women are more active in online shopping.



### **2.3.2 Age**

Age as one of the demographic variables has a great influence on consumer's buying behavior. Consumer's needs and desires vary with their age which in turn leads to changes in their buying behaviour patterns. Several studies proved that different age group has different behaviour regarding their purchase decision. Every age group has its own characteristic and perception. People with different age group have different choices and opinions regarding their purchase decision. While studying impact of age on buying behaviour, difference between age effects and cohort effects should be kept in mind. Age effects implies the impact of aging while cohort effects implies the influence of the period when a person is born and the shared interest and experiences with others of the same age. It is important for marketers to be aware of the distinction between age effects and cohort effects (Schiffman and Kanuk, 2007).

Age factor greatly influenced the process of need recognition, source of information used and how they choose out of different options. But the effect of age on consumers' intention to buy online remains unclear as some of the studies identified a positive relationship while some of them reported negative relationship between age and likelihood to purchase online. Such a discrepancy in research findings might be caused by different criteria for defining age groups in different studies. A standard age categorization scheme should be adopted in future studies to make cross-study comparisons feasible (Zhou et.al, 2007). The factors which influenced online buying behaviour is different such as for younger group, low price is an important factor whereas for the older age group suitability and durability are more important factors (Herve and Mullet, 2009). Marketers have to set their target precisely for different age groups. For the present study, the age groups of the respondents are segmented into 6 different age groups namely, below 20 years, 20 – 24 years, 24 – 28 years and more than 28 years.

**Table 2.2: Distribution of Age among the respondents**

Sl. No	Age Group	University		Total
		NEHU	MZU	
1	Below 20 years	21 (10.50)	28 (14.0)	49 (12.25)
2	20-24 years	154 (77.0)	136 (68.0)	290 (72.50)
3	24-28 years	25 (12.50)	35 (17.50)	60 (15.0)
4	More than 28 years	0 (0.0)	1 (0.50)	1 (0.25)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.2 represents the distribution of students according to their *age group*. From the table, it is found that in NEHU, majority of the respondents (77%) were in the age group 20-24 years, followed by 12.50 per cent of the students from the age group 24-28 years. 10.50 per cent were from the age group below 20 years and none of them were more than 28 years of age among the respondents.

In MZU, 68 per cent of the respondents were from the age group 20-24 years while 17.50 per cent were between the age group of 24 – 28 years and 14 per cent were from the age group below 20 years, while only one respondent above 28 years of age.

The most common age group among the respondents (72.50%) is the age group of 20 – 24 years. Very few of them belong to the age groups of more than 28 years. This can be because of other contributing factor like older age group population is lesser in Universities.

### 2.4.3 Education

Education has an influence on how people view things around them and preferences can change with education. It enhances one's ability to identify, locate, and assimilate relevant information (Kulviwat et. al, 2004). Education affects the level of discretion a person employ while making purchases. Generally speaking the more educated a person is, the more discriminating a shopper he is (Kumar, 2014). Shalini and Kamalaveni (2013) demonstrated that online shoppers are young, highly educated, active, intensive and expert users of the internet. Even though the respondents chosen for this study were university students who were familiar with online shopping, this particular demographic factor is included for the study to see which class of the respondents were most engaged in online shopping and to find out whether or not the higher level of education effect the online buying behaviour.

**Table 2.3: Level of Education of the respondents**

Sl. No.	Level	University		Total
		NEHU	MZU	
1	Post graduate	145 (72.50)	150 (75.0)	295 (73.75)
2	Undergraduate	43 (21.50)	34 (17.0)	77 (19.25)
3	Ph.D Scholar	7 (3.50)	8 (4.0)	15 (3.75)
4	M.Phil Scholar	5 (2.50)	8 (4.0)	13 (3.25)
	<b>Total</b>	<b>200 (100.0)</b>	<b>200 (100.0)</b>	<b>400 (100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.3 represents the distribution of the students according to their *level of education*. The table highlights that majority (73.75%) of the respondents were post graduate students, followed by 19.25 per cent who were undergraduate students and a few 3.75 per cent were Ph.D scholars and 3.25 per cent were M.Phil scholars.

While comparing, similar trend has been found in both the universities. 72.50 per cent of the respondents were post graduates in NEHU and 75 per cent in MZU, followed by undergraduates 21.50 per cent in NEHU and 17 per cent in MZU. While Ph.D and M.Phil scholars were less than a tenth from both NEHU and MZU.

#### **2.4.4 Family Size**

Size of the family is another important demographic factor which plays an important role in the buying decision process. The number of family members directly affects the usage rate of consumer goods. Family can be broadly classified into two based on their size, viz: nuclear family and extended family. Nuclear family is a family structure that consists of a couple and their dependent children. Whereas extended family includes nuclear family along with other relatives staying in the same household. Where the level of cohesion and communication between the family members is high, buying decisions are made keeping other's preferences in mind. There are six roles – initiator, information gatherer, influencer, decision maker, purchaser and user that frequently occur in family decision making.

The role and relative influence of family members in buying behaviour is paramount for the marketers to focus on the marketing strategy and channels accordingly. The family size of the respondents was classified into four viz: family size of 1 – 3, 4 – 6, 7 – 9 and more than 9.

**Table 2.4: Family Size of the respondents**

Sl. No.	Size	University		Total
		NEHU	MZU	
1	1 - 3	19 (9.50)	12 (6.0)	31 (7.75)
2	4 - 6	129 (64.50)	137 (68.50)	266 (66.50)
3	7 - 9	32 (16.0)	39 (19.50)	71 (17.75)
4	More than 9	20 (10.0)	12 (6.0)	32 (8.0)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.4 represents the distribution of the students based on the *size of their family*. The table indicated that two third (66.50%) of the total respondents were from the family size of 4 – 6, followed by family size of 7 – 9 (17.8%). Less than a tenth of respondents have family size of 1-3 and more than 9.

When comparing between NEHU and MZU, similar trend has been found where more than half of the respondents were from the family size of 4 – 6 (64.5% in NEHU and 68.5% in MZU), which is followed by the family size of 7-9. Respondents with a family size of 1-3 and more than 9 were both higher in NEHU compared MZU. Family size impact the overall spend on online shopping (Richa, 2012) and smaller family size are more likely to spend more than large and extended families (Reddy & Srinivas, 2015).

#### 2.4.5 Occupation (Respondents' Family)

The occupation of an individual plays a significant role in influencing the buying decision as it determines his spendable income. The nature of job has a direct influence on the products and brands chosen to purchase. Role of demographics on online purchase were silent about the role of occupation in influencing online purchase in many consumer studies. It could be interpreted that the occupation might not play a vital role but the scenario is different in India as the occupation plays a vital role in deciding the buying power (Sakkthivel, 2006). Marketers try to identify the occupational groups of their consumers as the occupation influences the consumption pattern (Kotler, 2004). The study broadly categorized the main occupation of the respondent's family into government employees, business and agriculture.

**Table 2.5: Main Occupation of Respondents' Family**

Sl. No.	Occupation	University		Total
		NEHU	MZU	
1	Govt. Employees	112 (56.0)	114 (57.0)	226 (56.50)
2	Business	59 (29.50)	66 (33.0)	125 (31.25)
3	Agriculture	29 (14.50)	20 (10.0)	49 (12.25)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.5 represents the distribution of the respondents based on the primary *occupation of the respondents' family*. The table suggests that more than half (56.50%) of the respondent family's earner were Government employees, while 31.25 per cent were from the business sector and 12.25 per cent earned from agriculture. Further, it is found that there is no difference between the respondents where more than half (56%) of the family earners in NEHU were Government

employees, followed by the business sector (29.50%) and agriculture sector (14.50%). Similarly in MZU, more than half (57%) of the respondent's family earners were Government employees, followed by the business sector (33%) and agriculture sector (10%).

#### **2.4.6 Family Income**

Income can be explained as what an individual received in monetary terms in exchange for services provided by him. It is another important demographic factor which influences buying decision. The purchasing power of consumer varies based on the level of income earned. People with higher incomes have more disposable income and vice versa. Income is a strong indicator of the ability or inability for person to buy a product or service, because of this it has become one of the most important demographic characteristics for market segmentation. Sultan and Henrichs (2000) identified that the consumer's willingness to and preference for adopting the Internet as a shopping medium is positively related to income and family size.

For the present study, the respondents are the students who are assumed to be not yet employed and does not have income of their own, family income is taken instead of the respondent's income unlike many other studies of buying behaviour with respect to the demographic factor of income. Since it is felt that a respondent might not be comfortable in disclosing the exact amount of their family income, the annual family income is classified into five income groups as shown in the table below.

**Table 2.6: Annual Family Income of the respondents**

Sl. No.	Annual Family Income	University		Total
		NEHU	MZU	
1	Less than Rs 1 lakh	49 (24.50)	29 (14.50)	78 (19.50)
2	Rs1 lakh-Rs 4 lakhs	108 (54.0)	118 (59.0)	226 (56.50)
3	Rs 4 lakhs- Rs 7 lakhs	29 (14.50)	37 (18.50)	66 (16.50)
4	Rs 7 lakhs - Rs 10 lakhs	14 (7.0)	10 (5.0)	24 (6.0)
5	More than Rs 10 lakhs	0 (0.0)	6 (3.0)	6 (1.5)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.6 shows the distribution of the respondents according to their *annual family income*. The highest annual family income of respondents was between Rs.1 - 4 lakhs (56.50%), followed by annual income of less than Rs 1 lakh (19.50%). Less than tenth of the total respondents' annual family income was from Rs. 7 lakhs onwards.

Further, it can be noted that the highest annual family income of the respondents from both the universities was Rs 1 – 4 lakhs, which was followed by less than Rs. 1 lakh in NEHU (24.50%) and between Rs. 4 – 7 lakhs in MZU (18.50%). While there were no respondents with the annual family income of more than 10 lakhs in NEHU, 3 per cent were in MZU.



## **2.5 INTERNET USERS IN INDIA:**

There is a wide range of internet users with various levels of expertise, from beginners to experts. The rapid increase in consumers' involvement in online purchase has transformed the Internet into a powerful force that influences consumer behaviour (McGaughey and Mason, 1998). Internet has enabled consumers to find specific solutions to address any unmet needs in terms of convenience to the act of purchase (Vinerean et.al, 2014). Hoffman and Novak (1996) stated that the web offers the opportunity to provide full information to customers about the goods and services as compared to traditional media. As the consumers are well informed and have more knowledge of the internet, they will have a greater experience of online shopping.

According to IAMAI Digital in India Report, 2019, India has 504 million active Internet users securing the second highest number of internet users in the world next to China. Internet users in India is divided geographically into tier-I, tier-II and tier-III regions. The tier-I regions include the metropolitan cities and this region make up for 34 percent of the total internet user base in the country. Mumbai has the highest number of internet users followed by New Delhi and Kolkata respectively. Tier- II cities have the fastest growth rate of internet penetration which makes it the most important potential market for the online retailers.

Internet and Mobile Association of India (IAMAI) and Kantar- Indian Market Research Bureau (IMRB)'s Mobile Internet Report 2017 showed that the mobile internet penetration for the Urban India is 59 per cent, while it is only 18 per cent for the Rural India. There is a huge gender difference in mobile internet usage. One third of the mobile internet users are male across both Urban and Rural India. In Urban India, percentage of men mobile internet user stands at 60 per cent and 40 per cent are women. While in Rural India, the women mobile internet users are only 33 per cent compared to 67 per cent men mobile internet users. Mobile Internet is predominantly used by youngsters, with 46 per cent of urban users and 57 per cent of rural users being under the age of 25. Despite the urban- rural gap and gender divide in terms of mobile internet users, there has been a noticeably growth in the country. The growth of mobile internet can be attributed to the positive development by

various stakeholders such as internet service providers, handset manufacturers and telecom service providers offering better connectivity at more affordable prices.

### 2.5.1 Frequency of Use of Internet per day by the respondents:

Nearly 70% of the Internet users in India are daily users (IAMAI, 2019). The internet knowledge and education level are powerful predictors of internet purchases among university students (Case et.al, 2001). The increasing use of Internet by the younger generation in India provides an emerging prospect for online retailers.

**Table 2.7 Frequency of Use of Internet per day by the respondents**

Sl. No.	Frequency	University		Total
		NEHU	MZU	
1	Less than 1 hour	36 (18.0)	18 (9.0)	54 (13.50)
2	1 - 2 hours	68 (34.0)	42 (21.0)	110 (27.50)
3	2 - 3 hours	42 (21.0)	46 (23.0)	88 (22.0)
4	3-4 hours	15 (7.50)	30 (15.0)	45 (11.25)
5	4-5 hours	14 (7.0)	32 (16.0)	46 (11.50)
6	More than 5 hours	25 (12.50)	32 (16.0)	57 (14.25)
	<b>Total</b>	<b>200 (100.0)</b>	<b>200 (100.0)</b>	<b>400 (100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.7 represents the distribution of respondents based on the *frequency of their use of Internet per day*. Out of the total respondents, 49.50% used internet daily for 1 -3 hours. While those who spent more than 5 hours were 14.25%, 13.50% spent less than 1 hour a day.

Further, the number of students who used internet for 1 - 2 hours is 34 per cent in NEHU and 21 per cent in MZU while those who used for 2 – 3 hours is 21 per cent in NEHU and 23 per cent in MZU. Those who used it for more than 5 hours is 12.50 per cent and 16 per cent, and for less than 1 hour is 18 per cent and 9 per cent in NEHU and MZU respectively. The number of students who used internet for 4 -5 hours is 7 per cent in NEHU and 16 per cent in MZU, those who used it for 3 - 4 hours is 7.50 per cent in NEHU and 15 per cent in MZU.

The table further indicates that the highest frequency of internet used per day for respondents in NEHU is 1 – 2 hours (34 %) while it is 2 – 3 hours (23 %) for respondents in MZU. It can also be concluded from the findings that the respondents in MZU spent more time on the Internet compared to the respondents in NEHU

### 2.5.2 Type of Internet connection used by the respondents

**Table 2.8 Type of Internet connection used by the respondents**

Sl. No	Connection	University		Total
		NEHU	MZU	
1	Broadband	29 (14.50)	77 (38.50)	106 (26.50)
2	Mobile devices	127 (63.50)	101 (50.50)	228 (57.0)
3	Wi-Fi in the campus	44 (22.0)	22 (11.0)	66 (16.50)
	Total	200 (100.0)	200 (100.0)	400 (100.0)

Source: Field Survey

Figures in parentheses indicates percentages

Table 2.8 represents the *type of internet* connection being used by the respondents. It is found that more than half (57%) used mobile devices as their means of accessing the Internet, while 26.50 per cent used broadband services and 16.50 per cent used Wi-Fi in the campus. When comparing between the two universities too, majority were using mobile devices, 63.50% in NEHU and 50.50% in MZU. It is evident that the growth of mobile internet in the country has been reflected in the present study as well.

## 2.6 CONCLUSION

The study of the demographic profile of buyers is important from the marketing point of view to know the existing and potential customer and it is useful for framing marketing strategies to reach the target audience. Since the respondents in the present study were the university students, majority were in the age group of 20 – 24 years who are active users of Internet. It is also revealed that mobile internet was the most common means of accessing the Internet among the respondents.

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**CHAPTER 3**  
**FACTORS INFLUENCING ONLINE BUYING BEHAVIOUR**  
**IN NEHU AND MZU**

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## **CHAPTER 3**

### **FACTORS INFLUENCING ONLINE BUYING BEHAVIOUR**

#### **IN NEHU AND MZU**

This chapter proposes to study various factors influencing the online buying behaviour including the web-based factors among the respondents in NEHU and MZU. The first section of the chapter deals with how personal factors, social factors, cultural factors and psychological factors influence consumer buying behaviour. Second section of this chapter focuses on factors influencing online buying behaviour along with how the website attributes of the online stores influence online buying decisions of the respondents.

#### **3.1 INTRODUCTION**

Online shopping became the most common and regular way of doing a business. Online buyers are increasing day by day. Many online buyers view online shopping as a way to save time and a convenient way to buy products (Horrigan, 2008). Online shopping allows us to shop at any time and from any place. Availability of detailed product information, its convenience and time saving factor as well as an improved delivery services attracts more people changed their shopping pattern from the traditional mode of shopping to rely on the online shopping every now and then. But despite the growth, Indian e-commerce players will have to cater to multiple factors (Nair, 2015). While the number of online shoppers is increasing, it is still not in proportional to that of the traditional shoppers which is mainly because of the customer's perceived risk involved in carrying out the online transaction along with other socio-psychological factors. To deal with challenges that are prevailing in online market, online marketers have to understand the concept, characteristics and features of online market, buyers' behaviour and factors influencing their online shopping. In order to develop better strategies, retaining an existing customers and attracting more potential buyers, online marketers need to understand various aspects associated with online shopping.

It has been a challenge for the marketers as consumer buying behaviour is affected by many variables, ranging from motivations, needs, attitudes and values, socio-economic and cultural values, age, sex, professional status to social influences of various kinds exerted by family, friends, colleagues and society as a whole (Solomon, 2004). Several studies have been conducted in the past on factors of online shopping in different parts of the country by many researchers to help online retailers to understand the association between these factors and consumer buying behavior. Economists and marketing academics are interested in identifying the factors explaining consumer choice and decision-making processes in retail contexts (e.g. Hansen et al., 2010). Most of the research findings came to the conclusion that convenience and time saving drive consumers to shop online, while security and privacy concerns dissuade them from doing so.

### **3.2 SOCIO-CULTURAL ENVIRONMENT INFLUENCING CONSUMER BUYING BEHAVIOUR**

The consumers' buying behaviour has been a popular marketing area, extensively studied and debated over the last decades. No contemporary textbook is complete without a chapter dedicated to this topic (Constantinides, 2004). A challenge faced by all marketers today is how to influence the purchase behaviour of customers in favour of their products or services. The knowledge of buying behaviour sheds the light on the psychology of how customers think, feel and select among existing alternatives and how customers' environment such as culture, family, society and media influences them (Stankevich, 2017). Consumers' behaviour is affected by various factors including consumer's mental and emotional involvement. Understanding consumer behavior and knowing customers is never simple, they may say one thing but do another (Kotler, 2004). From the marketer perspective, it is valuable to know consumer buying behaviour in order to effectively target customers, understand how customers view products and to create a competitive advantage to enhance the value of the company. Many academics and practitioners agree that demographic, social, economic, cultural and psychological factors which are largely beyond the control of marketers have a major effect on consumer behaviour and purchase decisions (Solomon and Stuart, 2003). The factors which

influence consumer buying behaviour can be broadly classified as personal factors, social factors, cultural factors and psychological factors.

### **3.2.1 Personal Factors**

Person with different characteristics display different buying behaviours. The personal factors which influence consumer behavior include age, occupation and income, lifestyle and personality. The life cycle of a person can be classified as bachelor stage, newly married couples with no children, full nest I (youngest child under six), full nest II (youngest child six or above), full nest III (older married couples with dependent children), empty nest I (older married couples with independent children and head in labor force), empty nest II (older married couples with independent and head retired), solitary survivor (labor in force and retired). When a person goes through stages of these different life cycles, their needs and wants of products or services changes which have an impact on their buying behaviour.

Another important personal factor is the income and occupation. Income determines the consumption pattern. Spendable income of a lower and higher income group differs which reflect in their buying behaviour. The marketers need to identify different age groups and income groups as a basis of market segmentation to target their needs differently.

Lifestyle and personality also act as important factors in behaviour study for the marketers. Lifestyle can be identified by taking various activities, interests, opinions and demographics to help the marketer analyse and look at the marketing opportunities emerging out of this (Chhabra and Grover, 2010). The lifestyle of a person is reflected in the buying behaviour. Different lifestyle have different consumption pattern and the marketers need to consider this differently.

Each person has personality characteristics that influence his or her buying behaviour (Kotler, 2004). Personality is another important personal factor influencing consumer buying behaviour. It is the inner psychological characteristics of a person that is manifest in outer behaviour in terms of individual differences

(Chhabra and Grover, 2010). Although personality is often considered to be consistent, it can change with time or other circumstances which makes it as an important factor influencing the consumer behaviour.

The present study has taken six personal factors into consideration such as gender, age, education, family size, occupation of the family and family income. The Internet knowledge of the person and the amount of time spend on the Internet is also important personal factors influencing online buying behaviour which were discussed in the previous chapter.

### **3.2.2 Social Factors**

Social factors such as reference group, social roles and statuses are another important factors influencing consumer behaviour. Groups that have a direct or indirect influence on person's behaviour are considered as reference groups. According to Philip Kotler, people are significantly influenced by their reference groups in at least three ways. First, the groups who create pressures for conformity that may affect brand choices and choice of products of an individual as they expose an individual to new behaviour and lifestyles which influences their behaviour and attitude. Second, people are also influenced by groups to which they do not belong to presently, but hopes to join in the future. Third, those groups whose values or behaviour an individual rejects. The level of reference group influence varies among products and brands.

When identifying target customers' reference groups, marketers need to consider not only reference groups but also product groups for market segmentations. Family as social factor constitutes the most influential primary reference group. The role and influence of family in consumer buying behaviour vary widely in different countries and different social classes. The level of influence that the family members have also differs depending on the type of products. The father being the head of the family usually makes the decision if the risk involved is high and on expensive purchase. Women of the family usually make decision in household needs. Role of children in buying decision is increasing and it has gained interest for marketers and researchers in today's marketing world. A person's roles and statuses in the society

also act as an important factor influencing the buying behaviour. The needs, wants and desires may differ depending on who we are and what we do for living. People choose products that communicate their role and status in the society. Marketers must be aware of the status-symbol potential of products and brands (Kotler, 2004).

The influence of social factors could not be ignored in the context of consumer buying behaviour. In the present study as well, majority of the respondents in both the universities have recommended online shopping to their family members, friends and classmates. In the online environment, consumer behavior is mostly influenced by the virtual groups they are part of and, therefore, by WOM (Word-of-mouth) (Cetina et.al, 2012).

### **3.2.3 Cultural Factors**

Culture is another important influencing factor of consumer behaviour. It represents a shared set of values that influence societal preferences, attitudes and perceptions. Culture is the fundamental determinant of a person's wants and behaviour (Kotler, 2004). Western and Eastern culture differs dramatically which leads to different online shopping behaviour (Chau et.al, 2002). Each culture consists of sub-cultures which consist of nationalities, religions, racial groups and geographical regions. Depending on our nationality, our needs and wants might not be the same which reflects in our buying behaviour and decision making process. For example, a person living in India will have different taste and lifestyle from person living in USA or other countries. Likewise, people from the same country but residing in different geographical regions display different buying behaviour as well. Our beliefs and religions also have a huge impact on the buying behaviour as some of the religion forbids their followers to consume some of the things which are allowed by other religions. Marketers have to take into consideration all these subcultures' influence on the consumer buying behaviour.

Person growing up in different culture acquire different set of values, perceptions, preferences and behaviours from person belonging to another culture. The present study focused on the comparison of the online buying behaviour among the university students in Meghalaya and Mizoram. The cultural differences on their

buying behaviour can be seen in terms of their attitude towards online shopping, website and product preferences as discussed in the following chapters in detail.

### **3.2.4 Psychological Factors**

Consumer needs are growing and changing in response to their interactions with other people as well as their surrounding environment. Person's buying choices are influenced by four major psychological factors such as motivation, perception, learning and beliefs & attitudes. Motivations are essential to make the buyer purchase the product. For that the perceptual selection of the marketer's stimuli must take place which would help consumer to learn the product and change his beliefs and attitudes accordingly. Motives or needs of a person are the starting point in the motivation process which are directed toward the achievement of certain goals which in turn determine the behaviour of individuals and ultimately leads to goal-directed activities (Chhabra and Grover, 2010). According to Dalton E. McFarland, motivation refers to the way in which urges, drives, desires, aspirations, striving or needs direct and control or explain the behaviour of human beings. There are several theories of motivation which have different implications for consumer behaviour analysis and marketing strategy such as Maslow's Need Hierarchy Theory, Freud's Theory, Herzberg's Theory etc.

According to Kotler, perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture. An action taken by a motivated person is by his perception of the given situation. Perceptions can vary widely among individuals exposed to the same reality as it depends not only on physical stimuli but also to the surroundings and conditions within the individual. When people act based on their perception, they learn. Learning is the process by which the knowledge and experience acquired from the purchase, consumption and used is applied to the future behaviour (Chhabra and Grover, 2010). Learning theory teaches marketers to build up demand for product by associating it with strong drives, using cues and providing positive reinforcement (Kotler, 2004). Beliefs and attitudes influences the buying decisions of a person in many ways.

The most representative psychological factors that influence online consumer behavior are online perception and trust (Cetina et.al, 2012). The present study showed that online shopping is positively accepted by the respondents and it is the need recognition that triggers them to shop online the most.

### **3.3 FACTORS INFLUENCING ONLINE BUYING BEHAVIOUR AMONG RESPONDENTS**

Buyer's behaviour is influenced by various internal and external factors. As the competition in e-commerce is intensified, it becomes more important for online retailers to understand the antecedents of consumer acceptance of online shopping as it is essential for customer relationship management, which has been recognized as an effective business strategy to achieve success in the electronic market (Zhou et.al, 2007). Attitude towards online shopping is a significant predictor of making online purchases (Yang et. al, 2007). Online shopping attitude refers to consumers' psychological state in terms of making purchases on the Internet (Li and Zhang, 2002).

Preserving privacy of online shopping and payment security is the most important factor. The more risk consumers face in terms of online payment and privacy of personal detail, the less they opted for online shopping. The effect of perceived risk may be subject to product characteristics. Online shopping could provide only visual, the touch and feel and seeing of the product is absent, so for this matter consumer cognition is an important factor. Another distinguish feature of online shopping is its influence by the literacy of internet as online shoppers need to have basic knowledge of internet. However, consumers' general experience with the internet alone does not necessarily influence their online shopping behaviour. Although a positive relationship between internet usage and online shopping intention was found in some studies, the relationship was not found to be significant in some other studies (Zhou et.al, 2007). According to information gathered from previous studies, online shopping behavior is a multi-dimensional construct and has been conceptualized in different ways. Several studies have been done to understand the various factors influencing online consumer buying behaviour which identified

price, variety of products, ease of use, product information, payment security, trust building, privacy, on time delivery, after-sales service, and reputation of seller as most important factors.

**Table 3.1: Summary of Factors Influencing Online Shopping Behaviour**

<b>Authors</b>	<b>Factors</b>
Li and Zang (2002)	Independent variables - external environment, demographics, personal characteristics, vendor/service/product characteristics, and website quality. Dependent variables - attitude toward online shopping, intention to shop online, decision making, online purchasing, and consumer satisfaction.
Synovate's eNation survey (2007)	Price, free shipping, special promotions/coupons, recommendations and product reviews, speed/efficiency of checkout and in-store pickup/returns.
Wang et.al (2008)	Medium of payment, privacy, consumer cognition, computer and internet experience.
Nuseir et.al (2010)	Security, product/service characteristics, internet infrastructure, e-price and e-promotion.
Katawetawarks & Wang (2011)	Convenience, information, available products and services, cost and time efficiency.
Haq, Zia Ul (2012)	Overall website quality, commitment factor, customer service and security.
Nazir et.al (2012)	Price, confidence, security, convenience, time, after sale service and discounted deals.
Salehi (2012)	Appearance, quick loading, security, sitemap, validity, promotion, attractiveness, believability, and originality.
Chandra & Sinha (2013)	Web design / features, convenience, time saving and security.
Sharma & Sitlani (2013)	Perceived risk, internet traits, attitudinal traits and convenience.
Puranik & Bansal (2014)	Relevant information, trustworthiness, prior experience, instant review, product delivery, transparency and image of the seller.
Khurana & Kaur (2015)	Convenience, ease of use, secure mode of payment, cost and time saving.
Kaur et.al (2015)	Ease of use, time saving and time flexibility.
Jadhav and Khanna (2016)	Availability, low price, promotions, comparison, convenience, customer service, perceived ease of use, attitude, time consciousness, trust and variety seeking.



Vaghela (2017)	Perceived ease of use, vendor's characteristics, perceived usefulness and website design.
Bucko et. al (2018)	Price, availability, social proof, scarcity, product details, conditions and social media activity.
Puspitasari et. al (2018)	Electronic Word of Mouth (EWOM), social identity, risk perception, trust and purchase intention.
Jukariya & Singhvi (2018)	Privacy & security, transaction security, multiple payment options, convenience and time saving.
Santoso & Bidayati (2019)	Trust factor, website design and quality.
Wagner et.al (2019)	Trust, perceived risks, guarantee return policy, perceived image of website, transaction security and consumer database safety.

Source: Secondary data

While covering all the potential factors is not feasible, attempt have been made in order to include the most common influential factors of online shopping based on the previous studies. The respondents were asked to rank the five most common factors which influence them to shop online. The Weighted Ranking Method has been used for ranking these factors. Number of responses given for 1<sup>st</sup> rank was multiplied by 5, 2<sup>nd</sup> rank responses by 4, 3<sup>rd</sup> rank responses by 3, 4<sup>th</sup> rank responses by 2 and 5<sup>th</sup> rank responses by 1. Thus, weighted scores were calculated and overall ranks have been identified from the weighted score.

**Table 3.2: Factors Influencing Online Shopping in NEHU****(No. of respondents)**

<b>Sl. No</b>	<b>Factors</b>	<b>Rank 1</b>	<b>Rank 2</b>	<b>Rank 3</b>	<b>Rank 4</b>	<b>Rank 5</b>	<b>Weighted Score</b>	<b>Rank</b>
1	Wide variety of brand choices	27	41	25	24	17	439	1
2	Time saving	29	37	33	14	15	435	2
3	Heavy price discounts	27	42	17	21	20	416	3
4	Non-availability in the local market	45	13	18	18	16	383	4
5	Convenience	31	7	20	11	12	277	5
6	24Hrs accessibility	16	16	20	18	24	264	6
7	Easy comparison shopping	7	15	14	20	18	195	7
8	Getting latest product information	6	6	23	22	21	188	8
9	Good quality of goods	3	4	11	13	11	101	9
10	Brand image	2	7	5	12	23	100	10
11	Good return/refund policy	2	5	10	9	10	88	11
12	Guarantees and Warrantees	4	4	2	10	2	64	12
13	Trust and reputation of e-shops	1	3	2	8	11	50	13
	<b>Total</b>						<b>3000</b>	

Source: Field Survey



**Table 3.3: Factors Influencing Online Shopping in MZU**

Sl. No	Factors	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Score	Rank
1	Heavy price discounts	59	29	26	20	26	555	1
2	Wide variety of brand choices	33	30	24	24	25	430	2
3	Time Saving	22	34	20	28	22	384	3
4	Non-availability in the local market	22	26	22	24	15	343	4
5	Convenience	25	11	17	11	15	257	5
6	Good quality of goods	14	14	22	11	15	229	6
7	24 Hrs Accessibility	9	16	16	16	21	210	7
8	Getting latest product information	7	8	16	19	13	166	8
9	Easy comparison shopping	4	9	16	13	7	137	9
10	Brand image	2	8	8	9	15	99	10
11	Good return/refund policy	2	9	7	8	7	90	11
12	Guarantees and Warrantees	0	5	3	11	10	61	12
13	Trust and reputation of e-shops	1	1	3	6	9	39	13
14	Any other factors	-	-	-	-	-	-	-
	Total						3000	

Source: Field Survey

### 3.3.1 Convenience

Convenience is one of the most common factors influencing online buying behaviour. The convenience of online shopping has an impact on consumers' willingness to buy online (Wang et.al, 2008). The present study ranked *convenience* as among the five most influential factors of online shopping among the respondents. It has been accorded the **5<sup>th</sup> rank** with a weighted score of 277 and 257 by the respondents in NEHU and MZU respectively (Table 3.2 & Table 3.3).

The customers are able to search for products or services online, read review of the previous buyers and buy whatever they want without any physical contact with the seller. Some customers prefers online shopping just to escape from face to face interaction with the salespersons as they feel more comfortable and do not want to be controlled and manipulated in the marketplace (Goldsmith and Flynn, 2005). A study of a primary research firm Chrome Data Analytics showed convenience as the biggest factor driving online shopping.

Online shopping offers the ability to order products from around the world. Online shoppers are no longer limited to product offered by local online retailers as majority of online sellers offer shipping to different parts of the world (for e.g: AliExpress, a global e-commerce platform based in China) which makes it easy for online shoppers to acquire products such as hard to find items in local market or those items only available in specific countries. Another great advantage of online shopping is its convenience for persons with disabilities.

### 3.3.2 Time Saving

*Time saving* has been accorded the **2<sup>nd</sup> rank** with a weighted score of 435 in NEHU (Table 3.2), while it has been accorded the **3<sup>rd</sup> rank** with a weighted score of 384 by the respondents in MZU (Table 3.3). Since online shopping can be done from anywhere and anytime, it makes consumers' life easier because they can escape to be stuck in the traffic, look for parking lot, wait in checkout lines or be in crowd in store (Childers et.al, 2001).

In today's busy world, most people do not have enough time to shop. Online shopping helps in saving time as it can be done from anywhere. One can save the time which they would have spent for going from their houses to the stores, time spent for one stores to another. It also help in avoiding queue hassle to reach the cash counter in traditional stores and parking hassle as one might need to spend a lot of time looking for a convenient car parking space. Not only online shopping helps in saving time, but also helps in saving money. In online shopping, shopper can save whatever the transportation cost which may be incurred for going to the stores as orders will be delivered at the doorsteps at little or free of cost. Many times in conventional shopping, we tend to spend on unplanned items but in online shopping, we get exactly what we need and want without the store's inventory dictating what we end up buying which results in both time saving and money saving.

### 3.3.3 Wide Choices

In the present study, *availability of wide choices* has been accorded the **1<sup>st</sup> rank** with a weighted score of 439 in NEHU (Table 3.2) as the most important factor influencing them to shop online. In MZU, it was accorded the **2<sup>nd</sup> rank** with a weighted score of 430 (Table 3.3).

Online shopping provides wide variety of choices from daily needs to high end products to the customers. Online stores offer consumers benefits by providing more variety of products and services that they can choose from (Prasad and Aryasri, 2009). It is safe to say that the choice is endless and infinite in online stores. When we go for conventional shopping, whatever the brands and stocks the shop has is the offer we can get. In online shopping, one can easily have an access to different products or services, different brands and different styles from anywhere in the world.

The reason why many people prefers online shopping is because of numerous choices available and this reason became one of the important influencing factors of online shopping for many customers including for the respondents in the present study. But while wide choice attracts more buyers, it could be the opposite if too many choices are available as buyers can get mentally overloaded which in turn leads to the likelihood of delaying the actual shopping. Displaying too many choices can overwhelm consumers and make them stop shopping (Townsend & Kahn, 2013). Online marketers need to be aware of how much choices should be offered on the online platform.

### **3.3.4 24 hours Accessibility**

Shoppers can shop from online stores anytime of the day as they are 24 hours accessible while shopping in traditional stores is limited to normal business hours only. This can be a major convenience for shoppers who work the same time as those of traditional stores working period. Nowadays, most of the people have busy schedule and also with an increasing working women, the amount of time we can spare to do the shopping is limited. Online shopping is helpful for these busy customers as everything they need is just one click away and one can shop at anytime just by going through the online market sites. Time does not act as a barrier in online shopping.

Though *24 hours accessibility* is not included among the five most important factors influencing online shopping in the present study, it has been accorded the **6<sup>th</sup> rank** with a weighted score of 264 (Table 3.2) by the respondents in NEHU and **7<sup>th</sup> rank** with a weighted score of 210 by the respondents in MZU (Table 3.3).

### **3.3.5 Heavy Discounts**

Offering discounts is a quick way of drawing more customers. When there is an opportunity of saving some money by getting discounts, it becomes more attractive. Heavy price discounts with a weighted score of 555 has been accorded the **1<sup>st</sup> rank** among the factors influencing online shopping in MZU (Table 3.3). In NEHU, it has been accorded the **3<sup>rd</sup> rank** with a weighted score of 416 (Table 3.2).

Indian consumers have always been value maximize seeker (Singh and Sinha, 2012). According to instaVaani survey, discount is the most important factor driving e-commerce in India. Most of the time, there will be discounts on selected items and one can choose products based on their spendable income. Online shopping also offers heavy discount on special occasions such as in festive seasons, brand day sale and many more. Though most customers seem to be happy with their online shopping experience, a large majority said they would turn away without the



discounts. Therefore, discounts offered in online shopping is one of the main reasons which keep the customers shop online.

### **3.3.6 Quick Comparison**

Ability to compare prices, features, quality of products, reviews, date of delivery and payment options is another important factor attracting more buyers to online shopping. Easy comparison shopping with a weighted score of 195 has been accorded the *7<sup>th</sup> rank* in NEHU (Table 3.2) and *9<sup>th</sup> rank* with a weighted score of 137 in MZU (Table 3.3).

Online stores offer variety of products and services which gives customers more chances to compare prices from different websites and find products with lower prices than buying from local retail stores (Lim and Dubinsky, 2004). Ease of comparison shopping has powerful influence on consumer behaviour (Kardes, 2003). Instead of running around to several stores to check the prices and its features, one can simply make comparison by opening two or more browsers in online shopping. Additionally, there are several online stores which make comparison even easier such as in Myntra, there is a button on the left side of the image of the product where similar products of different brands, different prices and different colours can be easily found. Another example is Trivago, a hotel search engine, where you can easily check and compare prices of different hotels. Online shoppers can make comparison and learn more about different/similar products or services which helps them in making the best possible decision.

### **3.3.7 Non- availability in the Local Market**

Online shopping allows consumers to find all kinds of products from all over the world. Non- availability in the local market has been one of the important factors influencing online shopping among the respondents. This factor with a weighted score of 383 in NEHU and 343 in MZU has been accorded the *4<sup>th</sup> rank* (Table 3.2 & Table 3.3).

Many people prefer online shopping due to non- availability of theirs needs in the local market, especially in North-eastern states due to the absence of shopping

mall which offer variety of products and services compared to the mainland India. Online stores offer consumers' benefits by providing more products and services that they can choose from (Lim and Dubinsky, 2004). The availability of different products of different brands, high end products and hard to find items in local market attracts more and more customers towards online shopping.

### **3.3.8 Product Information**

In the present study, getting latest product information with a weighted score of 188 in NEHU and 166 in MZU has been accorded the *8<sup>th</sup> rank* among factors influencing online shopping by the respondents (Table 3.2 & Table 3.3). Detailed information, to a certain degree can compensate the absence of physical contact with the product. Therefore, comprehensive product information is sure to attract customers than vague information.

Product information and reviews made by the previous buyers act as an important factor influencing online shopping. Clear and detailed product description, specifications and images influence the customer online buying decision process. It helps customers informed and buying decision faster. Unclear information about the products doubt the customers and lead them into switching sites in search of product details which in turn may lead to the loss of potential buyers. This can affect not only short-term but also long-term buying decisions.

### **3.3.9 Reliable Return/ Refund Policy**

The most common risk involved in online shopping is not meeting the expectation of the buyers. For this matter, quick and easy return/ refund policy become an important influencing factor of online shopping. While providing a clear return/ refund policy is necessary in this competitive online shopping world, excessive returns can affect profit margins. Over half of online consumers check returns policy on retailer's website before making online purchase and are more likely to return product they bought online than bought in offline stores (Gilsenan, 2018). This shows that online shopping returns is an issue that consumers carefully consider before making online buying decision. Additional resources in terms of staff

managing these returns and cost of shipping have to be bear by the retailers. Keeping this in mind, e-marketers should carefully consider the return/ refund policy to benefit both the buyers and the sellers. Reliable return/refund policy has been accorded the *11<sup>th</sup> rank* with a weighted score of 88 in NEHU and 90 in MZU among factors influencing online shopping (Table 3.2 & Table 3.3).

### **3.3.10 Guarantees and Warrantees**

Online shoppers want to shop knowing that their money is not wasted on unsatisfied products. Product guarantees and warrantees offered by the online sellers are powerful tools for gaining competitive advantage which help in raising the level of consumer trust and reducing the online transaction anxiety (Constantinides, 2004). Among various factors influencing online shopping, availability of guarantees and warrantees has been accorded the *12<sup>th</sup> rank* with a weighted score of 64 in NEHU and 61 in MZU (Table 3.2 & Table 3.3).

### **3.3.11 Product Quality**

Customer loyalty is one of the keys to a profitable business. Quality of the products offered is important to retain the existing customers as well as to attract new customers. This factor has been accorded the *6<sup>th</sup> rank* with a weighted score of 229 by the respondents in MZU (Table 3.2) and *9<sup>th</sup> rank* with a weighted score of 101 by the respondents in NEHU (Table 3.3).The ability to have an easy access to high quality of products is an important factor influencing online shopping in the world of online market. But unfortunately, some online stores disappointed their customers in terms of the quality of products sold and as a result their shopping experiences hinder their future buying.

### **3.3.12 Brand Image**

Brand image is another important factor influencing online shopping. American Marketing Association defines brand as a name, term, mark, symbol or design, or the combination of them to identify a seller, or products and services of consumer group, and separate it from competitor's products and services. Online

websites offering trusted and popular branded products are sought after more than those of online sites selling low quality branded products.

For an Indian customer to shop on a particular website, sources like “word-of-mouth” positive feedback from a reliable person, advertisements in printed or electronic media and popularity on social networking sites have a positive effect on the consumer trust. Further, if an e-website is being endorsed by a famous celebrity, people are more likely to trust that business (Kaur and Madan, 2013). The past experiences of the shoppers also play an important role. Building a good image to the online shoppers with trustworthiness of website can have a huge impact in online shopping.

Brand image with a weighted score of 100 in NEHU (Table 3.2) and 99 in MZU (Table 3.3) has been accorded the *10<sup>th</sup> rank* among factors influencing online shopping by the respondents in both the universities.

### **3.3.13 Trust and Reputation**

The most important factor influencing online shopping is trust building between seller and buyer. Most of the research findings showed trust issues as the most common reason for not shopping online. Consumers tend to buy products and services from the seller who they trust or brand that they are familiar with (Chen and He, 2003). An important thing to consider for online retailers is ensuring that they are reputed and trustworthy sellers. Perceived trust has a stronger influence on purchase decision of potential customers and more strongly than perceived price (Kim et.al, 2012). To be successful in online marketing, customers need to trust the virtual environment as shopping is done through the internet. Online retailers need to convince their buyers about the safety of online transactions and be able to show the proof of security on the web setting to build trust (Ernst and Young, 2001). To gain the trust of the customers, seller’s reputation plays an important role.

The reputation of a business contributes to the credibility of buying behaviour as it is seen as a source of information to reduce uncertainty when making purchases. But according to the present study, this factor is not considered as important

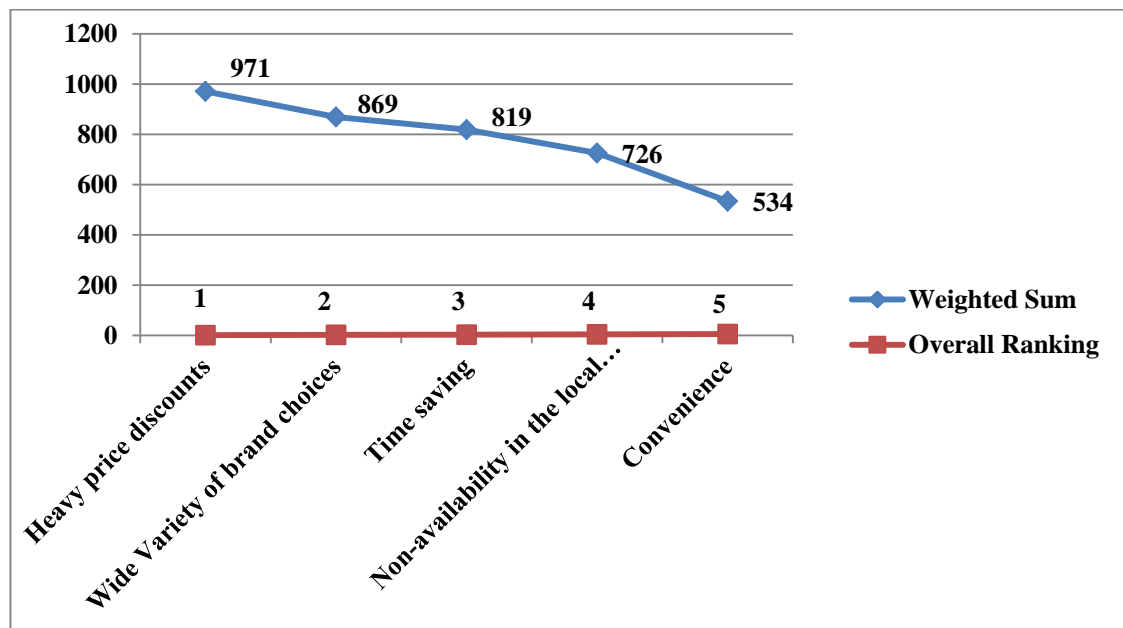
compared to the other factors as it has been accorded the *13<sup>th</sup> rank* by the respondents in both NEHU and MZU (Table 3.2 & Table 3.3).

**Table 3.4: Comparison of rank of factors for buying online between NEHU and MZU**

Rank	Factors	
	NEHU	MZU
1	Wide variety of brand choices	Heavy price discounts
2	Time saving	Wide variety of brand choices
3	Heavy price discounts	Time Saving
4	Non-availability in the local market	Non-availability in the local market
5	Convenience	Convenience

Source: Field Survey

Table 3.4 shows the comparison of ranks of factors influencing online shopping between the respondents in NEHU and MZU. Despite the differences in the ranking order, it is evident that wide variety of brand choices, heavy price discounts, time saving, non-availability in the local market and convenience were the five most important factors which influence the decision to purchase online among the respondents in both the universities.



**Fig. 1: Overall ranking of the factors for buying online among respondents**

Figure 1 represents an eye view reference of the overall rank of the factors influencing the respondents to shop online in NEHU and MZU. Total weighted score of the ranks (as shown in Table 3.2 and Table 3.3) has been calculated to derive the overall ranking of the factors as shown in the above figure. The ranking shows that the most influencing factor (*1<sup>st</sup> rank*) to purchase online is because of the *heavy price discounts* (weighted score of 971). Usually, the customer seeks maximum saving and value for money. Price as the most influencing factor for online shopping identified in this study is consistent with the findings of the study by Nazir et.al (2012) and Jadhav & Khanna (2016).

The study also showed that *availability of wide variety of choices* with a weighted score of 869 as the *second* most important factor influencing online shopping. Consumers want more choices when it comes to shopping online (Comscore, Inc., 2013) and the platform that online stores offer for multiple choices attract more shoppers to switch to online shopping.

*Time saving* has been accorded the *3<sup>rd</sup> rank* with a weighted score of 819. The ability to obtain required services or products without leaving one's home makes online shopping more attractive in today's busy world. Some previous researches

showed time saving as the most important attributes that drives consumer to shop online (Makwana et.al, 2017). It is evident that time saving is among one of the most important drivers of online shopping.

Another important factor which is not commonly found in the previous findings is the *non-availability in local market*. It has been accorded *4<sup>th</sup> rank* with a weighted score of 726. It is assumed that this factor is given more importance by the respondents since most of the Northeastern states do not have shopping markets as compared to other parts of the country.

Online shopping is influenced by its simplicity, convenient payment and ability to compare prices of the same product. In most cases, the shopping in online stores is selected for its convenience and simplicity (Bauboniene and Gulevicuite, 2015). *Convenience* as factor influencing online shopping has been accorded the *5<sup>th</sup> rank* with a weighted score of 534 by the respondents in the present study.

### **3.4 WEB-BASED FACTORS**

Online marketing faces more challenges compared to offline marketing as there are more factors involved such as web-based factors which need to be taken into consideration. The impact that web-based factors have on the success or failure of online shopping is an important distinguishing characteristic from traditional shopping. Website attributes such as website accessibility, website design, website reliability and security, fast loading, easy payment and clear policy influence the perception of the consumer on online buying. Online consumer behaviour is a complicated socio-technical phenomenon which involves many factors (Javadi et. al, 2012). While the fundamental objectives of marketing have not changed with the advent of e-business technologies, such technologies have the potential to change the ways in which many kinds of products may be marketed (Reynolds, 2010). When it comes to online shopping, technological factors play an important role. Technology changes new form of communication, interaction and online experience affect the behaviour of online consumer (Kanade and Kulkarni, 2018). It is likely that when consumer gains more knowledge, they buy more and feel more secure in their

purchases which makes it crucial for online marketers to provide information to increase the knowledge of online marketing and the web along with its uses.

Various studies suggested that website quality can be a combination of hygiene factors which includes privacy and security, navigation, technical aspect, impartiality and information content and other factors such as trustworthiness, enjoyment, seasoning outcome, looks of website, organization of information content and user empowerment (Chincholkar and Sonwaney, 2017). Features of the website are an important factor that leads consumer's satisfaction and dissatisfaction with a specific website. Kamariah and Salwani (2005) claimed that the higher the website quality, the higher consumer intends to shop from internet. A study conducted by Yasmin and Nik (2010) showed a significant relationship between online shopping activity and website features. Gross (2014) also suggested that as consumers decide to purchase online, online retailers should deploy all their virtual tools to enhance positive shopping experience.

The Forrester Research study stated that approximately 50 percent of potential sales are lost since visitors could not find what they are looking for. This could be because of irrelevant product details with large number of product options and complicated online site navigation. Website designers must understand that most of the online shoppers prefer online shopping due to its convenience of easy and fast information browsing as well as easy payment transaction and therefore, adjust their website accordingly. Website has significant effect on the consumer's online shopping attitude and online consumer prefers to have a user friendly website in online shopping environment (Suwunniponth, 2014). Online buyers prefer to shop from the trusted online sites. When an online retailer has a good reputation, consumers still have confidence in online transactions even if the risks are high (Ruyter et.al, 2001). The customers can increase their trust on the website as well as the online retailers if their website provides details of the products, information about their customer service by showing help button on the website and address of the head office along with contact details. Lee and Kozar (2009) agreed that usable websites are pivotal for e-business success. They create a positive attitude towards an online store as it increases stickiness and revisit rates which can stimulate online purchases.



In this context, it is attempted to study the impact of the web-based factors on the shopping behaviour of the respondents in NEHU and MZU. The respondents were asked how important the web-based factors such as- easy accessibility of online sites, fast loading of web pages, easy and short payment process, availability of order tracking facilities & terms of delivery, good organized online/ offline helpdesks, website advertisement and website design in their online buying decision. A five point Likert Scale was used to analyze their agreement towards the following statements where Strongly Agree is 5, Agree is 4, Neutral is 3, Disagree is 2 and Strongly Disagree is 1.

### **3.4.1 Easy Accessibility**

Ease of accessibility is one of the essential components in building online trust and act as an important factor influencing online shopping. It is vital for attracting more customers as well as maximizing sales. Many consumers turn to online shopping only because of its ease of use and the fact that one can make online purchase with the click of the mouse (Shanti and Kannaiyah, 2015). Improving accessibility opens up business to anyone, no matter what device they use, language they speak, and regardless of their ability, it has been an integral part of creating and growing a successful e-commerce business since the millennium (Callon, 2016). Kaur and Madan (2013) agreed that good navigation enables customers to concentrate on the website content rather than worrying about how to get around on the website. Having an easy to access website can help online stores to convert browsers into buyers.

**Table 3.5**

**Easy accessibility of online sites is important in choosing  
Online stores to shop from**

<b>Responses</b>	<b>University</b>		<b>Total</b>
	<b>NEHU</b>	<b>MZU</b>	
Strongly agree	103 (51.50)	81 (40.50)	184 (46.0)
Agree	73 (36.50)	77 (38.50)	150 (37.50)
Neutral	21 (10.50)	39 (19.50)	60 (15.0)
Disagree	2 (1.0)	1 (0.50)	3 (0.75)
Strongly disagree	1 (0.5)	2 (1.0)	3 (0.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.5 suggests that 83.5 per cent of the respondents agreed that it is important for the online sites to be easily accessible. With regard to the difference between the respondents, 88 per cent of the respondents from NEHU and 79 per cent of the respondents from MZU agreed to this. While 15 per cent of the respondents neither agreed nor disagreed to this statement. There was equal number of respondents i.e 3 respondents from both the universities who did not necessarily agree that easy accessibility of the website as an important web-based factor influencing their online buying. As majority of the respondents in both the universities agreed to the statement, it can be concluded that easy accessibility of online sites is one of the most important web-based factors influencing online shopping.

### 3.4.2 Fast Loading

Several studies in the past proved fast loading of the website as an important factor influencing online shopping. Broekhuizen and Huizingh (2009) suggested that if online stores want to convert visitor into buyer, they should offer a comfortable, logical, interesting and hassle-free process and easy language by creating fast website with functional design as smooth as possible. Minimal website download time indicates that the company is taking its business seriously by investing in good servers which increases the customer's trust in the website (Kaur and Madan, 2013). When the download speed is slow, the customers consider it as a waste of time (Kuo et.al, 2005). The online marketers must consider the loading speed of their websites to help the customers easily find what type of products and services they are searching for.

**Table 3.6**

**Fast loading of Web pages is important in choosing online stores to shop from**

Responses	University		Total
	NEHU	MZU	
Strongly agree	86 (43.0)	89 (44.50)	175 (43.75)
Agree	70 (35.0)	60 (30.0)	130 (32.50)
Neutral	36 (18.0)	41 (20.50)	77 (19.25)
Disagree	6 (3.0)	8 (4.0)	14 (3.50)
Strongly disagree	2 (1.0)	2 (1.0)	4 (1.0)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.6 shows 78 percent of the respondents from NEHU and 74.5 per cent of the respondents from MZU agreed that fast loading of web pages as an important

factor in their online shopping. While 18 per cent of the respondents from NEHU and 20.5 per cent of respondents from MZU were indecisive towards whether fast loading of web pages is an important factor or not in their decision to choose the online stores for shopping. Only a few (4.5 %) of them disagreed to this statement. Therefore, it can be concluded that the loading speed of the website is one of the web-based factors influencing online shopping among the respondents.

### **3.4.3 Easy Payment**

Online websites with short and easy payment process attracts more customers. Online payment process is an important issue that should be taken care of as it affects the willingness to pay (Wang.et. al, 2008). Offering options such as Cash on Delivery, PayPal, Google Checkout, checks and money orders allows more people to feel comfortable checking out on the particular site (Bansal and Garg, 2015). Most of the online shoppers prefer online shopping because of its easy and time saving factors. One of the distinct advantages of online shopping is the shipping method where shoppers can choose between express shipping and regular shipping depending on when they need the products to be arrived. The inclusion of gift receipts along with gift wrapping options makes it convenient for online shoppers in sending gifts to their love ones. The ability to send gift receipts also enables the recipient of the gift to return or exchange the item without divulging the price paid for the gift.

In today's scenario, cumbersome and lengthy process required for ordering and settling online transactions is still one of the most common problems of online shopping, therefore, a balanced approach is necessary for the websites to remain simple to use and secure at the same time (Constantinides, 2004). Online sellers must give their best effort to make their payment process as easy and secure as possible.

**Table 3.7**

**Easy and short payment process determines the online stores I chose to shop**

Responses	University		Total
	NEHU	MZU	
Strongly agree	81 (40.50)	68 (34.0)	149 (37.25)
Agree	79 (39.50)	95 (47.50)	174 (43.50)
Neutral	36 (18.0)	27 (13.50)	63 (15.75)
Disagree	3 (1.50)	9 (4.50)	12 (3.0)
Strongly disagree	1 (0.5)	1 (0.5)	2 (0.50)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.7 indicates that majority of the respondents (80.75%) agreed that they prefer to shop from the online stores having an easy and short payment process. In NEHU, 80 per cent agreed with the statement and 81.5 per cent in MZU also agreed with the statement. Only 2 per cent of the respondents in NEHU and 5 per cent of the respondents in MZU gave negative response to the statement. It is evident from the present finding that website with secure and easy payment process is one of the most important website attributes influencing online shopping among the respondents.

### 3.4.4 Availability of order tracking facilities and terms of delivery

In online shopping, order tracking allows the customers to monitor their online orders and shipments. It allows online sellers to communicate the order status to the customers at any point of time including shipment tracking and estimated date of delivery. Majority of the customers expect the ability to monitor their orders throughout every step of the shipping process (Lopienski, 2019). Availability of this facility reduces the cost of handling customer support team and serves as an indicator that the online store is dependable and trustworthy.

**Table 3.8**  
**Availability of order tracking facilities & terms of delivery is important in choosing Online stores**

Responses	University		Total
	NEHU	MZU	
Strongly agree	70 (35.0)	49 (24.50)	119 (29.75)
Agree	73 (36.50)	73 (36.50)	146 (36.50)
Neutral	40 (20.0)	63 (31.50)	103 (25.75)
Disagree	17 (8.50)	10 (5.0)	27 (6.75)
Strongly disagree	0 (0.0)	5 (2.50)	5 (1.25)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.8 suggests that 66.25 per cent of the respondents agreed with the above statement whereas 8 per cent responded to the statement negatively. With regard to the difference between NEHU and MZU, 71.5 per cent and 61 per cent of the respondents agreed to this statement respectively. There was one per cent difference between the respondents as far as negative response is concerned, while 7.5 per cent of the respondents in MZU and 8.5 per cent of the respondents in NEHU disagreed with the statement.

Providing order tracking facilities and terms of delivery (such as standard delivery, fast delivery or pick up at the store options) is now considered as essential service for every online retailer. It is also evident from the present study that order tracking facility and terms of delivery serves as influencing factor for the respondents while choosing the online stores which is also consistent with the finding of Puranik & Bansal (2014).

### 3.4.5 Good organized online and offline helpdesks

The absence of direct interaction between consumer and salesperson makes it difficult for many potential online shoppers to build trust in online shopping. Online marketers must focus their attention on good organized online or offline helpdesks, efficient reverse logistics, quick response to e-mail complaints and inquiries (Constantinides, 2004).

Online shoppers want to see what they are searching for easily with a detailed description about the products, what are the offers and discounts available, what are the payment options, terms and conditions for refund and exchange, warranties and guarantees. Without a reliable customer service, customers will perceive the online site as untrustworthy and may end up switching to the other sellers. Online sellers must make their website to provide the added- value of service to customers (Wang et. al, 2008) and customer feedback channel must be provided in their website (Yu and Wu, 2007). To make sure that these services are provided and can be easily access by the customers will benefit the online sellers to a great extent.

**Table 3.9**  
**I look for good organized online or offline helpdesks in choosing**  
**Online stores**

Responses	University		Total
	NEHU	MZU	
Strongly agree	59 (29.50)	68 (34.0)	107 (26.75)
Agree	77 (38.50)	70 (35.0)	147 (36.75)
Neutral	51 (25.50)	62 (31.0)	113 (28.25)

Disagree	12 (6.0)	15 (7.50)	27 (6.75)
Strongly disagree	1 (0.5)	5 (2.50)	6 (1.50)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.9 indicates that 63.5 per cent of the respondents agreed that online store which provides good customer service is important for choosing from where to purchase online. In NEHU, 68 per cent agreed to this while there were 69 per cent in MZU agreed to the same. Out of the total respondents, 28.25 per cent gave neutral responses. The table further indicates that in terms of a negative response, 6.5 per cent in NEHU and 10 per cent in MZU disagreed with the statement. To gain more customers, online stores must function in such a way that reliable pre and after sales service is provided. Customer service is as important as the quality of website (Liu and Guo, 2008).

### 3.4.6 Website advertisement

Website advertising is an important marketing strategy which helps in delivering marketing messages to the right customers. It can be in the form of display ads, search ads or classified ads. Display ads is an advertisement done using flash, Java ads, pop ads and moving images to deliver messages to site visitors. Search ads is a method of placing online advertisements on web pages that shows results from search engines whenever a person searches for the services or products offered by the advertiser. Classified ads are useful to advertise a certain type of product or service in a specific category. Website advertisement is an effective tool to draw customer's attention towards the advertisers and have an influence on the consumer perception for the particular products and services. Harfoushi et.al (2013) suggested that if the internet advertisement increase, the e-commerce sales will also increase



**Table 3.10**

**Website advertisement is an important factor in choosing which online store to visit**

<b>Responses</b>	<b>University</b>		<b>Total</b>
	<b>NEHU</b>	<b>MZU</b>	
Strongly agree	78 (39.0)	63 (31.50)	141 (35.25)
Agree	72 (36.0)	79 (39.50)	151 (37.75)
Neutral	41 (20.50)	47 (23.50)	88 (22.0)
Disagree	6 (3.0)	11 (5.50)	17 (4.25)
Strongly disagree	3 (1.50)	0 (0.0)	3 (0.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.10 suggests that 75 per cent of the respondents in NEHU and 71 per cent of the respondents in MZU agreed website advertisement as an important factor for choosing which online stores they chose to visit and shops from. Further, the table showed that 22 per cent of respondents are neutral about whether website advertisement is important or not for selecting the online stores. Only 5 per cent of the respondents gave negative responses to the statement. Since majority of the total respondents (72.5%) agreed with the statement, it is evident that website advertisement is an influential web-based factor in online shopping among the respondents.

### **3.4.7 Impressive Website Design**

Presentation quality influences the impression of consumers over the website. Website design can be considered as a motivational factor that can create positive or negative feelings with a website (Zhang et.al, 1999). It is one of the most important factors communicating the online firm's credibility (Constantinides, 2004). Consumers can be greatly influenced by the image of the website when they decide

to buy online. Liang and Lai (2000) concluded that web design quality has important impacts on consumer choice of electronic stores. The look and feel of a website serves as a basis for customers to form a first impression of the merchant and to develop an opinion of its trustworthiness (Karvonen, 2000). Almost 1,00,000 online shopper's surveyed by Reibstein in 2000 showed that website design was rated as one of the most important factor for online shopping. Since customers prefer a website which is neatly organized in clear categories (Kaur and Madan, 2013), online sellers should not only make their website secured but also create it to be more attractive for the buyers.

**Table 3.11**

**Impressive website design elements such as name, colour, layout etc. attracts me to visit the online stores**

Responses	University		Total
	NEHU	MZU	
Very important	58 (29.0)	48 (24.0)	106 (26.50)
Important	71 (35.50)	68 (34.0)	139 (34.75)
Neutral	49 (24.50)	71 (35.50)	120 (30.0)
Unimportant	19 (9.50)	9 (4.50)	28 (7.0)
Very unimportant	3 (1.50)	4 (2.0)	7 (1.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 3.11 exhibits the level of agreement towards impressive website design as an important web-based factor in online shopping. In the present study, more than half (61.25%) of the respondents gave positive responses to the statement. Thirty per cent gave neutral responses. There were more respondents in NEHU (64.50%) who agreed with the statement compared to the respondents in MZU (58%). 11 per cent of the respondents in NEHU and 6.5 per cent of the respondents in MZU disagreed with

the statement. Website design influences the first impression of the users. It is always one of the most important web-based factors influencing online shopping in the past studies as well (Chandra & Sinha, 2013, Wanger et.al, 2019 etc.) and it is evident from the present study as well.

**Table 3.12**

**Level of agreement on website attributes as factors influencing online shopping among respondents**

	Website attributes	University					
		NEHU			MZU		
		Mean Value	Std. Deviation	Rank	Mean Value	Std. Deviation	Rank
1	Easy accessibility of online sites	4.1700	.82736	<b>1</b>	4.3750	.75313	<b>1</b>
2	Fast loading of Web pages	4.1300	.94209	<b>2</b>	4.1600	.89353	<b>3</b>
3	Easy and short payment process	4.1000	.83275	<b>3</b>	4.1800	.81296	<b>2</b>
4	Availability of order tracking facilities & terms of delivery	3.7550	.96417	<b>5</b>	3.9800	.94555	<b>5</b>
5	Good organized online or offline helpdesks	3.7050	.99646	<b>7</b>	3.9050	.91111	<b>6</b>
6	Website advertisement	3.9700	.87918	<b>4</b>	4.0800	.92078	<b>4</b>
7	Impressive website design elements such as name, colour and layout	3.7350	.94299	<b>6</b>	3.8100	1.00945	<b>7</b>

Source: Field Survey

Table 3.12 shows the *level of agreement over website attributes as factors influencing online shopping*. It is evident from the table that easy accessibility of online sites was the most important website attributes influencing online shopping among respondents in both NEHU and MZU. Although this was the most important factor in both the universities, the respondents who agreed to this were more in MZU (mean score of 4.37) compared to NEHU (mean score of 4.17). Fast loading of web pages with a mean score of 4.13 was the second most important website attributes in NEHU, while it was the easy and short payment process with a mean score of 4.18 in MZU. Good organized online and offline helpdesks turned out to be the least important factor among respondents in NEHU. On the other hand, impressive website design was the least important website attributes influencing online shopping among respondents in MZU.

Despite the ranking differences between respondents, when we look at the total mean of website attributes- easy accessibility of online sites, fast loading and easy & short payment process were the three most important website attributes influencing online shopping in both the universities. And for these three attributes, mean importance rating is above four. Further, it can also be concluded that there is no significant differences in terms of level of agreement on website attributes as factors influencing online shopping among respondents in NEHU and MZU.

### **3.5 CONCLUSION**

The methods and strategies of conducting e-commerce are ever changing, as a result of new technology and to draw more customers into the business. When it comes to online shopping, people like to explore and it is difficult to maintain customer's loyalty which is the essence of good business. In the present study, heavy price discounts, wide variety of brand choices, time saving, non-availability in the local market and convenience were the most important factors influencing online shopping. Easy accessibility of online sites emerged as the most important web-based factors influencing online shopping.

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## CHAPTER 4

### ONLINE BUYING DECISION MAKING PROCESS AMONG RESPONDENTS IN NEHU AND MZU

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## **CHAPTER 4**

### **ONLINE BUYING DECISION MAKING PROCESS AMONG RESPONDENTS IN NEHU AND MZU**

This chapter proposes to understand the shopping behaviour and the decision making process of online buying among the respondents.

#### **4.1 INTRODUCTION**

The use of internet as a means of purchasing goods and services is increasing from the past few years. With the advancement of internet technology and the growth of e-commerce market, online shopping becomes the most common shopping pattern and it is gaining more attention from the general public. The success of online marketing largely depends on consumers' willingness to accept it. In order to win consumers in such a highly competitive online marketplace, understanding the nature of online purchase and reaching the customers at the right time with the right message is crucial. By better understanding the behaviour of online consumers, retailers can facilitate the purchase process and enhances the consumer experience (Zhang et.al 2011).

The consumer buying behaviour has always been a distinguished marketing subject which has been extensively studied over the last decades. The study of consumer behaviour focuses on how individual make decisions to spend their available resources such as, time, money and effort on consumption-related items (Schiffman and Kanuk, 1997). The decision which a person makes by choosing from various alternative options in the buying process is referred to as buying decision making process. Several motivation factors such as situational factors, characteristics of products as well as previous online shopping experience can influence consumers' attitudes to shop online. Moreover, available decision support system can help customers to make wise decisions among the overwhelming information (Wei, 2016). The changing market environment provides the need for a study of consumer decision making process since the main goal of any marketer is to reach consumer at the moment that most influence their decisions. The researcher has attempted to

study and compare the online buying decision making process of the respondents in North- Eastern Hills University and Mizoram University.

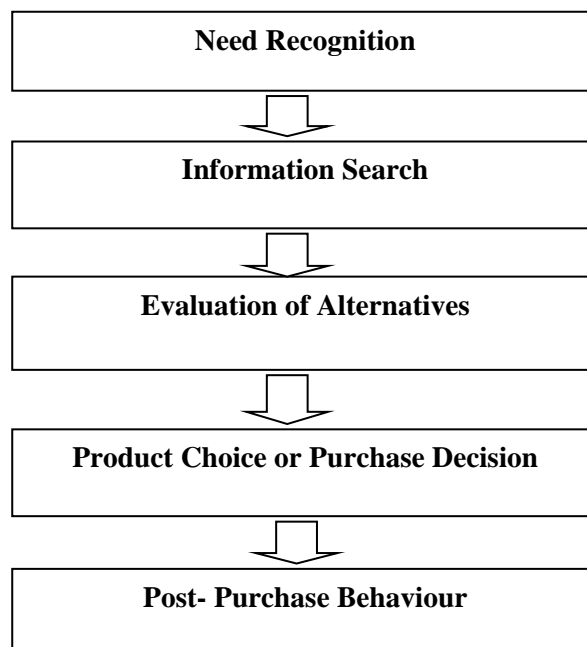
#### **4.2 ONLINE BUYING DECISION MAKING PROCESS**

With the growth of e-commerce and rising number of online customers, the consideration about online decision making becomes key important topic for online marketers nowadays. Marketers need to understand how, where, when and why consumers decide to purchase online. Consumer buying process is understood as learning, information processing and decision-making activity, divided in several consequent steps- problem identification, information research, alternatives evaluation, purchasing decision and post-purchase behaviour (Kotler, 1997). Consumer decision making process describes the course of action consumer go through before, during and after a decision to purchase a product. Consumer decisions are influenced based on a complex interaction of consumer and the factors applicable in an online environment and there is a need to understand how these factors come together in influencing consumer decision making (Nuseir et.al, 2010).

The traditional model of decision making process starts with need recognition/problem identification followed by information search, evaluation of alternatives, product choice/ purchasing decision and post purchase behaviour. Online buying decision process consists of steps more or less similar with traditional buying decision process. The five-staged traditional model decision making serves as a base for modern concepts (Stankevich, 2017). The on-line and off-line consumer behaviour has been examined under various contexts over the years. The decision making process of online consumers has some similarities as well as differences between them and the offline customers (Constantinides, 2004). In decision making process, there are various factors that influence the final buying decision such as social factors (culture, social class and reference groups), marketing factors (marketing mix), situational factors (physical and social environment, individual's physical condition etc.). These uncontrollable factors are affecting behaviour for both offline and online consumers. In case of offline consumer, 4P's of the marketing mix (i.e: Price, Product, Place and Promotion) are considered as the main controllable

tools influencing the consumer behaviour, whereas in case on online consumer, a set of different factors experienced during virtual interaction seems to be controllable factors affecting online consumer behaviour (Kanade and Kulkarni, 2018). In order to cater to the consumers’ needs, the ability of the online retailers to understand the online consumers’ decision making process plays a central role.

The decision making process of consumer is categorized into five different stages as shown below:



<b>Pre-purchase Stage</b>	<b>Purchase Stage</b>	<b>Post-purchase Stage</b>
<ul style="list-style-type: none"> <li>• Need Identification/ Problem Recognition</li> <li>• Information Search</li> <li>• Evaluation of alternatives</li> </ul>	<ul style="list-style-type: none"> <li>• Mass customization or personalization</li> <li>• Security concerns</li> <li>• Building trustworthiness of the website</li> <li>• Turning browsers into buyers</li> </ul>	<ul style="list-style-type: none"> <li>• Working towards customer satisfaction and loyalty</li> <li>• Tackling returns</li> </ul>

Source: Shekhawat and Singhal, 2014

#### 4.2.1 Need Recognition/ Problem Identification:

Every buying decision starts with the need recognition also referred to as problem identification. Marketers need to know the specific needs customers try to satisfy and how to turn it into purchase attributes (Stankevich, 2017). It is the first stage when customers realize that they need something. Marketers aim to create an imbalance between consumer's present status and preferred status which will lead to need recognition. The feeling that some products or services are needed can be triggered by internal or external stimuli.

**Table 4.1 I shop online only when the need arises**

Responses	University		Total
	NEHU	MZU	
Strongly agree	45 (22.50)	34 (17.0)	79 (19.75)
Agree	68 (34.0)	80 (40.0)	148 (37.0)
Neutral	68 (34.0)	57 (28.50)	125 (31.25)
Disagree	13 (6.50)	24 (12.0)	37 (9.25)
Strongly disagree	6 (3.0)	5 (2.50)	11 (2.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentage

Table 4.1 represents whether the need recognition triggers the respondents to shop online or not. The table indicates that 56.75 per cent of the respondents agreed that they shop online when they are in need of some particular products. While 12 per cent disagreed to the statement and 31.25 per cent gave neutral responses.

While comparing, 56.5 per cent in NEHU and 57 per cent in MZU agreed that they shop online when the need arises. There were 9.5 per cent in NEHU and 14.5 per cent in MZU who disagreed to shop online only when the need arises. There

seems to be two different style of need recognition among consumers, *actual state types*, who perceive that they have a problem when a product fails to perform satisfactorily and *desired state types*, for whom the desire for something new triggers their decision process (Shiffman and Kanuk, 2007). As more than half of the respondents agreed that they shop online when the need arises, it appears that there were more actual state type consumers than a desired state type of consumers among the respondents.

#### **4.2.2 Information Search**

When consumers recognize an unfulfilled need, it leads them to the second stage of decision making process, which is information search. Information search is done using either internal information (past experience) or external information (printed/ online advertisement, television, word of mouth, reference groups, etc.). Information quality has an important effect on repurchasing (Koo et.al, 2008). The amount of time spend on this stage depends on the level of interest, risk involved and consumer's past experience.

Today, internet has changed the entire process of information search. In online shopping, marketers need to encourage customers to search on the internet by conveying and creating an image of enjoying a risk free online shopping experience (Shekhawat and Singhal, 2014). Using the Internet to search for product information not only save time, but also make product comparison easier. But when online site has low interactivity, it could potentially create a drop-off in consumers revisiting the site and non-commitment with the purchase. The level of interactivity between the information search step and purchase step can be improved by increasing the interconnectivity between consumer and online retailer, also, by decreasing the amount of information overload (Lamb et.al, 2009). When consumers go through stages of decision making process, if they are unable to process large amount of information on online site, they are sure to go to competitor's site regardless of which stage of the process they are in (Liao and Keng, 2014). Online marketers need



to examine and regulate the amount of information exposure to assist with the purchase decision (Gross, 2014).

Review of the customers also plays an important role in this stage as a strong rating attracts the favorable intention of customers. In offline stores, consumers can interact with the sellers at the same time and in the same place which enables them to enquire about anything and the responds they get in return helps in determining whether they can build trust with that particular seller. However, in online shopping, this kind of interaction is not possible. Some people think the product information provided in the website is not enough to make a decision (Liu and Guo, 2008). It is essential for online sellers to present product information to answer any doubts and questions that consumers have in mind which will help consumers in perceiving the reliability of their online store and reduce the possibility of them shifting to other online stores.

**Table 4.2 Buys products only if information in the online store is sufficient**

Responses	University		Total
	NEHU	MZU	
Strongly agree	46 (23.0)	47 (23.50)	93 (23.25)
Agree	73 (36.50)	69 (34.5)	142 (35.50)
Neutral	61 (30.50)	68 (34.0)	129 (32.25)
Disagree	18 (9.0)	12 (6.0)	30 (7.5)
Strongly disagree	2 (1.0)	4 (2.0)	6 (1.5)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.2 indicates that 58.75 per cent agreed that they shop online only when the information provided by the online stores is sufficient, while only 9 per cent of them disagreed with the statement. While comparing, 59.5 per cent in NEHU and 58 per cent in MZU agreed that getting sufficient information is important in their

online purchase decision. 34 per cent in MZU and 30.5 per cent in NEHU neither agreed nor disagreed with the statement. At the same time, 10 per cent of the respondents in NEHU and 8 per cent in MZU agreed that the quality of product information they received do not affect their buying decision. Reliability of online stores depends on reliability of information given in the website such as descriptive product information, payment methods, logistic and after sales services. More than half of the respondents from both the universities agreed to the statement and it is evident that the quality of product information plays an important role in the online buying decision making process of the respondents.

#### **4.2.3 Evaluation of Alternatives**

As a result of information search from various sources, consumers are left with different options and alternatives to choose. There are many factors such as price, retailer, brand name etc. which have an effect on evaluation of alternatives. Providing a clear and specific product categories have positive impact on information search and alternative evaluation (Wei, 2016), which is helpful in buying decision making. Further, reducing the amount of attributes used to describe product category is helpful in reducing product complexity. As the amount of attributes is narrowed down, consumers could find the best option easier and more quickly (Swaminathan, 2003). Since there is no single process of analysis used by customers in all buying situations (Kanade and Kulkarni, 2018), marketers' role in this stage is to make sure that consumers are aware of their brand during this evaluation process.

**Table 4.3 Compare products and prices of different online stores**

Responses	University		Total
	NEHU	MZU	
Strongly agree	94 (47.0)	65 (32.50)	159 (39.75)
Agree	68 (34.0)	75 (37.50)	143 (35.75)
Neutral	34 (17.0)	44 (22.0)	78 (19.50)
Disagree	2 (1.0)	13 (6.50)	15 (3.75)
Strongly disagree	2 (1.0)	3 (1.50)	5 (1.25)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.3 represents whether or not the respondents compared products and prices of different online stores before buying. Out of the total respondents, 75.5 per cent agreed that they compare products and prices of different online stores while only a few (5%) disagreed with the statement. The fact that 81 per cent in NEHU and 70 per cent in MZU agreed with this statement proved ease of comparison as an important factor in their online buying decision process. The ease of comparison shopping has also become one of the most influential factors from the qualitative analysis of factors influencing online buying by Jadhav & Khanna (2016).

#### **4.3.4 Product Choice/ Purchase Decision**

The fourth stage in the decision making process is the purchase decision. Once the customers evaluate the available alternatives, it will lead to either visiting a retail outlet or buy it through online. While making a final decision to purchase online, additional decisions like choice of the web-store, quantity to be purchase, time of purchase and payment method need to be taken (Kanade and Kulkarni, 2018). Shekhawat and Singhal (2014) also suggested that to attract more customers towards online buying, online marketer should make an effort at customization and

personalization. The time between the formation of a purchase decision and the actual purchase vary depending upon the level of involvement, whether it is a high involvement items or low involvement items. Price is one of the important factors in consumer's decision making (Danaher and Davis, 2013).

**Table 4.4 Prefers Online Shopping only if prices are lower than actual prices**

Responses	University		Total
	NEHU	MZU	
Strongly agree	94 (47.0)	99 (49.50)	193 (48.25)
Agree	67 (33.50)	54 (27.0)	121 (30.25)
Neutral	25 (12.50)	40 (20.0)	65 (16.25)
Disagree	11 (5.50)	4 (2.0)	15 (3.75)
Strongly disagree	3 (1.50)	3 (1.50)	6 (1.50)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.4 represents whether or not the respondents prefer to shop online only when online prices are lower than the offline prices. The table indicates that 78.5 per cent of the respondents agreed that they shop online only when the prices are lower than offline stores. 5.25 per cent disagreed to the statement and 16.25 per cent gave neutral responses. It is evident that price was an important factor in online buying decision as 80.5 per cent in NEHU and 76.5 per cent in MZU agreed to shop online only when prices were lower than traditional stores. Price is a deciding factor in decision making process and various studies in the past have also considered it as the most fascinating and affecting factor in online shopping (Nazir et.al 2012, Bucko et.al, 2018 etc.).

#### 4.2.4.1 Frequency of Online Shopping:

How often people shops online is an important factor to determine their attitude towards online shopping. In this regard, the study has attempted to find how often the respondents shop online.

**Table 4.5: Frequency of Online Shopping by the respondents**

Sl. No.	Frequency	University		Total
		NEHU	MZU	
1	Once in a week	8 (4.0)	18 (9.0)	26 (6.50)
2	Every 15 days	6 (3.0)	8 (4.0)	14 (3.50)
3	Monthly	44 (22.0)	46 (23.0)	90 (22.50)
4	Once in 2 months	91 (45.50)	87 (43.50)	178 (44.50)
5	Only when need arises	51 (25.50)	41 (20.5)	92 (23.0)
	<b>Total</b>	<b>200 (100.0)</b>	<b>200 (100.0)</b>	<b>400 (100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.5 shows the distribution of the respondents based on the *frequency of online shopping*. It is found that 44.5 per cent were those who shop once in 2 months followed by those who shop only when the need arises (23%). The number of students who shop monthly is 20.5 per cent while those who shop once in a week is 6.5 per cent followed by who shop every 15 days (3.5%).

Further, when comparing between the respondents in NEHU and MZU too, the students who shopped once in 2 months were the highest i.e 45.5 per cent and 43.5 per cent respectively. In NEHU, it was followed by those who shop online only when need arises (25.5%) and who shop monthly (22%). While in MZU, it was followed by those who shop monthly (23%) and those who shop only when need arises (20.5%). Less than a tenth were those who shop once in a week and every 15 days in both NEHU and MZU.

While Pitney Bowes Global E-commerce Study (2018) showed that 35 per cent of online shoppers make an online purchase at least weekly globally, the respondents in the present study shopped mostly once in two months. It is assumed that since the respondents were students financially dependent on the parents, they could not shop as frequent as those who are financially independent.

**Hypothesis Testing 1:**

The hypothesis “There is no significant difference between respondents in NEHU and MZU on frequency of online shopping” has been tested using Mann-Whitney U test to find whether there is a statistically significant difference between the respondents in terms of frequency of online shopping.

**Table 4.6**  
**Difference between NEHU and MZU on frequency of online shopping**  
**(Mann-Whitney U test)**

	Frequency of online shopping
Mann-Whitney U	17975.000
Wilcoxon W	38075.000
Z	-1.859
Asymp. Sig. (2-tailed)	.063

*H<sub>01</sub>: There is no significant difference between respondents in NEHU and MZU on frequency of online shopping.*

Result: Since the p value 0.063 > 0.05 (significance level), we accept the null hypothesis and therefore, conclude that there is no significant difference between the respondents in terms of frequency of online shopping.

#### 4.2.4.2 Prefrences of Online Shopping Sites

There are plenty of online shopping sites to choose for the shoppers. The products offered as well as the reputation and trustworthiness of the online stores has influence on the number of customer who chose to shop from them. In this context, the present study has also attempted to identify the online stores frequently chose by the respondents.

**Table 4.7: Rank Preferences of Online Shopping sites by the respondents in NEHU**

Sl. No.	Online sites	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Score	Rank
1	<b>Snapdeal</b>	32	47	36	41	26	564	1
2	<b>Amazon</b>	51	35	29	26	18	552	2
3	<b>Flipkart</b>	47	32	30	26	41	546	3
4	<b>Myntra</b>	34	29	49	38	25	534	4
5	<b>Jabong</b>	16	38	37	37	38	455	5
6	<b>Ebay</b>	16	18	19	24	32	289	6
7	<b>Homeshop18</b>	4	1	0	8	20	60	7
	<b>Total</b>						<b>3000</b>	

Source: Survey

Table 4.7 represents the rank preferences of the online shopping sites by the respondents in NEHU. Snapdeal has been accorded the *1<sup>st</sup> rank* with a weighted score of 564, followed by Amazon with a weighted score of 552. Flipkart has been accorded the *3<sup>rd</sup> rank* with a weighted score of 546. Myntra and Jabong have been accorded the *4<sup>th</sup>* and *5<sup>th</sup> rank* with a weighted score of 534 and 455 respectively.

**Table 4.8: Rank Preference of Online Shopping sites by the respondents in  
MZU**

Sl. No.	Online sites	Rank 1	Rank 2	Rank 3	Rank4	Rank 5	Weighted Score	Rank
1	<b>Snapdeal</b>	66	63	36	18	13	739	1
2	<b>Myntra</b>	64	35	36	32	23	655	2
3	<b>Flipkart</b>	24	40	44	45	26	528	3
4	<b>Jabong</b>	21	33	37	44	31	467	4
5	<b>Amazon</b>	21	16	34	28	52	379	5
6	<b>Ebay</b>	3	12	12	32	51	214	6
7	<b>Homeshop18</b>	1	1	1	1	4	18	7
	<b>Total</b>						<b>3000</b>	

Source: Survey

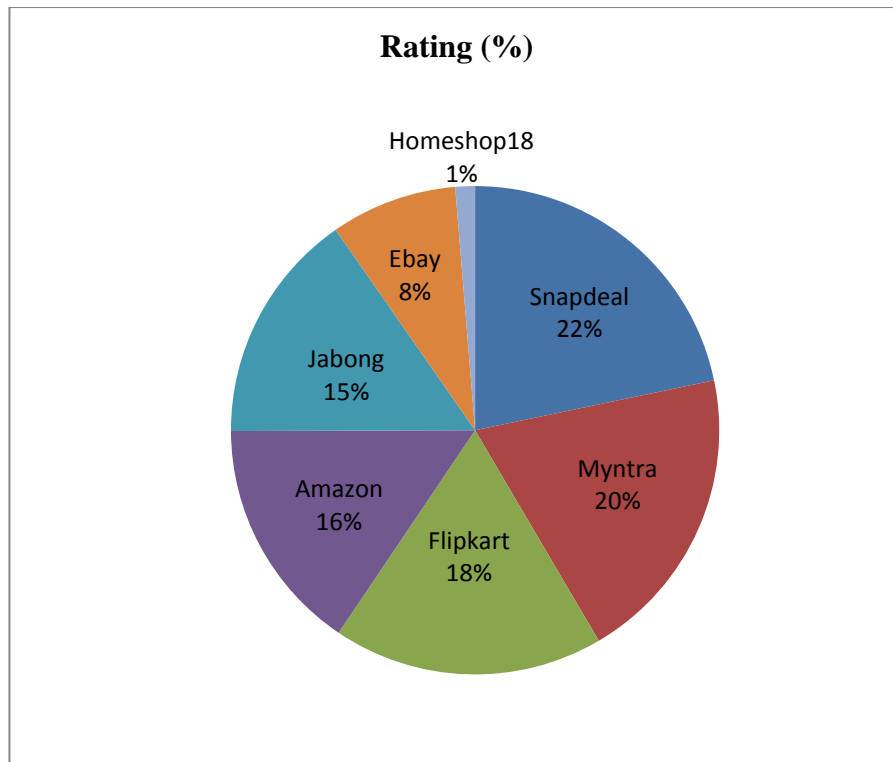
Table 4.8 shows the ranking preferences of online shopping sites by the respondents in MZU. The table reflects that Snapdeal has been accorded the highest rating (*1<sup>st</sup> rank*) with a weighted score of 739, followed by Myntra with a weighted score of 655, while Flipkart has been assigned the *3<sup>rd</sup> rank* with a weighted score of 528. Jabong, with a weighted score of 467 has been assigned the *4<sup>th</sup> rank* and Amazon with a weighted score of 379 has been accorded the *5<sup>th</sup> rank*.

**Table 4.9 Comparison of rank preferences of Online Shopping sites between the respondents**

Rank	NEHU	MZU
<b>1</b>	Snapdeal	Snapdeal
<b>2</b>	Amazon	Myntra
<b>3</b>	Flipkart	Flipkart
<b>4</b>	Myntra	Jabong
<b>5</b>	Jabong	Amazon



The present study identified the most common online shopping sites preferred by the respondents. It is evident that Snapdeal, Myntra, Amazon, Flipkart and Jabong were the five most preferred online shopping sites irrespective of the differences in their ranking orders.



**Fig. 2: Combined rating of preferences of online shopping sites by the respondents**

The combined rating score of the preferences of online shopping sites among the respondents is displayed in Figure 2. Snapdeal, with the highest rating of 22 per cent was the most preferred online shopping site for the respondents in both NEHU and MZU which was followed by Myntra with a rating of 20 per cent .Flipkart, with a rating of 18 per cent has been accorded the third rank, followed by Amazon with a rating of 16 per cent and Jabong with a rating of 15 per cent. It is assumed that these shopping sites are more preferred than others due to the wide range of products at more reasonable prices and the reliable delivery services.

#### 4.2.4.3 Type Of Products Bought Online:

The intention to purchase online vary for different products, certain products are more likely to be bought online than the others. Products can be broadly classified as search, experience and credence goods. Search products are those that can be evaluated from externally provided information. While experience products require not only information, but also need to be personally tried or inspected. Credence products are those that are difficult to assess, even after tried and used. The quality of product information and consumer's ability to predict post-purchase satisfaction is more accurate predictors of a product's suitability for online purchase (Brown et.al, 2001). The intention to buy online is higher in case of familiar and standardized goods than those of unfamiliar goods (Mosuwe et.al, 2004).

**Table 4.10: Common Products bought online by the respondents in NEHU**

Sl. No	Products	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Score	Rating (%)	Rank
1	<b>Clothing</b>	78	59	24	8	10	724	24.13	1
2	<b>Footwear</b>	37	74	60	17	12	707	23.57	2
3	<b>Books</b>	61	23	28	25	17	548	18.27	3
4	<b>Accessories</b>	7	23	52	55	25	418	13.93	4
5	<b>Electronics</b>	10	16	20	52	42	320	10.67	5
6	<b>Cosmetics</b>	4	3	8	25	38	144	4.80	6
7	<b>Household Goods</b>	3	2	8	18	56	139	4.63	7
	<b>Total</b>						<b>3000</b>	<b>100.0</b>	

Source: Survey

It is evident from Table 4.10 that *Clothing* with a rating score of 24.13 per cent was the most common products bought online by the respondents in NEHU.

*Footwear*, with a rating of 23.57 per cent has been accorded the second rank, followed by *Books* with a rating of 18.27 per cent, *Accessories* (with a rating of 13.93%) and *Electronics* (with a rating of 10.67%)

**Table 4.11: Common Products bought Online by the respondents in MZU**

Sl. No	Products	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Sum	Rating (%)	Rank
1	<b>Footwear</b>	62	75	27	15	9	730	24.34	1
2	<b>Clothing</b>	59	57	30	16	14	659	21.97	2
3	<b>Cosmetics</b>	15	25	54	40	25	442	14.73	3
4	<b>Accessories</b>	21	23	34	41	31	412	13.73	4
5	<b>Household goods</b>	19	7	22	40	59	328	10.94	5
6	<b>Books</b>	20	12	25	35	30	323	10.76	6
7	<b>Electronics</b>	44	1	8	13	32	106	3.53	7
	<b>Total</b>						<b>3000</b>	<b>100.0</b>	

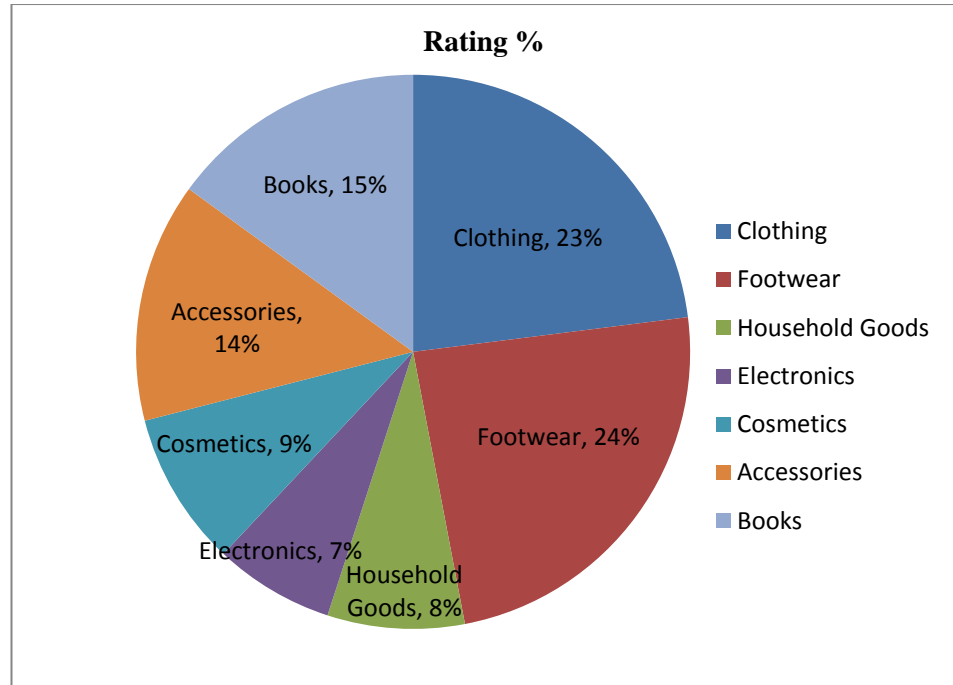
Source: Survey

Table 4.11 shows the ranking order of the most common products bought online by the respondents in MZU. It is found that *Footwear* with a rating of 24.34 per cent has been accorded the first rank, followed by *Clothing* with a rating of 21.97 per cent. While *Cosmetics* with a rating of 14.73 per cent has been accorded the third rank. *Accessories* and *Household goods* were accorded the fourth and the fifth rank with a rating of 13.73 per cent and 10.94 per cent respectively.

**Table 4.12 Comparison of ranks of products bought online between the respondents**

Rank	NEHU	MZU
1	Clothing	Footwear
2	Footwear	Clothing
3	Books	Cosmetics
4	Accessories	Accessories
5	Electronics	Household goods

As shown in Table 4.12 the most common product bought online in NEHU was *Clothing* while it has been accorded the second rank in MZU. The product which came in the second rank was *Footwear* for buyers in NEHU whereas it has been accorded the first rank in MZU. The third rank has been accorded to *Books* in NEHU and *Cosmetics* in MZU. *Accessories* have been accorded the fourth rank among the common products bought online by the respondents in both the universities. The fifth rank for buyers in NEHU was *Electronics* whereas it was *Household goods* in MZU. The differences in the products commonly bought online between the respondents could be due to personal differences and also based on the non-availability in the local market.



**Fig. 3: Combined rating of products bought online by the respondents**

It is evident from the above figure that *Footwear* with a rating of 24 per cent has been accorded the **1<sup>st</sup> rank** among the most common products bought online

among the respondents in NEHU and MZU which was followed by *Clothing* (2<sup>nd</sup> rank) with a rating of 23 per cent. *Books* with a rating of 15 per cent has been accorded the 3<sup>rd</sup> rank, while *Accessories* has been accorded the 4<sup>th</sup> rank (with a rating of 14%) and *Cosmetics* with a rating of 9 per cent the 5<sup>th</sup> rank, which was followed by *Household goods* and *Electronics* with a rating or 8 per cent and 7 per cent respectively. It can be concluded from the present finding that Clothing, Footwear, Books, Accessories and Cosmetics were the five most common products bought online by the respondents. It is assumed that for these product categories, online store has better than the local market for the respondents.

#### 4.2.4.3 Number of Products Bought Online

The amount of products bought in the online market is one of the important indicators of the consumers' attitude towards online shopping. The present study has attempted to find out the number of products bought online by the respondents in a year.

**Table 4.13: Number of Products bought Online by the respondents  
(in previous year)**

Sl. No.	Products bought	University		Total
		NEHU	MZU	
1	0 – 5	0 (0.0)	0 (0.0)	0 (0.0)
2	6 – 10	175 (87.50)	158 (79.0)	333 (83.25)
3	11 – 15	14 (7.0)	20 (10.0)	34 (8.50)
4	16 – 20	4 (2.0)	3 (1.50)	7 (1.80)
5	Above 20	7 (3.50)	19 (9.50)	92 (23.0)
	<b>Total</b>	<b>200 (100.0)</b>	<b>200 (100.0)</b>	<b>400 (100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.13 shows the distribution of students based on the *number of products bought online*. It is found that most of the respondents (83.2%) bought 6-10 products, followed by those who bought more than 20 products (23%) in a year. The

number of respondents who bought 6-10 products were higher in NEHU (87.50%) compared to MZU (79%). However, those who bought more than 10 products were higher in MZU (21%) compared to NEHU (12.50%).

**Hypothesis Testing 2:**

The hypothesis “There is no significant difference between respondents in NEHU and MZU on number of products bought online” has been tested to find whether there is a statistically significant difference between the respondents in terms of number of products bought online.

**Table 4.14**  
**Difference between NEHU and MZU on number of products bought online**  
**(Mann- Whitney U test)**

	Number of products bought online
Mann-Whitney U	18228.500
Wilcoxon W	38328.500
Z	-2.358
Asymp. Sig. (2-tailed)	.018

*H<sub>02</sub>: There is no significant difference between respondents in NEHU and MZU on number of products bought online.*

Result: Since the p value  $0.018 < 0.05$  (significance level), we fail to accept the null hypothesis and therefore conclude that there is a significant difference between the respondents in terms of number of products bought online. The respondents in MZU bought more products through online shopping compared to the respondents in NEHU.

#### 4.2.4.5 Amount Spend On Online Shopping

**Table 4.15: Amount spend on Online Shopping by the respondents  
(in previous year)**

Sl. No.	Amount	University		Total
		NEHU	MZU	
1	Less than Rs 5,000	87 (43.50)	66 (33.0)	153 (38.25)
2	Rs 5,000 – Rs 10,000	66 (33.0)	62 (31.0)	128 (32.0)
3	Rs 10,000 – Rs 15,000	26 (13.0)	45 (22.50)	71 (17.75)
4	Rs 15,000 – Rs 20,000	11 (5.50)	14 (7.0)	25 (6.25)
5	More than Rs 20,000	10 (5.0)	13 (6.50)	23 (5.75)
	<b>Total</b>	<b>200 (100.0)</b>	<b>200 (100.0)</b>	<b>400 (100.0)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.15 shows the distribution of the students based on *amount spent on online shopping*. 38.25 per cent of the total sample spent less than Rs 5,000 while 32 per cent spent between Rs 5000- Rs 10,000. 17.75 per cent spent between Rs 10,000- Rs 15,000 and 6.35 per cent spent between Rs 15,000- Rs 20,000 while 5.75 per cent spent more than Rs 20,000.

Further, the table shows that those who have spent less than Rs 5,000 and between Rs 5,000- Rs 10,000 was higher in NEHU which was 43.50 per cent and 33 per cent respectively compared to MZU which was 33 per cent and 31 per cent. However, in terms of those who have spent more than Rs 10,000, there were more respondents in MZU (36%) compared to NEHU (23.50%).

### Hypothesis Testing 3:

The hypothesis “There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping” has been tested to find whether there is a statistically significant difference between the respondents in terms of the amount spent on online shopping.

**Table 4.16**  
**Difference between NEHU and MZU on amount spent on online shopping**  
**(Mann-Whitney U test)**

	Amount you spent on online shopping
Mann-Whitney U	17101.000
Wilcoxon W	37201.000
Z	-2.635
Asymp. Sig. (2-tailed)	.008

*H<sub>03</sub>: There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping.*

Result: Since the p value  $0.008 < 0.05$  (significance level), we reject the null hypothesis and therefore conclude that there is a significant difference between the respondents in terms of the amount spent on online shopping. The respondents in MZU spent more on online shopping compared to the respondents in NEHU.

#### 4.2.4.6 Preferences in Mode of Payment

Online banking system has made online shopping convenient. Payment can be made in several forms such as through debit/ credit card, mobile banking, internet banking, gift cards and etc. Online customers were offered different modes of payment to checkout as per their convenience. The present study identify whether availability of different modes of payment have an impact on the purchase decision among the respondents.



**Table 4.17 Availability of different modes of payment matters in purchase decision**

Responses	University		Total
	NEHU	MZU	
Strongly agree	75 (37.50)	59 (29.50)	134 (33.50)
Agree	78 (39.0)	93 (46.50)	171 (42.75)
Neutral	36 (18.0)	36 (18.0)	72 (18.0)
Disagree	9 (4.50)	8 (4.0)	17 (4.25)
Strongly disagree	2 (1.0)	4 (2.0)	6 (1.50)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

It is evident from Table 4.17 that availability of different modes of payment has an impact on buying decision making in online shopping as 76.25 percent agreed with the statement while only 5.75 per cent of the respondents disagreed with the statement. Most of the respondents in NEHU (76.5%) and MZU (76%) agreed with this statement. Less than a tenth in both the universities disagreed that availability of multiple choice of payment methods necessarily matters in their purchase decision. When online stores provide multiple payment options, it attracts more customers and also helps in improving the trustworthiness of the online stores.

The study further identified the rank preferences of mode of payment by the respondents in their online shopping which were exhibited in table 4.18 & 4.19.

**Table 4.18: Preferences of Mode of Payment by the respondents in NEHU**

Sl. No.	Payment method	Rank 1	Rank 2	Rank 3	Weighted Score	Rating (%)	Rank
1	Cash on Delivery (COD)	166	14	14	540	45.0	1
2	Debit Card	17	113	45	322	26.83	2
3	Mobile/Internet banking	9	43	59	172	14.34	3
4	Credit Card	8	30	82	166	13.83	4
5	Any others	-	-	-	-	-	
	<b>Total</b>				<b>1200</b>	<b>100.0</b>	

Source: Survey

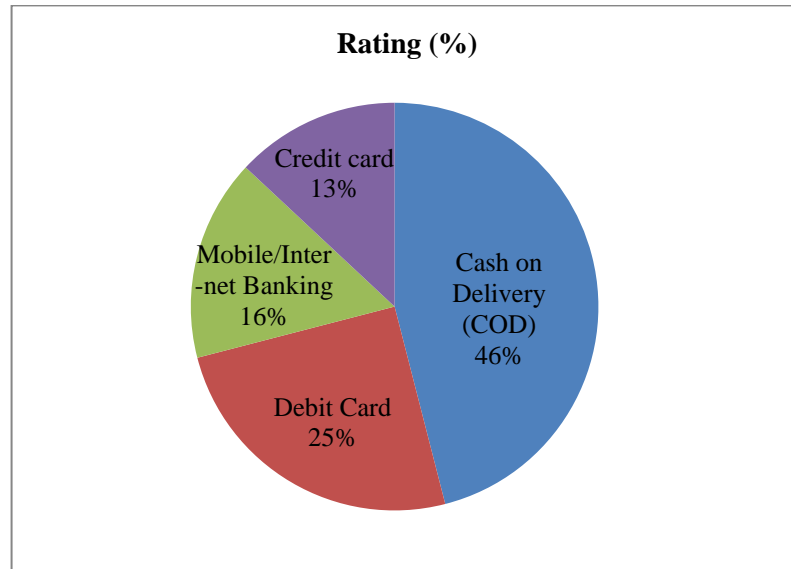
Table 4.18 reflects that cash on delivery (COD) has been accorded the highest rating of 45 per cent as a means of payment in online shopping for the respondents in NEHU. It was followed by debit card payment with a rating of 26.83 per cent and mobile/internet banking has been assigned the third rank with a rating of 14.34 per cent.

**Table 4.19: Preference of Mode of Payment by the respondents in MZU**

Sl. No.	Payment method	Rank 1	Rank 2	Rank 3	Weighted Sum	Weighted Score	Rank
1	Cash on Delivery(COD)	175	16	7	564	47.0	1
2	Debit Card	11	98	48	277	23.08	2
3	Mobile/Internet Banking	11	53	73	212	17.67	3
4	Credit Card	3	33	72	147	12.25	4
5	Any others	-	-	-			
	<b>Total</b>				<b>1200</b>	<b>100.0</b>	

Source: Survey

Table 4.19 shows the rank preferences of the *mode of payment* preferred by the respondents in MZU for carrying out their online shopping. Similarly with the respondents in NEHU, cash on delivery (COD) mode of payment has been accorded the first rank of preference with a rating of 47 per cent followed by debit card with a rating of 23.08 per cent. Mobile/ Internet banking has been accorded the third rank with a rating of 17.67 per cent.



**Fig. 4: Combined ranking preference of mode of payment by the respondents**

As shown in Figure 4.3 *Cash on Delivery (COD)* with a rating of 46 per cent has been accorded the *1<sup>st</sup> rank* of preference for payment in online shopping. Payment through *Debit Card* with a rating of 25 per cent has been accorded the *2<sup>nd</sup> rank* which is followed by *Mobile/Internet banking* with a rating of 16 per cent (*3<sup>rd</sup> rank*). There was no difference in the ranking order for the preferences of mode of payment between the respondents in NEHU and MZU. It is evident that the buyers prefer to pay for the product on its arrival mainly because of the risk factors involved in online shopping such as loss of products/ loss of money etc.

#### **4.2.4.7 Impact of Transaction Security and Return/refund Policy on Online Purchase Decision**

When personal data and bank account details are required to facilitate transactions through the internet, there is concern about transaction security and data safety when purchase online (Constantinides, 2004). When the online stores make sure that customers' privacy and personal information is protected and secured, it helps in attracting more customers towards their stores. It is recommended that

online retailers should develop strict policies and adopt advanced security technologies (Cai and Jun, 2003).

Consumers want to feel relaxed and secured when using online medium. Marketers need to understand that online marketing environment affects the way consumers view and develop relationships. Getting approved certificate from an organization such as e-Trust is one of the ways to make a website more trustable (Korgaonkar and Karson, 2007). Disposing of the customer's personal details and credit card information during and after online transaction should be avoided as it gives more room for illegal use of customer's information. Prasad and Aryasri (2009) suggested online stores to use integrated mechanism in order to build the trust in safeguarding consumer's personal information and avoidance of misuse of credit card mode of payments. Trust in online transaction could be enhanced through policies that incorporate legal, technical, rigorous standards for security, data protection and as well as certificates of independent trusted third parties (Ahmed and Hawedi, 2012). The researcher is interested in whether the transaction security and safety of customer is important for the respondents in their buying decision.

**Table 4.20 Transaction security and safety of customer data is important for Online purchase**

Responses	University		Total
	NEHU	MZU	
Strongly agree	96 (48.0)	98 (49.0)	194 (48.50)
Agree	60 (30.0)	48 (24.0)	108 (27.0)
Neutral	37 (18.50)	36 (18.0)	73 (18.25)
Disagree	5 (2.50)	15 (7.50)	20 (5.0)
Strongly disagree	2 (1.0)	3 (1.50)	5 (1.25)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentage

Table 4.20 indicates level of acceptance on safety of transaction and customer data in online shopping. Majority (75.5%) of the respondents agreed with the

statement while for 6.25 per cent of them, transaction security and safety of customer data was not that important in their purchase decisions.

When comparing, more respondents in NEHU (78%) agreed that safety of transaction and personal data matters in their purchase decision compared to MZU (73%). The respondents giving neutral responses were more or less the same i.e; 18.5 per cent in NEHU and 18 per cent in MZU. Nine per cent in MZU disagreed with the statement while it was 3.50 per cent in NEHU for the same response. Security is the factor that contributes most towards online shopping (Salehi, 2012). It is also evident from the present study how important the transaction security and safety of data are in online shopping.

#### **Return and Refund Policy on Purchase Decision:**

Online websites which provides a clear policy regarding the return and refund attracts more online buyers as it helps in trust building. Return policy gives customers the ability to return an unwanted item ordered or purchased that doesn't measure upto their expectations or needs. Building trust plays an important role in retaining the customers. Offering money-back guarantee policy including refund of shipping expenses (where pickup facility for exchange and refund is unavailable) is an important means of reducing risks. There is nothing worse for the online shoppers than receiving a product which is not upto their expectations and no way of returning/ refund for it. There should be interactivity customer service for the customers to contact the sellers from anywhere and anytime for any matters (Lim and Dubinsky, 2004). Without a proper return or refund policy, possibility is that customers doubt that online site and refuse to buy from it.

**Table 4.21 Awareness of return and refund policy before online shopping**

Sl. No.	Awareness of return and refund policy	Universities		Total
		NEHU	MZU	
1	Yes	145 (72.50)	155 (77.50)	300 (75.0)
2	No	27 (13.50)	22 (11.0)	49 (12.25)
3	Can't say	28 (14.0)	23 (11.50)	51 (12.75)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

In terms of the awareness of return and refund policy in online shopping, majority of the respondents (72.5% in NEHU and 77.5% in MZU) were aware of these policies before shopping online as shown in table 4.21. While 14 percent in NEHU and 11.5 per cent in MZU can't say whether they were aware of the return policy or not, 13.5 per cent in NEHU and 11 per cent in MZU were not aware of the return and refund policy before shopping online.

The present study further attempted to find whether this awareness of return/refund policy has an influence on their buying decision or not.

**Table 4.22 Choose online stores with proper return and refund policy only**

Responses	University		Total
	NEHU	MZU	
Strongly agree	61 (30.50)	63 (31.50)	124 (31.0)
Agree	73 (36.50)	80 (40.0)	153 (38.25)
Neutral	53 (26.50)	42 (21.0)	95 (23.75)
Disagree	12 (6.0)	12 (6.0)	24 (6.0)
Strongly disagree	1 (0.50)	3 (1.50)	4 (1.0)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 4.22 indicates that 69.25 per cent agreed that they choose online stores with proper return and refund policy, while only 7 per cent of them disagreed with the statement and 23.75 gave neutral responses. Further, the number of respondents who choose online stores with only proper return and refund policy was higher in MZU (71.5%) compared to NEHU (67%). 26.5 per cent in NEHU and 21 per cent in MZU neither agree nor disagree with the statement. While for 7.5 per cent of respondents in MZU and 6.5 per cent in NEHU, the return and refund policy does not have much impact on selection of online stores for shopping.

It can be concluded from the above findings that availability of detailed return and refund policy of the online stores plays a significant role in the buying decision of the respondents and majority of them were aware of these policies before shopping online.

### **4.3 Conclusion**

It is evident that product information, price comparison, transaction security, return/refund policy and multiple payment methods played an important role in online buying decision making among the respondents. Cash on delivery mode of payment turned out to be the most preferred mode of payment. Clothing and Footwear were the most common products bought online by the respondents. Further, it is found that there is a significant difference between the respondents on amount spent and number of products bought online, while there is no significant difference in terms of frequency of online shopping.

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## CHAPTER 5

### PROBLEMS OF ONLINE SHOPPING & POST- ONLINE BUYING BEHAVIOUR IN NEHU AND MZU

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## **PROBLEMS OF ONLINE SHOPPING & POST- ONLINE BUYING BEHAVIOUR IN NEHU AND MZU**

The researcher has attempted to identify the most common problems of online shopping among the respondents in this chapter. Later section of this chapter comprised of the post-online buying behaviour of the respondents and how the respondents view online shopping in terms of its safety, reduction of their offline purchases due to online shopping, reasons of complaints made regarding their past purchases, recommendation of online shopping and attitude towards their future online buying.

### **5.1 INTRODUCTION**

Online shopping has changed the way of conducting the business. It allows the buying and selling to take place with no barriers of time and distance. The internet gives retailers an instrument for broadening target markets, enhancing consumer relationships, extending product lines, improving cost efficiency, improving consumer communications and delivering customized offers (Arora, 2013). Though online shopping has many advantages over the traditional way of shopping, it faces multiple challenges. In online stores, consumers may develop low trust and perceived elevated risk highly because of the lack of face to face communication (Javedi et.al, 2012). As a result, many internet users prefer browsing about the product instead of actually buying it online. With a better understanding of online shopping behaviour, sellers can improve or create the more effective marketing program for their customers (Lim and Dubinsky, 2004). But despite the problems and difficulties associated with, online shopping is still growing at a remarkable rate each year. The online marketers must try to understand what are the issues online buyers are facing in their online shopping to persuade the potential buyers and to retain the existing buyers.

### **5.2 PROBLEMS OF ONLINE SHOPPING AMONG RESPONDENTS**

Despite the rising internet penetration across the country and the growth of online shopping among the people, there are still a number of problems faced by the online shoppers and e-commerce companies. The risk perception of consumer is greater in online stores than in offline stores and became the main restrictive factors of online shopping (Wang et.al, 2008). There are several logistics, operational and technological challenges when it comes to reaching the customers all over the country. The researcher is interested in ranking the most common problems of online shopping among the respondents so as to suggest the online marketers which factors should be taken into consideration more so as to increase the growth of online shopping in North-east India as a whole, Meghalaya and Mizoram in particular.

The respondents were asked to rank the five common problems of online shopping. Using the Weighted Ranking Method, weighted scores were calculated and overall ranks has been identify from the weighted score. The highest weighted score was ranked 1<sup>st</sup> which indicates the most common problem compared to all the other problems in online shopping. The ranking orders of the problems of online shopping among the respondents were exhibited in Table 5.1 & 5.2.

**Table 5.1 Common Problems in Online Shopping among respondents in NEHU**

Sl. No.	Problems	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Score	Rank
1	Inability to touch the goods	103	18	10	14	5	650	1
2	Risk of financial loss in debit/credit card transactions	31	39	13	6	7	369	2
3	Difficulty in return and refund	12	27	25	22	20	307	3
4	Loss of goods	9	16	25	31	11	257	4
5	Long time in delivery of products	8	22	23	16	13	242	5
6	Risk of loss of privacy and identity	11	26	22	2	6	235	6
7	Receiving different products	6	13	16	23	16	192	7
8	No exchanging facility of goods in current location	0	4	19	17	35	142	8
9	Poor Internet connection	6	7	12	17	11	139	9
10	Non-availability of Cash on Delivery (COD) mode	5	9	11	15	11	135	10
11	Poor service of courier agency in delivering the product	5	8	11	16	7	129	11
12	Low quality of goods and wrong sizes	2	5	9	6	34	103	12
13	Non-availability of home delivery services	2	6	4	15	24	100	13
	<b>Total</b>						<b>3000</b>	

Source: Field Survey

**Table 5.2 Common Problems of Online Shopping among respondents in MZU**

Sl. No.	Problems	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Weighted Sum	Rank
---------	----------	--------	--------	--------	--------	--------	--------------	------

1	Inability to touch the goods	88	21	8	10	8	576	1
2	Long time in delivery of products	10	24	29	26	17	302	2
3	Difficulty in return and refund	15	23	18	22	25	290	3
4	Risk of financial loss in debit/credit card transactions	18	30	14	9	4	274	4
5	Non availability of Cash on delivery (COD) mode	16	14	9	20	23	226	5
6	Risk of loss of privacy and identity	12	18	20	5	5	207	6
7	Receiving different products	6	10	27	13	22	199	7
8	Non availability of home delivery services	7	13	19	15	23	197	8
9	Poor internet connection	9	15	12	17	18	193	9
10	Loss of goods	8	12	16	20	10	186	10
11	Poor service of courier agency in delivering the product	9	8	6	18	9	140	11
12	No exchanging facility of goods in current location	1	7	16	14	14	123	12
13	Low quality of goods and wrong sizes	1	5	6	11	22	87	13
	<b>Total</b>						<b>3000</b>	

Source: Field Survey

### 5.2.1 Absence of ‘touch and feel’ of the product

This problem was accorded the *first* rank by the respondents in both NEHU and MZU with a weighted score of 650 and 576 respectively (Table 5.1 & 5.2). Online retailing presents a unique challenge in satisfying consumers’ fundamental

need for touch (Hoffman and Novak, 2007). Since customers cannot interact directly with the product, the inability to touch and feel the goods has always been the most common problem among the online shoppers. In many cases, customers prefer to examine the product first and then only decide whether or not they want to buy it. Moreover, some customers feel difficult to make a choice in the absence of salesperson and also there are some customers who shops at traditional store to fulfill their entertainment and social needs which are limited by online stores (Prasad and Aryasri, 2009). According to the study of Google India (2013), among the barriers that deter consumers from shopping online, the number one factor was inability to touch and try the goods before purchases. The present study also showed this factor as the most common problem of online shopping.

### **5.2.2 Payment Issues**

While online payments and security technology have come a long way, shoppers still experience problems with payments from time to time. The risk of financial loss in debit/ credit card transactions is one of the most common problems of online shopping. In the present study, it has been accorded the *second* rank with a weighted score of 369 by the respondents in NEHU (Table 5.1), while the respondents in MZU ranked it *fourth* with a weighted score of 302 (Table 5.2).

Online shopping sites offer different modes of payments such as cash on delivery, net banking, credit card, debit card, e-wallets, PhonePe (UPI/cards/Wallet), EMI (credit card) and gift cards etc. Despite various options given to them, there are still many customers who are skeptical about online payments. In some cases, a faltering internet connection or a technical glitch often results in the payable amount being debited from a customer's account without being credited to the selling party. And to retrieve this amount, one has to inform the site and then wait around 7-10 days before the amount is refunded back to their bank accounts (Mittal, 2017). Further, there are some places where cash on delivery payment is not possible due to logistics problem and since many customers are not confident about online payments, online shopping could not be done in various parts of the country.



### **5.2.3 Security**

The trustworthiness of the online sellers is very important to stay in the business. The risk of loss of privacy and identity is another common barrier of online shopping. Security seems to be a big concern that prevents customers from shopping online. Fear of losing money and financial details has negative effect on attitude towards shopping online (Javadi et.al, 2012). Most of the big players in online shopping certainly have the best-in-class security measures to protect their customers' details, but the same can't be said about the countless smaller sites who may not have the expertise to do so (Mittal, 2017). Cybercrime is not restricted to online sellers. Many online shoppers in the country see the entire online marketplace as a whole, therefore if one seller make a mistake the entire marketplace suffer. In the present study, though the risk of loss of privacy and identity is not among the top five common problems in online shopping among the respondents, it has been accorded the *sixth* rank with a weighted score of 235 in NEHU and 207 in MZU (Table 5.1 & 5.2). Online trust is one of the most critical issues that affect the success or failure of online retailers (Prasad and Aryasri, 2009). Therefore, trust building is the key indicator of the success in online shopping.

### **5.2.4 Issues with Return, Refund and Exchange**

Difficulty in refund and return has been accorded the *third* rank by both the respondents in NEHU and MZU with a weighted score of 307 and 290 respectively (Table 5.1 & 5.2). While no exchanging facility of goods in current location was ranked *eighth* with a weighted score of 142 in NEHU (Table 5.1) and *twelfth* with a weighted score of 123 in MZU (Table 5.2).

Despite the efforts made by e-commerce companies, there are still many online stores which does not give proper return, refund and exchange policies. As per ComScore Survey (2015), an unclear return policy is the second most occurring reason for abandoning online shopping. Due to the absence of physical contact, there are times when online shoppers need to return or exchange the product due to several reasons. Since the pickup facility for products to be returned or exchanged is not available in many locations, the customers have to bear the cost of returning or exchanging the products. Though there are some online sites which refunded this cost of shipping back the order, usually it is lower than the actual amount being paid. Apart from that, there are some regions where products cannot be exchange. Therefore, the issues involved with return, refund and exchange has become one of the common reasons which hamper the growth of online shopping.

#### **5.2.5 Delivery Issues**

In the present study, long time in delivery of products has been accorded the *second* rank with a weighted score of 302 in MZU (Table 5.2) among the common problems of online shopping, while for the respondents in NEHU, it has been accorded the *fifth* rank with a weighted score of 242 (Table 5.1). Due to poor transportation facility, there is a problem in delivery of products in remote areas including many parts of the Northeast India which hinders the growth of online shopping in the country. Reaching the unreachable is the biggest challenge in e-commerce. Slow or late shipping makes customer walk away from online shopping (Comegys et.al, 2009). Not getting the product on time can discourage future online shopping.

Unavailability of logistic services in many parts of the country also decreases the growth of online shopping. Non-availability of home delivery services has been accorded the *eighth* rank with a weighted score of 197 in MZU (Table 5.2), while it has been accorded the *thirteenth* rank with a weighted score of 100 in NEHU. The way online vendors follow up orders and deliver products has an immediate impact on the willingness of customer to shop online (Constantinides, 2004). While all e-commerce sites have order tracking systems for their customers, they aren't always

accurate. Another issue is delivery personnel often turn up when we are not available and it is not always possible to fix a particular time slot for the delivery to take place. The same issues exist with returning the products. Therefore, fast delivery, flexible delivery options and availability of reliable order tracking device should be provided to attract more customers.

### **5.2.6 Loss of Goods and Receiving Wrong Products**

People do not tend to shop online because they are not sure whether the ordered merchandise will be delivered or not (Javadi et.al, 2012). The fear of loss of goods in transit has been accorded the *fourth* rank with a weighted score of 257 in NEHU (Table 5.1), while it has been accorded the *tenth* rank with a weighted score of 186 in MZU (Table 5.2). There are some cases when the ordered products did not reach the buyer which results in huge loss when the orders are prepaid.

The possibility of receiving the products other than the ordered products is another problem being faced by the online shoppers. In the present study, receiving the wrong products has been ranked *seventh* by the respondents in both the universities with a weighted score of 192 in NEHU (Table 5.1) and 199 in MZU (Table 5.2). It can be troublesome to exchange or to place a refund and also there are some regions where exchange facility is not available. The most common reason for returns is receiving the wrong/damaged products, unfit sizes and poor quality of the products. Online retailers can reduced these returns by providing appropriate description of sizes and product quality, also by partnering with reputed logistic services to reduce loss of products in transit.

### **5.2.7 Poor Internet Connection**

Good and speedy internet connection is essential for online shopping to take place smoothly. Another common barrier of online shopping in the country is poor internet connection. This problem has been accorded the *ninth* rank by both the respondents in NEHU and MZU with a weighted score of 139 and 193 respectively (Table 5.1 & 5.2). Despite efforts of the government to make the country digitally

advanced, still there are many parts of the country which do not have a proper internet connection.

### **5.2.8 Non- availability of Cash on Delivery (CoD)**

The cash on delivery mode of payment is the most common choice of payment by the online shoppers. According to Ernst & Young, payment for 50 per cent to 80 per cent of online shopping in India is done through this mode of payment. But in some location, CoD is not available for certain products which in turn became another common reason why the people do not shop online. Non- availability of cash on delivery mode of payment has been accorded the *fifth* rank with a weighted score of 226 among the problems in online shopping for respondents in MZU (Table 5.2), while it has been accorded the *tenth* rank with a weighted score of 135 in NEHU (Table 5.1).

Cash on delivery is considered as a necessary evil in the Indian e-commerce market (Chaudhary and Pandey, 2017). For online retailers, cash on delivery involves additional cost and the risk of returns or thefts is higher in this form of payment. But since this method of payment is the most preferred choice of payment by most of the online buyers including the respondents in the present study as mentioned in chapter 4, non availability of cash on delivery mode of payment prevents many potential buyers to shop online.

### **5.2.9 Quality and Size Issues**

With the volume of goods handled by the e-commerce companies, conducting quality check of each and every product they are selling can be quite difficult. There is no guarantee of product quality in online shopping. Sometimes, the seller does not provide adequate product descriptions and product reviews are not always reliable. Apart from this, size issue is another problem. Sizes vary from brand to brand and also the size charts given by online sites are different even for the similar product

which makes it more confusing for the online shoppers. Several buyers hesitate to shop online for fear of receiving low quality products and wrong sizes. But this factor does not seem to be much of a problem for the respondents in the present study, the problem of getting low quality products and wrong sizes has been accorded the *twelfth* rank with a weighted score of 103 among common problems of online shopping by the respondents in NEHU (Table 5.1) and *thirteenth* rank with a weighted score of 87 in MZU (Table 5.2).

**Table 5.3 Overall ranks of problems in Online Shopping among respondents**

Sl. No.	Problems	Universities				Total	
		NEHU		MZU		Weighted Score	Rank
		Weighted Score	Rank	Weighted Score	Rank		
1	Inability to touch the goods	650	1	576	1	1226	1
2	Risk of financial loss in debit/credit card transactions	369	2	274	4	643	2

3	Risk of loss of privacy and identity	235	6	207	6	442	6
4	Difficulty in return and refund	307	3	290	3	597	3
5	Long time in delivery of products	242	5	302	2	544	4
6	Loss of goods	257	4	186	10	443	5
7	Receiving different products	192	7	199	7	391	7
8	No exchanging facility of goods in current location	142	8	123	12	265	12
9	Poor internet connection	139	9	193	9	332	9
10	Poor service of courier agency in delivering the product	129	11	140	11	269	11
11	Non availability of Cash on delivery (COD) mode	135	10	226	5	361	8
12	Non availability of home delivery services	100	13	197	8	297	10
13	Low quality of goods and wrong sizes	103	12	87	13	190	13
	<b>Total</b>						<b>3000</b>

Source: Field Survey

As shown in Table 5.1 and 5.2, we have seen the ranking differences between the respondents for the listed problems of online shopping. The study further calculated the combined rank of problems among the respondents based on the Weighted Score of these problems to figure out the most common problems faced by both the university students as shown in Table 5.3.

Inability to touch the goods has been accorded the *1<sup>st</sup> rank* with a total weighted score of 1226 which indicates this as the most common problem of online shopping among the respondents. It has been followed by the risk of financial loss in debit/ credit card transactions (*2<sup>nd</sup> rank*) with a total weighted score of 643. Difficulty in return and refund has been accorded the *3<sup>rd</sup> rank* with

a total weighted score of 597, while long time in delivery of products has been accorded the *4<sup>th</sup> rank* with a total weighted score of 544. Loss of goods in transit has been accorded the *5<sup>th</sup> rank* with a total weighted score of 443.

It can be concluded that the five most common problems of online shopping for the respondents in NEHU and in MZU were the inability to touch the goods, risk of financial loss in debit/credit card transactions, difficulty in return and refund, long time in delivery of products and loss of goods in transit.

Apart from the common problems of online shopping mentioned in the previous tables, low rate of digital literacy hampers the growth of online shopping in the country. *Online shopping* is a form of electronic commerce which allows consumer to directly buy goods or services from a seller over the Internet using a web browser. It is the act of purchasing products or services over the Internet which requires basic digital knowledge. In India, more than half of the total population lives in the rural area where there is no proper digital access. The government has initiated the National Digital Literacy Mission (NDLM) programme to help combat the digital skill gaps in India. NDLM is a dynamic and integrated platform of digital literacy awareness, education and capacity programmes that will help rural communities to take lead in the global digital economy and help them in maintaining the competitiveness and also shape a technologically empowered society. The initiative taken by the government is likely to have a positive impact in the e-commerce business in the country.

### **5.3 PROBABLE SOLUTIONS FOR PROBLEMS OF ONLINE SHOPPING AMONG THE RESPONDENTS**

The inability to touch and feel the products before buying has become the most common problem of online shopping among the respondents in the present study. This has become one of the main reasons why many people are skeptical about the online shopping as well in various research findings (Rahman et.al, 2018, Sunitha and Gnanadhas, 2018, Sivanesan, 2017). This problem could be solved by providing detailed and accurate product information in terms of material used, fabric quality, measurement, colour etc. Offering *Try and Buy* option could be another solution. It is

a sales model which allows the consumer to try a product before purchasing. Online retailers have also come up with different tactics such as virtual trial rooms, 14/30 days return and 24 hours customer service to make online shopping more reliable and more trustworthy.

Security of online payment is one of the main concerns among the online shoppers. In the present study as well, it has been ranked second among various problems. Online retailers need to be aware that there are a lot of mechanisms in place that have brought great developments in this aspect in recent years such as protecting data by using Secure Sockets Layer (SSL) certificate (i.e a security protocol that creates an encrypted link between a web server and a web browser), proving regular system scans, using 3D secure gateways to provide an extra layer of security, enabling an Address Verification System (AVS) etc. Online sellers must be willing to take all the necessary steps to ensure the security of online payments.

In today e-commerce world, an easy return and refund process has become a key to success since the returns cannot be avoided completely. One of the biggest fear in online shopping is not being able return or exchange the products and not being able to refund the cost of the products if it doesn't meet the expectations of the buyers. It is suggested that the online sellers must state their return and refund policy clearly in their websites and make the process as simple and easy as possible and also at free of cost.

From the present study, long time in delivery has become one of the major problems among the respondents. This is mainly due to the distance of the warehouse from where the product is sourced. Availability of warehouses near major centres (for example, one in Guwahati for the North-east region) could be the best solution for this matter.

The fear of losing products in transit is also another common problem faced by the respondents in the present study. Putting an effective shipping strategy which ensures that everyone involved knows their part in the process will be one of the most impactful steps to be taken by the online sellers. Communicating with the



buyers on the status of their order and shipping details will help the whole online shopping process more transparent and more resilient.

It is evident that the common problems of online shopping among the respondents are also consistent with the findings of various researches in different parts of the country (Raghunath & Panga, 2013, Nair, 2015, Mahavidyalay & Nagar, 2017, Rameshkumar, 2018 etc.). Therefore, if these suggested measures were taken up by the online sellers effectively, it is hope to contribute for the growth of online shopping in India in general and in North-east region in particular.

#### **5.4 POST - ONLINE BUYING BEHAVIOUR**

The post online buying behavior implies the behaviour the consumers display after using and purchasing the products purchased through online. It is the stage where the customers evaluates and review the product they purchased which can lead to satisfaction or dissatisfaction. Satisfaction or dissatisfaction with the product influences a consumer's subsequent behaviour. Customer satisfaction is the individual's perception of the performance of the products or service in relation to his or her expectations (Shiffman and Kanuk, 2008). Expectation gives the degree of customer's satisfaction or dissatisfaction with the product. Satisfaction should be the ultimate reason to justify all consumer behaviour (Kotler, 2000). It allows the customer to gain confidence and start a loyal relationship (Ferreira et.al, 2013). The post- purchase experience influences consumer's opinion for every subsequent decision (Stankevich, 2017). According to Philip Kotler, highly satisfied customers are less likely to switch suppliers, they can act as advocates and causing more customers to approach the marketer and become new clients to them. Satisfied customers always make positive word of mouth publicity and rate web-store with higher rating (Kanade and Kulkarni, 2018) and also recommend others.

Studying post purchase behaviour is important for marketers to find out whether the consumers are satisfied or dissatisfied with their purchase which will have an impact on their future buying behaviour. It shows the reaction of the consumer's likes and dislikes, preferences and attitudes and satisfaction towards the product which indicates whether or not the purchase motives have been achieved. If

the consumer is satisfied, he or she will exhibit a higher probability of purchasing the product again (Kotler, 2004). The outcome of post purchase behaviour reflects on the future behaviour.

As mentioned earlier in this chapter, risk of personal and bank details, not being able to see and to touch, loss of goods, low quality and difficulty in return and refund are the major drawbacks of online shopping among the respondents. In order to attract more customers towards online shopping, there are various safety elements that are needed to be incorporated such as privacy of personal details, security of banking transaction, quality of the product, reputation of the seller, safety of the order and reliable delivery services. In online shopping, since there is no direct communication between the buyers and the sellers, whether or not the buyers feel it safe to use this means of shopping influences the buying behaviour. In this regard, the respondents were asked whether they find online shopping as safe as offline shopping or not as exhibited in Table 5.4.

**Table 5.4**  
**Safety of Online Shopping for the respondents**

Sl. No.	Safety of Online Shopping	Universities		Total
		NEHU	MZU	
1	Yes	72 (36.0)	105 (52.50)	177 (44.25)
2	No	42 (21.0)	43 (21.50)	85 (21.25)
3	Can't say	86 (43.0)	52 (26.0)	138 (34.50)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

It is found that 43 per cent of the respondents in NEHU can't say whether they considered online shopping as safe as conventional shopping. 21 per cent of them did not think it is safe enough, while 36 per cent of of them think that it is as

safe as offline shopping. On the other hand, more than half of the respondent (52.50%) in MZU agreed that it is as safe as offline shopping. The table further showed that 21.50 per cent of the respondents in MZU think that it is not as safe as offline shopping while 26 per cent were not sure about the safety of online shopping.

It is evident from the above table that respondents in MZU were more positive towards online shopping based on its safety. It is assumed that the past shopping experience of the respondents in MZU were more satisfactory than the respondents in NEHU.

**Table 5.5**  
**Reduction of frequency of traditional shopping due to online shopping among respondents**

Sl. No.	Reduction of Offline Shopping	Universities		Total
		NEHU	MZU	
1	Yes	74 (37.0)	125 (62.50)	199 (49.75)
2	No	89 (44.50)	54 (27.0)	143 (35.75)
3	Can't say	37 (18.50)	21 (10.50)	58 (14.50)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

Table 5.5 represents *reduction of frequency of traditional shopping due to online shopping among respondents*. In NEHU, 44.50 per cent of them did not reduced their traditional shopping compared to 27 per cent in MZU, while 18.50 per

cent in NEHU and 10.50 per cent in MZU can't say whether or not they have reduced their traditional shopping due to online shopping.

In MZU, 62.50 per cent reduced their traditional shopping compared to 37 per cent in NEHU. It is evident from this finding that respondents in MZU were more active towards online shopping.

**Table 5.6**  
**Complaints in Online Shopping among respondents**

Sl. No.	Complaints made in online shopping	Universities		Total
		NEHU	MZU	
1	Yes	86 (43.0)	89 (44.50)	175 (43.75)
2	No	114 (57.0)	111 (55.50)	225 (56.25)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

Table 5.6 indicates that more than half of the respondents (56.50%) did not make any complaints regarding their online shopping. There were 57 per cent in NEHU and 55.50 per cent in MZU who did not make complaints in their online shopping, while 43 per cent in NEHU and 44.50 per cent in MZU have made complaints regarding their past online shopping.

The respondents who have made complaints and those who did not make complaints in their online shopping were asked to rank the top three nature of their

complaints as well as the reasons why they have not make any complaints. There were 86 respondents in NEHU and 89 respondents in MZU who have made complaints. The nature of complaints made by the respondents were exhibited in Table 5.7 & 5.8. At the same time, there were 114 respondents and 111 respondents who did not make any complaints in NEHU and MZU respectively. For those who did not make any complaints, since it does not necessary mean that they were fully satisfied in their online shopping, the reasons why they did not make complaints were asked and the reasons were exhibited in Table 5.11 & 5.12.

**Table 5.7**  
**Nature of Complaints among respondents in NEHU**

Sl. No.	Complaints	Rank 1	Rank 2	Rank 3	Weighted Score	Rank
1	Getting the wrong product	36	11	6	136	1
2	Defect in the product	23	28	8	133	2
3	No delivery on time	12	24	26	110	3
4	Loss of product in transit	5	4	13	36	6
5	No proper response from the company	3	9	14	41	4
6	Non-cooperation from courier agency	4	8	12	40	5
7	Insufficient after sale services	3	2	7	20	7
	<b>Total</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>516</b>	

Source: Field survey

Table 5.7 represents the ranking order of nature of complaints made by the respondents in NEHU. Getting the wrong product with a weighted score of 136 has been accorded the 1<sup>st</sup> rank, followed by defect in the product with a weighted score of

133. No delivery on time with a weighted score of 110 has been accorded the 3<sup>rd</sup> rank. For all the other nature of complaints, the weighted score is below 50.

**Table 5.8**  
**Nature of Complaint among respondents in MZU**

Sl. No.	Complaints	Rank 1	Rank 2	Rank 3	Weighted Sum	Rank
1	Getting the wrong product	36	16	9	149	1
2	Defect in the product	25	27	11	140	2
3	No delivery on time	20	25	21	131	3
4	Loss of product in transit	3	6	11	32	5
5	No proper response from the company	0	6	11	23	7
6	Non-cooperation from courier agency	3	5	16	35	4
7	Insufficient after sale services	3	4	10	27	6
	<b>Total</b>	<b>89</b>	<b>89</b>	<b>89</b>	<b>537</b>	

Source: Field survey

As shown in Table 5.8, getting the wrong product with a weighted score of 149 has been accorded the 1<sup>st</sup> rank among the nature of complaints made by the respondents in MZU. Defect in the product with a weighted score of 140 has been accorded the 2<sup>nd</sup> rank and no delivery on time with a weighted score of 131 came in the 3<sup>rd</sup> rank. The rest of the other nature of complaints got a weighted score of less than 40.

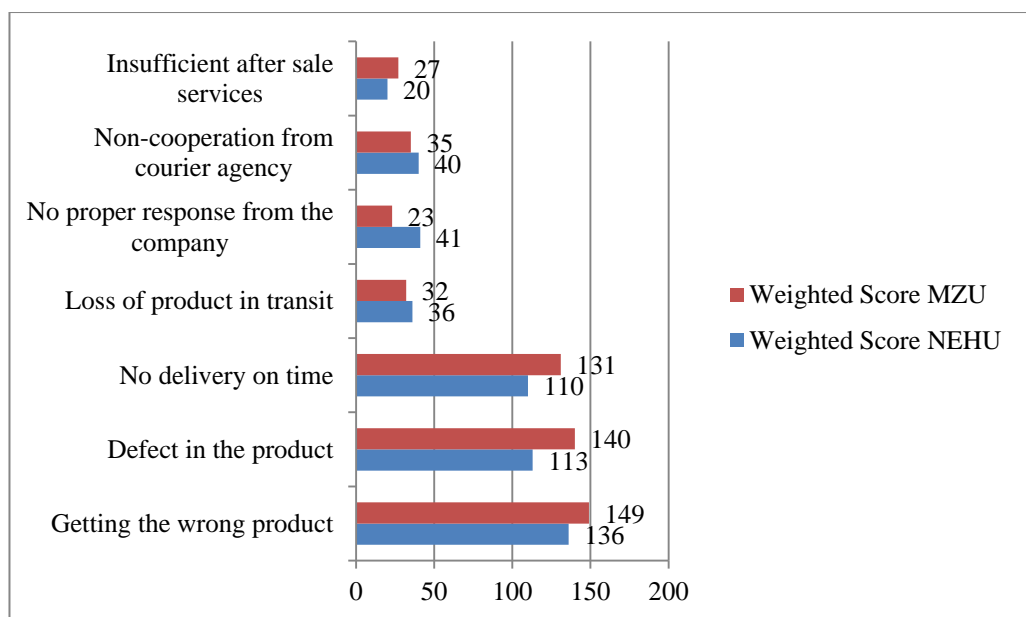


Fig: 5: Comparison of nature of complaints between the respondents in NEHU and MZU

Figure 5 represents comparison of the nature of complaints between the respondents in NEHU and MZU. Getting the wrong product, defect in the product and no delivery on time were the most common reasons of complaints among the respondents. The ranking order of these top three natures of complaints was same for respondents in both the universities though the weighted scores were higher in MZU as compared to NEHU.

In online shopping, the chances of getting the wrong product in terms of the size, colour, getting different product than ordered is higher compared to offline shopping. Inspection of defect in the product is not possible and the time of delivery is unsure. These were the main reasons of complaints made by the respondents as well.

**Table 5.9**  
**Complaints Destination for respondents in Online Shopping**

Sl. No.	Destination	University		Total
		NEHU	MZU	
1	To the seller	55 (63.95)	60 (67.42)	115 (65.71)
2	To the courier agency	25 (29.07)	23 (25.84)	48 (27.43)
3	Spreading bad word of mouth	6 (6.98)	6 (6.74)	12 (6.86)
	<b>Total</b>	<b>86</b> <b>(100.0)</b>	<b>89</b> <b>(100.0)</b>	<b>175</b> <b>(100.0)</b>

Source: Field survey

As shown in Table 5.9, out of the total respondents, it was found that majority (65.71%) made complaints to the seller followed by the complaints made to the courier agency (27.43%) and 6.86 per cent made complaints by spreading bad word of mouth. When comparing between NEHU and MZU, the same trend has been followed with majority of the complaints made to the seller, 63.95 percent and 67.42 per cent in NEHU and MZU respectively. It is followed by the complaints made to the courier agency, 29.07 percent in NEHU and 25.84 per cent in MZU and less than a tenth to spreading bad word of mouth in both the universities. The complaints made by the customers should be taken care of in effective manner, failing of which can lead to negative word of mouth towards the reputation of the seller. Word of mouth has a positive relationship toward trust of e-commerce (Puspitasari et.al, 2018), the online sellers must keep this in mind to gain trust of their customers for the long run.



**Table 5.10**

**Reasons for No Complaint in Online Shopping among respondents in NEHU**

<b>Sl. No.</b>	<b>Reasons</b>	<b>Rank 1</b>	<b>Rank 2</b>	<b>Rank 3</b>	<b>Weighted Score</b>	<b>Rank</b>
1	Not believing proper actions will be taken	61	21	20	245	1
2	Thinking that it is just a waste of time	25	49	25	198	2
3	Not knowing the procedure to make a complaint	8	25	33	107	4
4	Not in the habit of making such complaints	20	19	36	134	3
	<b>Total</b>	<b>114</b>	<b>114</b>	<b>114</b>	<b>684</b>	

Source: Field survey

Table 5.10 represents the common reasons for not making any complaints by the respondents in NEHU. Not believing that proper actions will be taken with a weighted score of 245 has been accorded the 1<sup>st</sup> rank. Many customers believe that the process of filing a complaint is just a waste of time, this reason with a weighted score of 198 has been accorded the 2<sup>nd</sup> rank and the fact that they are not in the habit of making such complaints (weighted score of 134) has been accorded the 3<sup>rd</sup> rank.

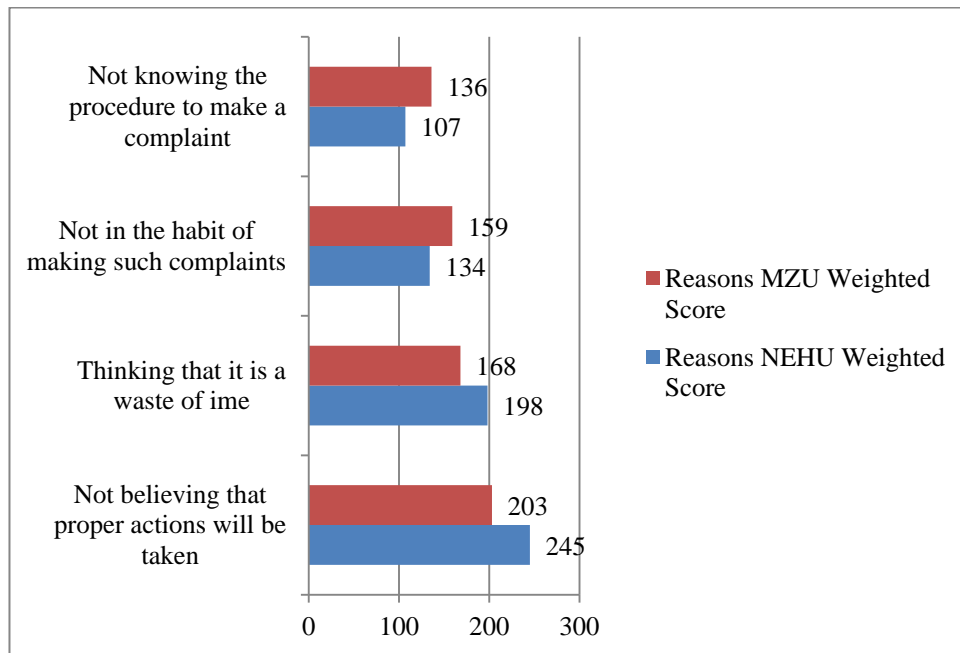
**Table 5.11**

**Reasons for No Complaint in Online Shopping among respondents in MZU**

<b>Sl. No.</b>	<b>Reasons</b>	<b>Rank 1</b>	<b>Rank 2</b>	<b>Rank 3</b>	<b>Weighted Sum</b>	<b>Rank</b>
1	Not believing proper actions will be taken	44	23	25	203	1
2	Thinking that it is just a waste of time	23	35	29	168	2
3	Not knowing the procedure to make a complaint	19	28	23	136	4
4	Not in the habit of making such complaints	25	25	34	159	3
	<b>Total</b>	<b>111</b>	<b>111</b>	<b>111</b>	<b>665</b>	

Source: Field survey

Table 5.11 indicates that not believing that proper actions will be taken with a weighted score of 203 has been accorded the 1<sup>st</sup> rank among the common reasons for not filing any complaints by the respondents in MZU. It was followed by the reason of thinking that it is just a waste of time (weighted score of 168). The third rank with a weighted score of 136 has been accorded to the habit of not making such complaints despite their dissatisfactions.



**Fig: 6: Comparison of reasons for no complaints between respondents in NEHU and MZU**

Figure 6 represents comparison of the rank of reasons for not making complaints between the respondents in NEHU and MZU. Not believing that proper actions will be taken, thinking that it is just a waste of time and not in the habit of making such complaints were the three most common reasons for not making any complaints among the respondents in their online shopping. There is no difference in the ranking order of the reasons for no complaints in both the universities, though the weighted scores are higher for the first rank and the second rank in NEHU while it is higher for the third rank in MZU.

It is evident from this finding that the expectations of the respondents towards the after sales service in online shopping is not that favourable, the online sellers need to make sure that reliable after sales service is provided to the customers and the problems they faced in pre/post online shopping will be taken care of effectively.

**Table 5.12**

**Satisfaction with local courier services among the respondents in NEHU and MZU**

Sl. No.	Satisfaction in local courier services	University		Total
		NEHU	MZU	
1	Yes	66 (33.0)	60 (30.0)	126 (31.50)
2	No	57 (28.50)	88 (44.0)	145 (36.25)
3	Can't say	77 (38.50)	52 (26.0)	129 (32.25)
<b>Total</b>		<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 5.12 shows that 44 per cent of the respondents in MZU were not satisfied with the services provided by their local courier agencies compared to 28.50 per cent in NEHU. While 38.5 per cent can't say whether they were satisfied with the services provided by the local courier agencies or not in NEHU, number of respondents who gave the same responses was 26 per cent in MZU. 33 per cent in NEHU and 30 per cent in MZU were satisfied with the services provided by the local courier agencies. Since the number of respondents who were not satisfied with their local courier services was comparatively higher in MZU (44%) than in NEHU (28.5%), it is assumed that the courier services in the state of Meghalaya is more reliable than in Mizoram.

Out of the total respondents, 57 respondents in NEHU and 88 respondents in MZU were not satisfied with the delivery services. The researcher is interested in finding out the reasons behind this. The ranking order for the reasons why these respondents were not satisfied with the delivery services were exhibited in Table 5.13 & 5.14.

**Table 5.13**

**Reasons for Dissatisfaction in delivery services among respondents in NEHU**

Sl. No	Reasons	Rank 1	Rank 2	Rank 3	Weighted Score	Rank
1	No home delivery services	36	3	4	118	1
2	No proper information	5	14	7	50	4
3	Difficulty in return and refund	7	17	13	68	2
4	Difficult to communicate with them	4	7	16	42	5
5	Loss of goods already dispatched from online stores	0	3	4	10	6
6	Delay in delivery	5	13	13	54	3
	<b>Total</b>	<b>57</b>	<b>57</b>	<b>57</b>	<b>342</b>	

Source: Field survey

Table 5.13 exhibits reasons for dissatisfaction in delivery services among the respondents in NEHU. The highest rating (1<sup>st</sup> rank) was accorded to the problem of no home delivery services (weighed score of 118). Difficulty in return and refund has been accorded the 2<sup>nd</sup> rank (weighted score of 68) and delay in delivery despite being arrived at the destination location with a weighted score of 54 has been accorded the 3<sup>rd</sup> rank.

**Table 5.14**

**Reasons for Dissatisfaction in delivery services among respondents in MZU**

Sl. No	Reasons	Rank 1	Rank 2	Rank 3	Weighted Score	Rank
1	No home delivery services	68	4	4	216	1
2	No proper information	4	15	14	56	5
3	Difficulty in return and refund	5	33	14	95	2
4	Difficult to communicate with them	4	14	21	61	4
5	Loss of goods already dispatched from online stores	1	2	8	15	6
6	Delay in delivery	6	20	27	85	3
	<b>Total</b>	<b>88</b>	<b>88</b>	<b>88</b>	<b>528</b>	

Source: Field survey

Table 5.14 shows that no home delivery services with a weighted score of 216 have been accorded the 1<sup>st</sup> rank among the reasons of dissatisfaction in delivery services by the respondents in MZU. The problem of difficulty in return and refund with a weighted score of 95 was accorded the 2<sup>nd</sup> rank, followed by delay in delivery with a weighted score of 85 (3<sup>rd</sup> rank).

**Table 5.15**  
**Comparison of Reasons for Dissatisfaction in delivery services**  
**Between respondents in NEHU and MZU**

Sl. No	Reasons	Universities				Overall Rank
		NEHU		MZU		
		Weighted Score	Rank	Weighted Score	Rank	
1	No home delivery services	118	1	216	1	1
2	No proper information	50	4	56	5	4
3	Difficulty in return and refund	68	2	95	2	2
4	Difficult to communicate with them	42	5	61	4	5
5	Loss of goods already dispatched from online stores	10	6	15	6	6
6	Delay in delivery	54	3	85	3	3
	<b>Total</b>	<b>342</b>		<b>528</b>		

Source: Field Survey

Table 5.15 represents the comparison of ranks of reason for dissatisfaction in delivery services between the respondents in NEHU and MZU. It is evident from the above table that no home-delivery services, difficulty of return/ refund and delay in delivery of products were the three most common reasons of dissatisfaction regarding issues with delivery services. There was no difference in the ranking order of problems faced by the respondents relating to delivery services provided by the online sellers.

When comparing, it is found that the weighted scores for these three reasons were higher in MZU as compared to NEHU. It is assumed that the delivery services available in Mizoram were weaker than those available in Meghalaya at the time of data collection and the reason could also be the distance from the warehouse. However, there have been a lot of improvements on logistic services (such as setting up of new warehouses to ensure timely delivery and faster return/refund etc.) across

the country in recent years. Therefore, the reasons of dissatisfactions over delivery services among the respondents are expected not to be an issue in the near future.

**Overall Level of Satisfaction on Online Shopping among the Respondents:**

An attempt have been made to know the level of satisfaction based on respondents’ overall online shopping experience, quality of products they received, return/ refund policies given by the online stores, choice of payment methods and after sales service. Likert’s five point scale ranging from 1 – 5 (where Very Satisfied = 5, Satisfied = 4, Neutral = 3, Unsatisfied = 2 and Very Unsatisfied = 1) was adopted.

**Table 5.16**  
**Overall past experience in online shopping**

Responses	University		Total
	NEHU	MZU	
Very satisfied	38 (19.0)	32 (16.0)	70 (17.50)
Satisfied	94 (47.0)	83 (41.50)	177 (44.25)
Neutral	54 (27.0)	70 (35.0)	124 (31.0)
Unsatisfied	13 (6.50)	14 (7.0)	27 (6.75)
Very unsatisfied	1 (0.50)	1 (0.50)	2 (0.50)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 5.16 shows that 61.75 per cent of the total respondents were satisfied with their overall experience in online shopping. While 31 per cent of the respondents neither satisfied nor dissatisfied in their past experience. Less than a tenth were dissatisfied in their overall pass experience from both the universities.

With regard to the difference between the respondents, 66 per cent in NEHU and 57.5 per cent in MZU gave positive responses, while there were only 7 per cent in NEHU and 7.50 per cent in MZU who were not satisfied with their past online



shopping experiences. Therefore, it is safe to conclude that the overall online shopping experience of the respondents was quite satisfactory.

**Table 5.17**  
**Quality of products received**

Responses	University		Total
	NEHU	MZU	
Very satisfied	36 (18.0)	25 (12.50)	61 (15.50)
Satisfied	93 (46.50)	95 (47.50)	188 (47.0)
Neutral	49 (24.50)	66 (33.0)	115 (28.75)
Unsatisfied	18 (9.0)	13 (6.50)	31 (7.75)
Very unsatisfied	4 (2.0)	3 (2.50)	5 (1.25)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

As shown in Table 5.17, more than half (62.50%) of the respondents were satisfied with the quality of products they received in their past online shopping , while 28.75 per cent gave neutral responses and 9 per cent of them were dissatisfied with the quality of products they received.

When comparison is made between the respondents, 64.5 per cent in NEHU and 60 per cent in MZU were satisfied with the products they received through online buying. Those who were not satisfied with the quality of products they received were 11 per cent in NEHU and 9 per cent in MZU. Since majority of the respondents gave positive responses, it can be concluded that quality of products offered by online sellers were quite satisfactory.

**Table 5.18**  
**Return and Refund policies given by the online stores**

<b>Responses</b>	<b>University</b>		<b>Total</b>
	<b>NEHU</b>	<b>MZU</b>	
Very satisfied	17 (8.50)	16 (8.0)	33 (8.25)
Satisfied	51 (25.50)	47 (23.50)	98 (24.50)
Neutral	91 (45.50)	94 (47.0)	185 (46.25)
Unsatisfied	34 (17.0)	35 (17.50)	69 (17.25)
Very unsatisfied	7 (3.50)	8 (4.0)	15 (3.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 5.18 indicates that 46.25 per cent of the respondents were not sure and neutral about whether or not they were satisfied with the return and refund policies given by the online stores. While 33 per cent were satisfied and 21 per cent of them were not satisfied.

When comparing too, the same trend of responses have been found where neutral responses received the most responses in these two universities, 45.5 per cent in NEHU and 47 per cent in MZU. Followed by those who were satisfied with the return and refund policies, 34 per cent in NEHU and 31.5 per cent in MZU, while 20.5 per cent in NEHU and 21.5 per cent in MZU were not satisfied with the return and refund policies given by the online stores. It is evident that the respondents were not that satisfied over the return and refund policy compared to the other factors.

**Table 5.19**  
**Choice of payment methods**

<b>Responses</b>	<b>University</b>		<b>Total</b>
	<b>NEHU</b>	<b>MZU</b>	
Very satisfied	40 (20.0)	38 (19.0)	78 (19.50)
Satisfied	89 (44.50)	86 (43.0)	175 (43.75)
Neutral	54 (27.0)	56 (28.0)	110 (27.50)
Unsatisfied	16 (8.0)	16 (8.0)	32 (8.0)
Very unsatisfied	1 (0.50)	4 (2.0)	5 (1.25)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 5.19 shows the level of satisfaction over the choice of payment methods offered by the online sellers. More than half (63.50%) of the respondents were satisfied with the payment options and while less than a tenth were not satisfied. 64.50 per cent in NEHU and 62 per cent in MZU were satisfied with the choices provided to them for payment in online buying. Those who gave negative responses were 8.5 per cent in NEHU and 10 per cent in MZU. 27.50 per cent of the respondent gave neutral responses. It is evident that the choice of payment methods offered by the online stores is quite satisfactory among the respondents though improvement and update on this matter is desirable.

**Table 5.20**  
**After sales service of Online Stores**

Responses	University		Total
	NEHU	MZU	
Very satisfied	12 (6.0)	12 (6.0)	24 (6.0)
Satisfied	54 (27.0)	43 (21.50)	97 (24.25)
Neutral	91 (45.50)	106 (53.0)	197 (49.25)
Unsatisfied	31 (15.50)	32 (16.0)	63 (15.75)
Very unsatisfied	12 (6.0)	7 (3.50)	19 (4.75)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

Table 5.20 shows that almost half of the respondents (49.25%) were neither satisfied nor dissatisfied with the after sales service of the online stores. While 30.75 per cent were satisfied and 20.5 per cent were not. When comparing, more than half (53%) of the respondents in MZU gave neutral responses while there were 45.5 per cent in NEHU giving the same responses. Number of respondent satisfied with after sales services were more in NEHU (33%) compared to MZU (27.50%), while 21.5 per cent in NEHU and 19.5 per cent in MZU were not satisfied with the after sales service in online shopping.

The level of satisfaction on online shopping among the respondents has been examined based on their overall past experience, quality of products received, return and refund policies, choice of payment methods and after sales service. It can be concluded from the above findings that the overall past experience is quite satisfactory as majority of the respondents (61.75%) agreed that they were satisfied in their online shopping so far. In terms of the quality of products received also, 62.50% of the respondents were satisfied. Most of the online stores have provided multiple choices of payment such as, cash on delivery, debit/credit card payment, EMI (Equated Monthly Instalment),

E-wallets, net banking etc. 63.50% of the respondents were satisfied with the choice of payment methods offered by the online sellers.

On the other hand, majority of the respondents were not satisfied with the return and refund policies and after sales service in online shopping. 67.25% of the respondents were not satisfied as well as not sure about whether they were satisfied or not regarding the return and refund policies. The problem of return and refund has been one of the most common problems of online shopping as mentioned earlier in this chapter. The online retailers need to provide reliable and accurate product information to reduce the return orders as well as provide them the status of refund process regularly. Return and refund policies must be stated clearly in the website to ensure the trustworthiness of the sellers. After sales service are required in response to problems such as product failure, requirement of expert assistance, exchanging or returning product etc. In the present study, 69.75% of the respondents were either not satisfied or not sure about whether they were satisfied with the after sales service or not. In order to strengthen the after sale service, the online sellers are suggested to send order confirmation email, delivery notifications, confirmation of order dispatch, 24/7 online or offline customer service, detailed address of the seller along with the email address or contact number. Offering quality after sale service is necessary to gain competitive advantage and perception of trust on the sellers.

**Table 5.21**  
**Recommendation of Online Shopping to others by the respondents**

Sl. No.	Recommended	Universities		Total
		NEHU	MZU	
1	Yes	137 (68.50)	146 (73.0)	283 (70.75)
2	No	48 (24.0)	30 (15.0)	78 (19.50)
3	Can't say	15 (7.50)	24 (12.0)	39 (9.75)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

Table 5.21 indicates whether or not the respondents have recommended anyone to shop online. It shows that majority (70.95%) of the respondents have recommended online shopping. 73 per cent in MZU and 68.5 per cent in NEHU have recommended others while 24 per cent in NEHU and 15 per cent in MZU did not.

It is evident from this finding that online shopping has a positive impact towards the respondents. Recommendation from a trusted person is a useful marketing tool since the purchase intention is also influenced by perception of families, friends and media (Lim et.al, 2015).

There were 137 respondents in NEHU and 146 respondents in MZU who have recommended others to shop online. An attempt has been made to find out to whom these respondents have recommended online shopping as shown in Table 5.25.

**Table 5.22**  
**Whom Online Shopping is recommended by the respondents**

Sl. No.	Recipients	Universities		Total
		NEHU	MZU	
1	Friends	30 (21.90)	71 (48.63)	101 (35.69)
2	Classmates	44 (32.12)	35 (23.97)	79 (27.92)
3	Family members	63 (45.98)	40 (27.40)	103 (36.39)
	<b>Total</b>	<b>137</b> <b>(100.0)</b>	<b>146</b> <b>(100.0)</b>	<b>283</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

Most of the respondents have recommended online shopping to their friends and family as shown in Table 5.22. Respondents in MZU recommended mostly to their friends (48.63%), while most of the respondents in NEHU (45.98%) recommended to their family members. 32.12 per cent in NEHU and 23.97 in MZU have recommended online shopping to their classmates. The level of influence of the reference groups such as friends, families etc. is important from the marketing point of view as it is one of the most influential social factors in buying behaviour.

**Table 5.23**

**Bad experiences refrains me from shopping online**

Responses	University		Total
	NEHU	MZU	
Strongly agree	9 (4.50)	23 (11.50)	32 (8.0)
Agree	40 (20.0)	47 (23.50)	87 (21.75)
Neutral	73 (36.50)	77 (38.50)	150 (37.50)
Disagree	58 (29.0)	37 (18.50)	95 (23.75)
Strongly disagree	20 (10.0)	16 (8.0)	36 (9.0)
<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100)</b>

Source: Field Survey

Figures in parentheses indicates percentages

It is evident from Table 5.23 that when comparing between the respondents, more respondents in NEHU (39%) compared to MZU (26.50%) disagreed with the statement indicating that bad experiences does not have an adverse affect on their future online buying. In terms of responses stating that bad experiences refrains them from online shopping, there were more respondents in MZU (35%) compared to NEHU (24.50%).

Though the number of respondents who did not stop themselves from online shopping due to bad experiences were more (32.75%) compared to those who avoided online shopping (29.75%) because of unfavorable experiences in the past, 37.50 per cent were not sure about whether these unfavorable experiences will have impact on their future online shopping. The different problems and difficulties faced by the online shoppers need to be taken care of in order to retain the existing customers as well as to attract more new customers.



**Table 5.24**  
**Probability of future Online Shopping**

Sl. No.	Probability	Universities		Total
		NEHU	MZU	
1	I will continue to buy online	108 (54.0)	127 (63.50)	235 (58.75)
2	I will buy more online	16 (8.0)	31 (15.50)	47 (11.75)
3	I will buy less online	26 (13.0)	14 (7.0)	40 (10.0)
4	I will stop buying online	4 (2.0)	2 (1.0)	6 (1.50)
5	Can't say	46 (23.0)	26 (13.0)	72 (18.0)
	<b>Total</b>	<b>200</b> <b>(100.0)</b>	<b>200</b> <b>(100.0)</b>	<b>400</b> <b>(100.0)</b>

Source: Field survey

Figures in parentheses indicates percentages

As shown in Table 5.27, more than half (58.75%) of the respondents have decided to continue to buy online, which was followed by those who will buy more in the future (11.75%). While 18 per cent could not say about their future online shopping, 10 per cent will buy less in the future and just a very few (1.5%) decided to stop buying online.

Further, in NEHU, 54 per cent will continue to buy online, followed by those who could not say about their future online shopping (23%). 13 per cent will buy less and only 2 per cent will stop buying online. In MZU, who will continue to buy online (63.50%) was higher than in NEHU. It is followed by those who will buy more online (15.50%) in the future and who could not say about their future online shopping (13%). Less than a tenth will buy less and stop buying in the future. It is evident from the finding that the most of the respondents are positive towards online shopping and they are likely to continue online shopping in the future.

#### **Hypothesis Testing 4:**

The hypothesis “There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences” has been tested to find whether there is a statistically significant difference between the respondents in terms of the probability of future online shopping based on their past shopping experiences.

**Table 5.25**  
**Difference between NEHU and MZU on probability of future on online shopping**  
**(Mann- Whitney U test)**

	Attitude towards future Online Buying
Mann-Whitney U	17278.000
Wilcoxon W	37378.000
Z	-2.651
Asymp. Sig. (2-tailed)	.008

*H<sub>04</sub>: There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences.*

Result: Since the p value  $0.008 < 0.05$  (significance level), we fail to accept the null hypothesis and therefore conclude that there is a significant difference between the respondents with respect to probability of future online shopping based on past experiences.

### 5.3 CONCLUSION

The absence of touch and feel of the products has emerged as the main restrictive factor of online shopping. Issues relating to payment security, privacy return/refund and delivery are among the most common problems. The attitude towards future online shopping is favorable as majority of the respondents agreed to continue to use this mode of shopping. Improvement in logistic services, return/refund policies and after sales services will help attract more to shop online.

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## CHAPTER 6

### SUMMARY OF FINDINGS AND SUGGESTIONS

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## **CHAPTER 6**

### **SUMMARY OF FINDINGS AND SUGGESTIONS**

This chapter summarizes the present study and aims to give suggestions based on the findings of the study. This chapter also brought out the areas for further research for the prospective researchers in the field of consumer online buying behaviour.

#### **6.1 Introduction**

Chapter 1 highlights an overview of online buying behaviour of consumers, the origin and growth of online shopping in India and North-east India in particular. The consumer protection on online shopping in India and the changing scenario of on online shopping due to COVID-19 has been discussed in brief.

This chapter also presents the need for the present study, review of relevant literature, research design which includes the statement of the problem, objectives of the study and research methodology applied. The objectives of the present study are to explore demographic profile of online buyers among university students in Meghalaya and Mizoram, to identify and analyze the factors influencing their online buying behaviour, to compare the online buying behavior in terms of their decision making process and post-online purchase behaviour, to study the constraints faced by the online buyers in both the states.

The study was conducted among university students in North-Eastern Hills University and Mizoram University. The present study relies on the primary as well as secondary data. The primary data were collected through structured questionnaire during September to December, 2015 in North-Eastern Hills University and during February to April, 2016 in Mizoram University. The secondary data were collected by consulting relevant journals, books, reports and websites. The review of literature has been done covering relevant topics of the present study such as demographic profile of online consumers, factors affecting online buying behaviour, online buying decision making process, past online buying behaviour, problems and challenges of



online shopping. Simple statistical devices such as percentages and weighted scores were used to interpret and analyse data collected. The data collected were also analysed by using statistical tools, SPSS. Mann- Whitney U test was used to test whether there is a statistically significant difference between the respondents in terms of frequency of online shopping, number of products bought online, amount spent on online shopping and probability of future online shopping based on past experiences.

## **6.2 Demographic profile of the respondents**

The demographic information is the most accessible and cost-effective way to identify a target market which is frequently used as a business marketing tool to determine the best way to reach customers and assess their behaviour. The researcher explored the demographic information such as gender, age, education, family size, occupation and family income of the respondents in NEHU and MZU.

Out of the total respondents, male respondents (50.75%) were slightly more than female respondents (49.25%). When comparing between respondents in NEHU and MZU, male respondents were more in MZU (56%) than in NEHU (45.50%), while female respondents were more in NEHU (54.50%) as compared to respondents in MZU (44%).

The highest age group among the respondents in both NEHU and MZU lies in the age group of 20 – 24 years. Majority of the respondents (72.50%) were between the age group of 20 – 24 years.

The present study is conducted among the university students, therefore, 73.75 per cent of the respondents were post graduate students while 19.25 per cent were under graduate students and 7 per cent of the respondents were research scholars.

More than half of the respondents in NEHU and MZU were from the family size of 4 - 6, 64.50 per cent and 68.50 per cent respectively. Less than a tenth (8%) were from the family size of more than 9.

Family income is a strong indicator of the buying decision. The purchasing power of consumer varies based on their level of income. 59 per cent of the respondents from MZU have the annual family income of Rs 1 lakh to Rs 4 lakhs, while 54 per cent of the respondents from NEHU have the same range of annual

family income. According to the present study, the most common annual family income of the respondents was between Rs 1 lakh to Rs 4 lakh (56.50%).

In terms of frequency of internet used per day, the study showed that respondents in MZU spent more time compared to respondents in NEHU. While 31 per cent of the respondents in MZU spent 3 – 5 hours compared to 14.50 per cent in NEHU. 16 per cent of the respondents in MZU spent more than 5 hours a day compared to 12.50 per cent in NEHU.

The Internet and Mobile Association of India (IAMAI) Report, 2019 showed that India has the second highest number of internet users in the world. Mobile internet has become the most common means of accessing the internet. The present study also showed that more than half (57%) of the respondents used mobile devices as their main access to the Internet. The growth of mobile internet can be attributed to the positive development by internet service providers and telecom service providers offering better connectivity at more affordable prices as well as availability of cheaper smart phones.

### **6.3 Factors Influencing Online Buying Behaviour**

In online buying behaviour study, several studies have been conducted on factors influencing online shopping by various researchers all over the world. The understanding of these factors is helpful for the online marketers to effectively target customers and create competitive advantage to enhance the value of the company. Various factors have been identified in the past as important factors influencing online buying behaviour.

The present study has also attempted to identify what, according to the respondents, were the most important factors which influence their buying behaviour. These factors were ranked using the Weighted Ranking Method. It is observed that the highest rating (1<sup>st</sup> rank) was accorded to wide variety of brand choices for the respondents in NEHU, while heavy price discounts has been accorded the first rank by the respondents in MZU.

Time saving was accorded the second rank by the respondents in NEHU followed by heavy price discounts while wide variety of brand choices was accorded

the second rank by the respondents in MZU which was followed by time saving (3<sup>rd</sup> rank).

Respondents in both NEHU and MZU accorded non-availability in the local market and convenience as the fourth rank and fifth rank respectively among the factors influencing their online shopping.

It is evident from the study that heavy price discounts, wide variety of brand choices, time saving, non-availability in the local market and convenience were the five most important factors influencing online shopping among the respondents.

Further, the study attempted to identify the web-based factors influencing the online shopping. The impact of web-based factors is an important distinguish characteristic of online shopping from the traditional shopping. These factors includes easy accessibility, fast loading of web pages, short and easy payment process, availability of order tracking facilities, organized online or offline helpdesks, impressive website design etc.

The study showed that 83.5 per cent of the respondents agreed *easy accessibility* as an important factor for choosing online stores for shopping. There were only 3 respondents from each university who did not agree that easy accessibility of online stores as an important web-based factor for deciding where they shop online.

The fast loading speed of the web pages can have an impact on turning mere browsers into buyers. As mentioned by Kuo. et.al (2005), when the loading speed is slow, customers considers it as a waste of time to visit the websites. 78 per cent of the respondents from NEHU and 74.5 per cent of the respondents from MZU agreed loading speed of web pages as an important factor in their online shopping.

Online store with secure and easy payment process is one of the most important website attributes influencing online shopping. Majority of the respondents (80.75%) agreed that they preferred to shop from online stores which have an easy and short payment process. Only 2 per cent of the respondents from NEHU and 5 percent of the respondents from MZU gave a negative response to the statement saying that easy payment process not necessarily determined which online stores they chose to shop.

The study also showed that respondents in NEHU (71.50%) found availability of order tracking facilities and terms of delivery more important in choosing where to shop online as compared to the respondents in MZU (61%).

Organized online or offline helpdesks helps in gaining more customers. 63.50 per cent of the respondents agreed that this factor have an impact on choosing which online stores they prefer to shop from as there are more risks involved in online shopping compared to offline shopping.

It is evident that website advertisement is an influential web- based factor in online shopping as the study showed that 75 per cent of the respondents in NEHU and 71 per cent of the respondents in MZU agreed as an important factor for them in deciding which online stores they chose to visit and shops from.

More than half of the respondents (61.25%) agreed online stores that have an impressive website design attracted them to visit for shopping. This finding is consistent with Liang and Lai (2000) which proved that quality of web design has an important impact on consumer choice of electronic stores.

Mean scores measured on 5 point Likert scale were used to assess the level of agreement over website attributes as factors influencing online shopping. Easy accessibility of online sites was the most important web-based factors among the respondents in NEHU and MZU with a mean score of 4.17 and 4.37 respectively.

Fast loading of web pages has been accorded the second rank for respondents in NEHU (with a mean score of 4.13) as well as for the respondents in MZU (with a mean score of 4.14). Easy accessibility of online sites, fast loading of web pages, short and easy payment process were the most important web- based factors, for these three attributes mean importance rating is above four. When comparing between respondents in NEHU and MZU, it is found that there is no significant difference in terms of level of agreement on web-based factors.

#### **6.4 Online Buying Decision Making Process of the respondents:**

The changing market environment provides the need for a study of consumer decision making process since the main goal of any marketer is to reach consumer at the moment that most influence their decisions. The findings of this chapter highlighted the nature of shopping behaviour and decision making process of the respondents.

More than half of the respondents in both NEHU (56.70%) and MZU (57%) agreed that they shop online only when the need arises.

Absence of interaction between the sellers and buyers as well as absence of physical contact with products increases the need for reliable product information in online shopping. In the present study also, 58.75 per cent of the respondents revealed that they shop online only when product information given is sufficient to determine their buying decision.

It is evident that price comparison plays an important role in the online buying decision making process of the respondents as majority (75.50%) of the respondents agreed that they have compared prices of different online stores before purchasing. In response to this statement, more number of respondents in NEHU (81%) agreed to this statement compared to MZU (70%).

Price is an important factor in any buying decision, be it online or offline shopping. 80.5 per cent in NEHU and 76.5 per cent in MZU agreed to shop online only when online prices are lower than the offline prices.

In terms of frequency of online shopping, it is found that most of the respondents shopped online once in 2 weeks in both NEHU (45.50%) and MZU (43.50%). 36 per cent of the respondents in MZU shopped online at least once in a month compared to 29 per cent in NEHU. The hypothesis "*There is no significant difference between respondents in NEHU and MZU on frequency of online shopping*" has been tested which concludes that there is no significant difference between the respondents in terms of frequency of online shopping (since  $p \text{ value } 0.063 > 0.05$ ).

The present study has identified the most common online shopping sites preferred by the respondents. Snapdeal, with the highest rating of 22 per cent was the most preferred online shopping site for the respondents in both NEHU and MZU. Further, Myntra, Amazon, Flipkart and Jabong were among the five most preferred online shopping sites.

The most common product bought online by the respondents in NEHU was *Clothing* whereas it was *Footwear* in MZU. Books, Accessories and Cosmetics were among the products frequently bought online by the respondents.

The number of respondents who bought 6-10 products were higher in NEHU (87.50%) compared to MZU (79%). However, those who bought more than 10 products were higher in MZU (21%) compared to NEHU (12.50%). The hypothesis “*There is no significant difference between respondents in NEHU and MZU on number of products bought online*” has been tested. Since the null hypothesis is rejected, it is concluded that there is a significant difference between the respondents in terms of number of products bought online (p value  $0.018 < 0.05$ ).

Numbers of respondents who have spent less than Rs 5,000 and between Rs 5,000- Rs 10,000 were higher in NEHU which was 43.5 per cent and 33 per cent respectively compared to MZU which was 33 per cent and 31 per cent. However, in terms of those who have spent more than Rs 10,000, there were more respondents in MZU (36%) compared to NEHU (23.50%). The hypothesis “*There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping*” is rejected since the p value ( $0.008 < 0.05$ ) which concludes that there is a significant difference between the respondents in terms of amount spent on online shopping.

Majority of the respondents in NEHU (76.50%) and MZU (76%) agreed that availability of multiple choices of payment methods matters in their purchase decision while less than a tenth in both the universities disagreed with the statement.

The present study further identified the preferences of the payment methods in online shopping. It is found that there was no difference in the ranking order for the preferences of mode of payment between the respondents in NEHU and MZU. *Cash on Delivery (COD)* with a rating of 46 per cent has been accorded the **1<sup>st</sup> rank**, while payment through *Debit Card* with a rating of 25 per cent has been accorded the **2<sup>nd</sup> rank** which is followed by *Mobile/Internet banking* with a rating of 16 per cent (**3<sup>rd</sup> rank**). It is evident that the buyers prefer to pay for the product on its arrival mainly because of the risk factors involved in online shopping such as loss of products/ loss of money etc.

Majority of the respondents (75.50%) agreed that safety of transaction and personal data matters in their purchase decision. 72.50 per cent in NEHU and 77.50

per cent in MZU were aware of return/refund policies before shopping online. The present study further enquired into whether this awareness of return/refund policy has an influence on their buying decision. It is evident that return/refund is an important influencing factor in online buying decision among the respondents as majority of the respondents in both MZU (71.50%) and NEHU (67%) agreed on this statement.

### **6.5 Problems of Online Shopping & Post- Online Buying Behaviour of the respondents:**

Despite the growth, there are several challenges in online shopping when it comes to reaching the customers in every corners of the country. The risk perception of customer is greater in online stores than in offline stores (Wang et. al, 2008). This chapter identified various problems of online shopping. The respondents were asked to accord ranks to these problems. Later section of this chapter deals with the post-online buying behaviour of the respondents.

Inability to touch the products has been accorded the 1<sup>st</sup> rank of problems by the respondents with a weighted score of 650 in NEHU and 576 in MZU.

The second rating (2<sup>nd</sup> rank) was accorded to ‘risk of loss in debit/credit card transactions’ in NEHU, while it was accorded to ‘long time in delivery’ in MZU. Difficulty in return and refund was accorded the 3<sup>rd</sup> rank by the respondents in both NEHU and MZU.

Loss of goods has been accorded the 4<sup>th</sup> rank in NEHU, while it was the risk of financial loss in debit/credit card transactions for the respondents in MZU. The fifth rating (5<sup>th</sup> rank) was accorded to ‘long time in delivery of products’ in NEHU, while it was accorded to ‘non-availability of cash on delivery mode of payment’ in MZU.

However, it is evident from the combined rating of these problems that the five most common problems of online shopping includes the inability to touch the products (total weighted score of 1226), risk of financial loss in debit/credit card transactions (total weighted score of 643), difficulty in return/refund (total weighted score of 597), long time in delivery of products

(total weighted score of 544) and loss of goods in transit (total weighted score of 443).

The study has also suggested probable solutions for the common problems of online shopping among the respondents such as offering *Try and Buy* option, virtual trial rooms, 14/30 days return and 24 hours customer service, clear and simple return policy, enlarging the warehouses for faster and timely delivery, protecting personal and financial details by using Secure Sockets Layer (SSL) certificate, regular system scans, using 3D secure gateways to provide an extra layer of security, enabling an Address Verification System (AVS) etc.

#### **Post-online buying behaviour:**

Respondents in MZU (52.50%) were more positive towards online shopping with respect to whether it is considered as safe as conventional shopping, compared to respondents in NEHU (36%). Also, more than half (62.50%) of the respondents from MZU agreed that they have reduced their offline shopping due to online shopping compared to 37 per cent in NEHU. 73 per cent of the respondents in MZU and 68.50 per cent of the respondents in NEHU have recommended online shopping. Most of the respondents have recommended to their friends and family members (72.08%).

In terms of the complaints made with regard to online shopping, 56.25 per cent of the respondents have not made any complaints despite their dissatisfactions. The most common reasons were not believing that proper actions will be taken (1<sup>st</sup> rank), thinking that it is just a waste of time (2<sup>nd</sup> rank) and not in the habit of making such complaints (3<sup>rd</sup> rank).

For those who have made complaints (43.75%) in the past, the most common nature of complaints were getting the wrong product (1<sup>st</sup> rank), defect in the product (2<sup>nd</sup> rank) and no delivery on time (3<sup>rd</sup> rank). The complaints destination for majority of the respondents was to the seller for both the respondents in NEHU (63.95%) and in MZU (67.42%).



There is no difference in the ranking order for the nature of complaints and reasons for no complaints between the respondents in NEHU and MZU.

In terms of satisfaction over the delivery services, respondents in MZU (44%) were less satisfied compared to the respondents in NEHU (28.50%). The main reasons for their dissatisfactions include no home delivery services (1<sup>st</sup> rank), difficulty in return/refund (2<sup>nd</sup> rank) and delay in delivery (3<sup>rd</sup> rank). Further, there is no difference in the ranking order between the respondents.

Customer satisfaction is the individual's perception of the performance of the products or services in relation to his or her expectations (Shiffman and Kanuk, 2008). In view of this, the researcher has attempted to study the level of satisfaction of the respondents over online shopping. More than half of the respondents in both NEHU and MZU were satisfied in their overall past online shopping experiences, quality of products received and choice of payment methods. While most of them were either unsatisfied or neutral about the return/refund policies (67.25%) and after sales services (69.75%).

The present study also revealed that despite number of problems and difficulties faced in their online shopping, majority of the respondents in both NEHU (62%) and in MZU (79%) have decided to continue and to shop more through online shopping. Only a few (1.50%) have decided to stop buying online. The hypothesis "*There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences*" is rejected since the p value  $0.008 < 0.05$  which concludes that there is a significant difference between the respondents with respect to probability of future online shopping based on past experiences.

## **6.6 Suggestions:**

This section gives the summary of suggestions for the online sellers and marketers, website developers and internet service providers for the growth of online shopping.

- **Improving security measures for digital payments:**

Cash on delivery (COD) mode of payment is the most preferred mode of payment by majority of the Indian online shoppers (Nielsen's Global Connected Commerce Survey) as they find it more secure compared to digital payments. Respondents in the present study also accorded first rank (46%) as the most preferred mode of payment in online shopping. Improving digital payment will be helpful for online sellers to overcome risks involved in COD (such as chances of loss of money handled by the business representatives and longer time to receive the money from the partnering courier services), which can be do so by providing the right security measures to gain trust of the consumers and offering incentives for online payment to encourage more shoppers to shift from COD to online payments.

- **Providing detailed and accurate product information:**

The inability to touch and feel the product before purchasing has been one of the most common problems in online shopping. In the present study also, the respondents ranked it as the main problem (48%) in their online shopping. This problem could be solved by providing detailed and accurate product information which in turn will help in reducing the amount of return products and reduce the cost bear by the online sellers for picking up and sending it back to the warehouse.

- **Strengthening Website Accessibility:**

Fast and easy website accessibility is the key to attract more online shoppers. There used to be a huge jam in accessing some of the online stores, especially during the festive seasons such as Diwali, End of Season Sale etc. Due to this problem, online sellers may end up losing their potential customers.

- **Improving and Expanding Logistic Services:**

Delay in delivery can have a negative impact on consumer's future buying. Online marketers must focus on providing fast and timely delivery services.

- **Strengthening Supply Chain Management:**

One of the most effective ways to gain competitive advantage in online shopping is to strengthen the supply chain which can be do so by integrating

order management system with the online store, physical locations and enterprise resource planning, increasing warehouse capacity and customer proximity.

- **Targeting the younger age groups:**

Two- third (2/3<sup>rd</sup>) of the Internet users in India are in the age group of 12-29 years (IAMAI & Nielsen Report, 2019). The online sellers should target this age segment for better future growth of online shopping in the country.

- **Word of Mouth communication:**

Word of Mouth (WOM) communication is very effective since the reference groups (friends, relatives, neighbours etc.) have a strong influence on consumer's buying behaviour. In the present study, majority of the respondents in NEHU (68.50%) and MZU (73%) recommended others to use online shopping. Satisfying the existing online shoppers in their shopping experiences could have a huge impact.

- **Focusing on online marketing opportunities in Northeast India:**

Northeast India is providing ample opportunities for the online marketers to expand their market. The top e-commerce companies in the country such as Amazon, Flipkart, Snapdeal etc. agreed on this. Problems faced by online shoppers in these regions need to be taken care of in effective manner.

- **Extensive market research:**

Compared to the mainland India, Northeast India is lacking choices of products available in the local market. Online sellers should undergo market research to find out products which are in huge demand and not available in the local market to offer in the online platform.

- **Urban- Rural Digital gap:**

Reducing the urban-rural digital gap is a major challenge for the growth of online marketing in the country. As per the latest report by the Internet & Mobile Association of India (IAMAI) & Nielsen (2019), for the first time, India has more internet users in rural areas (227 million active users) than in urban areas (205 millions). Reaching the rural masses will have a huge impact for the growth of online shopping as majority of population in our

country is concentrated in rural areas (65.53% as per World Bank report, 2019).

### **6.7 Scope for Further Research**

The present research covers the online buying behaviour of university students in Meghalaya and Mizoram only. The researcher has suggested some of the areas for further research:

- Online buying behaviour of different age groups or gender specific.
- Comparative studies between other North-eastern states or North-east with other parts of the country.
- Consumer protection and after sales services in online shopping.
- Consumer behaviour towards online services in North-east India.
- Studies on online education and health services.
- Buying behaviour towards online financial services.
- Impact of COVID-19 on online shopping behaviour.

## **APPENDICES**

## APPENDIX- 1: QUESTIONNAIRE

### INSTRUCTION

Please read all the questions/ statements carefully and tick your answer in the given brackets.

#### A. DEMOGRAPHIC PROFILE:

1. Gender:      a) Male      [   ]                      b) Female      [   ]
  
2. Age:              a) Below 20 years              [   ]  
                            b) 20-24 years                      [   ]  
                            c) 24- 28 years                      [   ]  
                            d) More than 28 years              [   ]
  
3. Education:      a) Undergraduate      [   ]                      b) Postgraduate      [   ]  
                            c) M.Phil scholar      [   ]                      d) Ph.D scholar      [   ]
  
4. Family Size:      a) 1 to 3                      [   ]                      b) 4 to 6                      [   ]  
                            c) 7 to 9                      [   ]                      d) More than 9              [   ]
  
5. Main occupation of respondent's parents:  
  
                            a) Govt. Employee [   ]                      b) Business              [   ]  
                            c) Agriculture              [   ]                      d) Any other, please specify.....
  
6. Annual Family Income:      a) Less than Rs.1 lakh              [   ]  
    b) Rs 1,00,000 - Rs. 4,00,000      [   ]  
    c) Rs. 4,00,000 - Rs. 7,00,000      [   ]  
    d) Rs. 7,00,000 - Rs. 10,0,000      [   ]  
    e) Over Rs. 10,00,000              [   ]

**B. INTERNET USAGE:**

7. How much time you use the internet per day?

- a) Less 1 than hour [ ]
- b) 1- 2 hours [ ]
- c) 2- 3 hours [ ]
- d) 3- 4 hours [ ]
- e) 4- 5 hours [ ]
- f) More than 5 hours [ ]

8. What type of Internet connection do you use?

- a) Broadband [ ]
- b) Mobile data [ ]
- c) Wi-Fi in the campus [ ]
- d) Any other, please specify.....

**C. ONLINE BUYING BEHAVIOUR:**

9. How often you shop online?

- a) Once in a week [ ]
- b) Every 15 days [ ]
- c) Monthly [ ]
- d) Once in 2 months [ ]
- e) Only when need arises [ ]

10. Rank **upto five (5)** online sites you mostly shop from in order of your preference.  
(Indicate your rank within the brackets).

Online shopping sites	Rank
a) Amazon	( )
b) Ebay	( )
c) Jabong	( )
d) Myntra	( )
e) Snapdeal	( )
f) Flipkart	( )
g) Homeshop18	( )

h) Any other, please specify.....	(      )
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11. Rank **upto five (5)** the type of products you mostly shop online. (Indicate your rank within the brackets).

Type of Products	Rank
a) Books	(      )
b) Clothing	(      )
c) Footwear	(      )
d) Accessories	(      )
e) Cosmetics	(      )
f) Electronics	(      )
g) Household Goods	(      )
h) Any other, please specify.....	(      )

12. How many products have you bought online in the last one year?

- |             |       |            |       |
|-------------|-------|------------|-------|
| a) 0 – 5    | [   ] | b) 6 – 10  | [   ] |
| c) 11 – 15  | [   ] | d) 16 – 20 | [   ] |
| e) Above 20 | [   ] |            |       |

13. What is the approximate amount you spent on online shopping for the last one year?

- |                           |       |
|---------------------------|-------|
| a) Less than Rs. 5,000    | [   ] |
| b) Rs. 5,000- Rs. 10,000  | [   ] |
| c) Rs. 10,000- Rs. 15,000 | [   ] |
| d) Rs. 15,000- Rs. 20,000 | [   ] |
| e) More than Rs. 20,000   | [   ] |



14. Rank **upto three (3)** in order of your preference the best payment method for you to buy online. (Indicate your rank within the brackets).

Methods of Payments	Rank
a) Cash on Delivery (COD)	(        )
b) Debit Card	(        )
c) Credit Card	(        )
d) Mobile/ Internet banking	(        )
e) Any other, please specify.....	(        )

15. Are you aware of the return & refund policy of the e-shops before online shopping?

a) Yes [    ]                      b) No [    ]                      c) Can't say [    ]

16. Rank the following factors **upto five (5)** in order of their importance which influence your decision mostly to purchase online. (Indicate your rank within the brackets).

Factors	Rank
a) Convenience	(        )
b) Wide variety of brand choices	(        )
c) Time saving	(        )
d) Easy comparison shopping	(        )
e) Getting latest product information	(        )
f) 24 Hours accessibility	(        )
g) Trust and reputation of e-shops	(        )
h) Guarantees and Warrantees	(        )
i) Good return/refund policy	(        )
j) Good quality of goods	(        )
k) Non-availability in the local market	(        )

l) Heavy price discounts	(       )
m) Brand image	(       )
n) Any other factor (please specify).....	

17. Indicate your level of agreement to the following statements in respect of online buying decision making process. Please encircle only one option most closely represents your opinion.

**{Here, 5=strongly agree (SA); 4= agree (A); 3= neutral (N); 2= disagree (D); 1= strongly disagree (SD)}**

Statements	SA	A	N	D	SD
a) Prefer online shopping only if online prices are lower than actual prices.	5	4	3	2	1
b) I shop online when the need arises.	5	4	3	2	1
c) Buys products only if information in the online store is sufficient and reliable.	5	4	3	2	1
d) Compare products and prices of different online stores.	5	4	3	2	1
e) Bad experience refrain me from shopping online	5	4	3	2	1
f) Fast delivery and knowing expected date of delivery is important for purchase decision.	5	4	3	2	1
g) After sales service is important for making purchase decision.	5	4	3	2	1
h) Choose online stores with proper return & refund policy only.	5	4	3	2	1
i) Availability of different modes of payment matters in purchase decision.	5	4	3	2	1
j) Transaction security and safety of consumer data is important in online purchase.	5	4	3	2	1

18. How important are the following web attributes in your online buying decision process? Please encircle only one option most closely represents your opinion.

{Here, 5 = strongly agree (SA); 4= agree (A); 3= neutral (N); 2= disagree (D); 1= strongly disagree (SD)}

Elements of Web experience	SA	A	N	D	SD
a) Easy accessibility of online sites is important in choosing online stores to shop from	5	4	3	2	1
b)Fast loading of Web pages is important in choosing online stores to shop from	5	4	3	2	1
c) Easy and short payment process determines the online stores I chose to shop	5	4	3	2	1
d)Availability of order tracking facilities & terms of delivery is important in choosing online stores	5	4	3	2	1
e) I look for good organized online or offline helpdesks in choosing online stores	5	4	3	2	1
f) Website advertisement is an important factor in choosing which online store to visit	5	4	3	2	1
g) Impressive website design elements such as name, colour and layout attracts me to visit the online stores	5	4	3	2	1

19. Rank the following problems **upto five (5)** which you perceive to be most common for online shopping. (Indicate your rank within the brackets).

Problems	Rank
a) Inability to touch the goods	( )
b) Risk of financial loss in debit/credit card transactions	( )
c) Risk of loss of privacy and identity	( )
d) Difficulty in return, refund	( )
e) Long time in delivery of products	( )

f) Loss of goods	( )
g) Receiving different products	( )
h) No exchanging facility in current location	( )
i) Poor Internet connection.	( )
j) Poor service of courier agency in delivering the product.	( )
k) Non- availability of Cash on Delivery (COD) mode of payment	( )
l) Non-availability of home delivery services	( )
m) Low quality of goods	( )
n) Any other problem (please specify).....	( )

20. Have you ever made any complaints in your online purchases?

- a) Yes [ ]                      b) No [ ]

21. If **Yes**, rank the nature of your complaints **upto three (3)**:

Nature of Complaints	Rank
a) Getting the wrong product	( )
b) Defect in the product	( )
c) No delivery on time	( )
d) Loss of product in transit	( )
e) No proper response from the company	( )
f) Non- cooperation from courier agency	( )
g) Insufficient after sales services	( )
h) Any other, please specify.....	( )

22. If **No**, rank **upto three (3)** reasons for not making complaints despite your dissatisfaction:

Reasons	Rank
a) Not believing proper actions will be taken	(      )
b) Thinking that it is a waste of time	(      )
c) Not knowing the procedure to make a complaint	(      )
d) Not in the habit of making such complaints	(      )
e) Any other, please specify.....	(      )

23. To whom you made such complaints?

- a) To the seller [    ]
- b) To the courier agency [    ]
- c) Spreading bad word of mouth [    ]
- e) Any other, please specify.....

24. Are you satisfied with the delivery services provided by the online stores?

- a) Yes [    ]                      b) No [    ]                      c) Can't say [    ]

25. If **No**, rank the following problems **upto three (3)**:

Problems in delivery services	Rank
a) No home delivery services	(      )
b) No proper information	(      )
c) Difficulty in return and refund	(      )
d) Difficult to communicate with them	(      )
e) Loss of goods already dispatched from online stores	(      )
f) Delay in delivery	(      )
g) Any other problem, please specify.....	(      )

26. Do you consider online shopping as safe as traditional shopping?

- a) Yes [ ]      b) No [ ]      c) Can't say [ ]

27. Have you reduce the frequency of traditional shopping due to online shopping?

- a) Yes [ ]      b) No [ ]      c) Can't say [ ]

28. Did you recommend others to use online shopping?

- a) Yes [ ]      b) No [ ]      c) Can't say [ ]

29. If **Yes**, please specify to whom you have recommended:

- a) Friends [ ]      b) Classmates [ ]  
c) Family members [ ]      d) Any other, please specify.....

30. Indicate your level of satisfaction in the online shopping. Please encircle only one option most closely represents you.

**{Here, 5 =very satisfied (VS); 4=satisfied (S); 3= neutral (N); 2= unsatisfied (NS); 1= very unsatisfied (VNS)}**

Statements	VS	S	N	NS	VN S
a) Overall past experience in online shopping	5	4	3	2	1
b) Quality of products I have received	5	4	3	2	1
c) Return and refund policies given by the online stores	5	4	3	2	1
d) Choice of payment methods	5	4	3	2	1
e) After sales service of online stores	5	4	3	2	1

31. Based on your past experience, please indicate your attitude towards your future online buying.

- a) I will continue to buy online [ ]
- b) I will buy more online [ ]
- c) I will buy less online [ ]
- d) I will stop buying online [ ]
- e) Can't say [ ]

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**ABSTRACT**  
**A COMPARATIVE STUDY OF ONLINE BUYING BEHAVIOUR**  
**OF UNIVERSITY STUDENTS IN MEGHALAYA AND**  
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ABSTRACT

A COMPARATIVE STUDY OF ONLINE BUYING BEHAVIOUR OF  
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## **1.1 INTRODUCTION**

Online buying (commonly known as online shopping) is the process whereby consumers directly buy goods or services over the Internet. Online shopping have change the way of business, it allows the buying and selling to take place with no barriers of time and distance. Today, most of the things can be purchased online, from daily basic needs to the high end products. Indian retail sector is now moving from the brick and mortal to click and mortal model. Improved means of internet access and impressive discounts have drawn more and more people towards online shopping. A great online shopping revolution is expected in India in the coming years.

The year 1991 noted a new chapter in the history of the online world, at that time, nobody expected that the online buying and selling will become a trend in the world and India will also share a good proportion of this success. The role of e-commerce could not be ignored for the growth and development of Indian economy. According to Goldman Sachs Report (2015), e-commerce market will account for 2.5% of the India's GDP by 2030. In the last couple of years, the growth of e-commerce industry in India has been phenomenal as more shoppers have started using this platform.

## **1.2 CONSUMER BEHAVIOUR**

Consumer behaviour can be explained in the most simplest way as the behaviour that the consumer display before purchasing, while purchasing and after purchasing. According to Schiffman and Kanuk (2007) consumer behaviour is the behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. The study of consumer buying behaviour is a complex and dynamic issue which cannot be defined easily. It includes what, why, when, where, how often they buy and use it along with how they evaluate it after the purchase and the impact of such evaluations on future purchases.

The field of consumer behaviour is rooted in a marketing strategy, the *marketing concept*, which evolved in the late 1950s through several alternative approaches – the



production concept, the product concept and the selling concept. The marketing concept assume that marketers must determine the need and wants of specific target markets and deliver the desired satisfaction better than their competitors. Needs and wants of the consumer is the primary focus as opposed to the selling concept. The widespread adoption of this marketing concept provided the impetus for the study of consumer behaviour.

### **1.3 CONSUMER RESEARCH**

The marketing concept states that marketers must understand the needs of specific groups of consumers and satisfy these needs better than the competitors. Consumers are highly complex individuals, subject to a variety of psychological and social needs. To identify and fulfill consumer needs require an extensive marketing research.

The term consumer research represents the process and tools used to study consumer behaviour (Schiffman and Kanuk, 2007). It enables marketers to study and understand consumers' needs and wants and how they make consumption decisions. Consumer research has become relevant especially in the present business scenario where business decisions are extremely complex and competition intensified as a result of globalization and liberalization.

### **1.4 WHY STUDY CONSUMER BEHAVIOUR?**

Consumer behaviour has changed noticeably in the past decade. Philip Kotler, who is acknowledged as the Father of Modern Marketing agreed that understanding consumer behaviour and knowing customers is never simple. In today's dynamic and rapidly evolving marketplace, to succeed in any business, marketers need to know and understand their consumers as much as possible. An ever increase in choices create a challenge for the marketers to not only identify their target markets but also to know how and where to reach them. Knowing the target consumers and their decision making process increases the chance of designing appropriate marketing strategies and promotional messages that will favourably influence them.

## **1.5 ONLINE SHOPPING IN INDIA**

The Indian E-commerce industry has been on an upward growth trajectory. It is expected to surpass the US to become the second largest E-commerce market in the world next to China by 2034 (India Brand Equity Foundation, 2019). Since 2014, the Government of India has announced various initiatives namely, Digital India, Make in India, Start-up India, Skill India and Innovation Fund etc. The timely and effective implementation of these programs is likely to support the e-commerce growth in the country.

The growth of internet users also encouraged e-commerce companies to play active roles. With growing internet penetration, internet users in India are expected to increase from 445.96 million in 2017 to 829 million by 2021 (IBEF, 2019). As of 2019, India has over 500 million active internet users (Internet and Mobile Association of India, 2019). Growing broadband penetration, availability of cheap mobile phones, acceptance of online marketplaces, improvement in logistics services and lack of physical retail infrastructure in many places due to high realty costs highly contributes for the growth of online shopping in the country.

## **1.6 CONSUMER PROTECTION IN ONLINE SHOPPING IN INDIA:**

As the e-commerce market grows, the regulations governing the market become particularly relevant. There are multiple set of regulations governing the e-commerce sector, such as Income Tax Act,1961, Consumer Protection ACT, 1986/2019, Information Technology Act, 2000, Foreign Exchange Management Act, 1999, Payment and Settlement Systems Act, 2007, FDI (Foreign Direct Investment) Policy, 2020 etc. Apart from this, the Government of India, under the Ministry of Consumer Affairs has launched a portal i.e: National Consumer Helpline (NCP) as an Integrated Grievance Redress Mechanism (INGRAM). This portal helps in creating awareness among consumers to protect their rights and inform them of their responsibilities. Consumers can register online their grievances through this portal ([www.consumerhelpline.gov.in](http://www.consumerhelpline.gov.in)).

Recently, the Consumer Protection (E-Commerce) Rules, 2020 under the Consumer Protection Act, 2019 came into force from July, 2020. As per the rule, an aggrieved consumer can file complaints about a defect in goods or deficiency in services from home instead of the place of business or residence of the seller as it provides for e-filing of consumer complaint. E-commerce is now tightly regulated and the online sellers are now expected to disclose all relevant product information, including country of origin and respond to the grievance of consumers within prescribed timelines. Consumers have several protected rights including right to safety, information, choices, to be heard and educated as well as to a mediated settlement. Online marketers will now need to exercise greater care and caution in terms of quality, quantity and product safety.

### **1.7 CHANGING SCENARIO OF ONLINE SHOPPING DUE TO COVID-19**

COVID-19 which was officially declared as a global pandemic by the World Health Organization on 11<sup>th</sup> March 2020 has rapidly changed our ways of life as we are facing many new challenges. Social distancing, lockdowns, work from home, wearing masks and using hand sanitizers become the new normal in our daily life. There is an overnight changes in our shopping behaviour as well, from what we are buying to where and how. The global spread of COVID-19 has been accompanied by a lot of uncertainty, the crowd mentality have been affected. The survey conducted by United Nations Conference on Trade and Development (UNCTAD), 2020 showed that consumers in emerging economies have made the greatest shift to online shopping and these changes in online shopping behaviour are likely to have lasting effects. In India, it has led to a rise in the number of first- time online shoppers, who had been so far inhibited to shop online (Halan, 2020).

Amazon, one of the leading e-commerce player in the country, and the world, has announced that customers are relying on them like never before in their social distancing and self-quarantine efforts. Businesses around the world are being affected, from rapidly changing consumer behaviour to supply issues. They have to adapt and be flexible to meet the changing needs of the people.

The effect of the pandemic on e-commerce is not uniform across product categories. A surge in demand was observed for items related to essential commodities such as personal protection, groceries, digital services etc. While the demand dropped for items related to travel, sports, apparel, luxury goods etc. Certain shifts brought by COVID-19 are likely to have long lasting effects. Many operators of brick-and-mortar stores are now considering e-commerce a potentially crucial complimentary or alternative sales channel (Organisation for Economic Co-operation and Development, 2020). New users as well as elderly consumers who started to engage in online shopping due to the pandemic might stick to their newly acquired mode of shopping. As convenience has always been one of the key drivers of e-commerce, it is likely that most of the new users will keep shopping online in the future.

## **1.8 THE PRESENT STUDY**

This section highlights the need for the study, review of literature and research design which includes statement of the problem, objectives and hypotheses of the study and research methodology.

### **1.8.1 NEED FOR THE STUDY**

While India is witnessing an immense growth in online retailing, it has been observed that Northeast India has not been as developed as other parts of the country. But over the years, this region has gained attraction from major players in online retail sector. It is becoming one of the fastest-growing markets for online retailers and emerged as the drivers of growth for some leading e-commerce companies, which claim double-digit growth in the market (Jain, 2015). Various factors such as increased disposable income, brand consciousness among the people, infrastructure development, technological improvement, computer literacy, better communication and connectivity links play an important role for the growth of online shopping in this region.

## **1.8.2 REVIEW OF LITERATURE**

In this section, the researcher has reviewed relevant literature which has been classified under the following heads:

- Studies on demographic profile of online consumers: Sakkthivel (2006), Herve & Mullet (2009), Nayar & Gupta (2010), Sharma et.al (2014), Baldevbhai (2015), Rajayogan & Muthumani (2015), Reddy & Srinivas (2015), Singh & Rana (2018).
- Studies on factors influencing online buying behaviour: Li & Zhang (2002), Horrigan (2008), Wang et.al (2008), Nuseir et.al (2010), Javadi et.al (2012), Nazir et.al (2012), Chandra & Sinha (2013), Pathak et.al (2014), Kaur et.al (2015), Lalrindiki & Singh (2015), Jadhav & Khanna (2016), Vaghela (2017), Debbarma & Debbarma (2018), Rossanty & Zaini (2019).
- Studies on online buying decision making process: Ferreira et.al (2013), Shalini & Kamalaveni (2013), Gross (2014), Shekhawat & Singhal (2014), Wei (2016), Aprilia & Setiadi (2017), Stankevich (2017), Aragoncillo & Orus (2018), Kanade & Kulkarni (2018).
- Studies on problems of online shopping and post-purchase behaviour: Yazdanifard & Wada (2011), Arora (2013), Raghunath & Panga (2013), Malhotra (2014), Nair (2015), Kumar (2016), Tripathi & Khan (2016), Mahavidyalay & Nagar (2017).

### **1.8.3 RESEARCH DESIGN**

- **Statement of the Problem:**

With the growth of internet penetration in India and increased e-commerce activity which provides impetus for online shopping in the country, understanding consumer online buying behaviour is the key for marketers to enhance and attract more online customers for their future growth. All customers have their own desires and demands for the products, it is crucial for the online marketers to identify and know about their online customers. Online buyer also differs in terms of their demographic profile (Richa, 2012). Online shopping is still at the early stage of development in the Northeast India. Not many studies have been found on consumer behavior towards adopting this new shopping channel, especially a comparative study between the Northeastern states in this particular topic. Keeping this in view, the present study is attempted to explore and compare the online buying behaviour of university students in Meghalaya and Mizoram.

- **Objectives of the study:**

1. To explore demographic profile of online buyers among university students in Meghalaya and Mizoram.
2. To identify and analyze the factors influencing the online buying behaviour of university students in the two states.
3. To compare the online buying behavior in terms of their decision making process and post-online purchase behaviour.
4. To study the constraints faced by the online buyers in both the states.

- **Research Methodology**

The present study is designed to compare the online buying behavior of sample respondents from among university students in Meghalaya and Mizoram. The study covers university students of Mizoram University (MZU) and North Eastern Hill University (NEHU).

## Sampling

The sample consists of 400 students, 200 each from both the universities in these cities. As the total number of online shoppers among the students is unknown in NEHU and MZU, a total of 400 samples is the ideal sample size as per the sample calculator with 95% level of confidence and a margin of error of 5%. As per convenience, these total samples were distributed equally between NEHU and MZU. For collecting the respondents, Proportionate Stratified random sampling was used within those functioning schools of studies in both the universities. Those who bought at least 6 products in a year through online were taken into account for the present study.

Distribution of sample size based on functioning School of Studies

Universities					
NEHU			MZU		
School of Studies	Population Size	Sample Size	School of Studies	Population size	Sample Size
School of Economics, Management & Information Sciences	152	20	School of Economics, Management & Information Sciences	286	41
School of Education	127	16	School of Social Sciences	304	43
School of Humanities	252	33	School of Education & Humanities	175	25
School of Human and Environmental Sciences	146	19	School of Earth Sciences & Natural Resources Management	194	28
School of Life Sciences	164	21	School of Life Sciences	121	15
School of Physical Sciences	150	19	School of Physical Sciences	108	17
School of Social Sciences	280	36	School of Engineering & Technology	220	31
School of Technology	283	36			
<b>Total</b>	<b>1554</b>	<b>200</b>		<b>1408</b>	<b>200</b>

Source: Annual Report of NEHU & MZU, 2013-2014

### **Time period**

Primary data were collected through structured questionnaire during September to December, 2015 in North Eastern Hills University and during February to April, 2016 in Mizoram University.

### **Sources of Data**

The study is conducted based on primary and secondary data. Primary data were collected by administering a structured questionnaire which consisted of three parts. The first part of the questionnaire is relating to the demographic profile of the respondents, second part is relating to the internet usage of the respondents while the third part is relating to the online buying behaviour. The researcher approached the respondents in person as well as took the help of the class representatives to cover all the departments under each school of studies.

For the secondary data, extensive literature review was undertaken on different study in the area of online buying behaviour carried out both inside and outside the country. Apart from that, secondary data were collected from journals, books, relevant reports & websites such as (ASSOCHAM, IAMAI, IBMF, IMRB, OECD, UNCTAD etc.), Annual Report of NEHU and MZU, newspapers, magazines and e-resources.

### **Research Hypotheses**

H<sub>01</sub>: There is no significant difference between respondents in NEHU and MZU on frequency of online shopping.

H<sub>02</sub>: There is no significant difference between respondents in NEHU and MZU on number of products bought online.

H<sub>03</sub>: There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping.

H<sub>04</sub>: There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences.



### **Tools Applied for Data Analysis:**

Simple statistical tools such as percentages and weighted scores were used to analyse and interpret data collected. Mann- Whitney U test was used to find whether there is a significant difference between the respondents in terms of frequency of online shopping, number of products bought online, amount spent on online shopping and probability of future online shopping based on past experiences.

### **1.9 WHY STUDY ON UNIVERSITY STUDENTS?**

Many previous studies and survey reports shows that the age groups who are most active in online shopping are the age group of the university students, which is below 35 years of age. IAMAI & Nielsen Report (2019) also revealed that 2/3<sup>rd</sup> of the Internet users in India are in the age group of 12-29 years. Online shopping, being the new way of shopping and new phenomenon in electronic business can be easily adapted by these age groups due to their knowledge of computer and the younger generations are faster in adapting to new things than the older generations. Majority of consumers of online shopping are graduates (Ganapathi, 2015). Sulaiman et.al (2008) stated that younger generation likely do online shopping more because of their knowledge in computer technology as opposed to the older generation. Similarly, Sorce et.al (2005) found that younger consumers searched for more products online and they were more likely to agree that online shopping is more convenient than offline shopping.

The students being the children of the family and financially supported by the parents becomes the biggest influence of online shopping in the family. Role of children have changed in the family and in the society, they are termed as 'hidden persuaders' in the family who intended to buy more (Reddy & Srinivas, 2015). The younger population is the biggest attraction of the online industry and they may contribute substantially to the growth of online shopping in India (Sharma, 2014). Students spend hours using the internet every day for different purposes which in turn makes them most keen in buying online.

## **1.10 DEMOGRAPHIC PROFILE AND INTERNET USAGE**

In this chapter, the researcher explored the demographic information viz gender, age, education, family size, occupation and family income of the respondents in NEHU and MZU.

Out of the total respondents, male respondents (50.75%) were slightly more than female respondents (49.25%). Male respondents were more in MZU (56%) than in NEHU (45.50%), while female respondents were more in NEHU (54.50%) as compared to respondents in MZU (44%).

The present study is conducted among the university students, therefore, majority of the respondents (72.50%) were between the age group of 20 – 24 years.

More than half of the respondents in NEHU and MZU were from the family size of 4 - 6, 64.50% and 68.50% respectively. Less than a tenth (8%) were from the family size of more than 9.

Family income is a strong indicator of the buying decision. The purchasing power of consumer varies based on their level of income. The study shows that most common annual family income (56.50%) of the total respondents was in between Rs.1 lakh to Rs.4 lakhs.

In terms of frequency of internet used per day, respondents in MZU spent more time as compared to respondents in NEHU. 31% of the respondents in MZU spent 3 – 5 hours to serve the internet compared to 14.50% of in NEHU. Also, while 16% of them spent more than 5 hours a day compared to 12.50% in NEHU.

Mobile internet has become the most common means of accessing the internet. The present study also revealed that more than half (57%) of the respondents use mobile devices. The growth of mobile internet can be attributed to the positive development by internet service providers and telecom service providers offering better connectivity at more affordable prices as well as availability of cheaper smart phones.

### **1.11 FACTORS INFLUENCING ONLINE BUYING BEHAVIOUR**

The present study has attempted to identify what, according to the respondents, are the most important factors which influence their buying behaviour. These factors were ranked using the Weighted Ranking Method. It is observed that the highest rating (1<sup>st</sup> rank) was accorded to wide variety of brand choices for the respondents in NEHU, while heavy price discounts has been accorded the first rank by the respondents in MZU.

Time saving was accorded the second rank by the respondents in NEHU followed by heavy price discounts while wide variety of brand choices was accorded the second rank by the respondents in MZU which was followed by time saving.

Respondents in both NEHU and MZU accorded non- availability in the local market and convenience as the fourth rank and fifth rank respectively among the factors influencing their online shopping.

It is evident from the study that heavy price discounts, wide variety of brand choices, time saving, non-availability in the local market and convenience were the most important factors influencing online shopping among the respondents.

Further, the study attempted to identify the web-based factors influencing the online shopping. The impact of web-based factors is an important distinguish characteristic of online shopping from the traditional shopping. Mean scores measured on 5 point Likert scale was used to assess the level of agreement over website attributes as factors influencing online shopping. Easy accessibility of online sites was the most important web-based factors among the respondents in NEHU and MZU with a mean score of 4.17 and 4.37 respectively.

Fast loading of web pages has been accorded the second rank for respondents in NEHU (with a mean score of 4.13) as well as for the respondents in MZU (with a mean score of 4.14). Easy accessibility of online sites, fast loading of web pages, short and easy payment process were the most important web- based factors, for these three attributes mean importance rating is above four. When comparing, it was found that there is no significant difference between respondents in NEHU and MZU.

## **1.12 ONLINE BUYING DECISION MAKING PROCESS OF THE RESPONDENTS:**

The changing market environment provides the need for a study of consumer decision making process since the main goal of any marketer is to reach consumer at the moment that most influence their decisions.

More than half of the respondents in both NEHU (56.70%) and MZU (57%) agreed that they shop online only when the need arises.

Absence of interaction between the sellers and buyers as well as absence of physical contact with products increases the need for reliable product information in online shopping. In the present study also, 58.75% of the respondents revealed that they shop online only when product information given is sufficient to determine their buying decision.

It is evident that price comparison plays an important role in the online buying decision making process of the respondents as majority (75.50%) of the respondents agreed that they have compared prices of different online stores before purchasing.

Price is an important factor in any buying decision, be it online or offline shopping. 80.50% in NEHU and 76.50% in MZU agreed to shop online only when online prices are lower than the offline.

In terms of frequency of online shopping, it was found that most of the respondents shops online once in 2 weeks in both NEHU (45.50%) and MZU (43.50%). 36% of the respondents in MZU shops online at least once in a month compared to 29% in NEHU. The hypothesis "*There is no significant difference between respondents in NEHU and MZU on frequency of online shopping*" has been tested which concludes that there is no significant difference between the respondents in terms of frequency of online shopping (since p value 0.063 >0.05).

It is evident that Snapdeal, Myntra, Amazon, Flipkart and Jabong were the most preferred online shopping sites by the respondents.

The most common product bought online by the respondents in NEHU was *Clothing* whereas it was *Footwear* in MZU. Books, Accessories and Cosmetics were among the products frequently bought online by the respondents.

While number of respondents who bought 6-10 products were higher in NEHU (87.50%) compared to MZU (79%), those who bought more than 10 products were higher in MZU (21%) compared to NEHU (12.50%). The hypothesis “*There is no significant difference between respondents in NEHU and MZU on number of products bought online*” has been tested. Since the null hypothesis is rejected, it is concluded that there is a significant difference between the respondents in terms of number of products bought online (p value  $0.018 < 0.05$ ).

Number of respondents who have spent less than Rs 5,000 and between Rs 5,000- Rs 10,000 was higher in NEHU compared to MZU. However, in terms of those who have spent more than Rs 10,000, there were more respondents in MZU (36%) compared to NEHU (23.50%). The hypothesis “*There is no significant difference between respondents in NEHU and MZU on amount spent on online shopping*” is rejected since the p value  $0.008 < 0.05$  which concludes that there is a significant difference between the respondents in terms of amount spent on online shopping.

Majority of the respondents in NEHU (76.50%) and MZU (76%) agreed that availability of multiple choices of payment methods matters in their purchase decision while less than a tenth in both the universities disagreed with the statement. 75.50% agreed that safety of transaction and personal data matters in their purchase decision

The present study further identified the preferences of the payment methods in online shopping. It was found that there was no difference in the ranking order for the preferences of mode of payment between the respondents in NEHU and MZU. *Cash on Delivery (COD)* with a rating of 46% has been accorded the **1<sup>st</sup> rank**, while payment through *Debit Card* with a rating of 25% has been accorded the **2<sup>nd</sup> rank** which was followed by *Mobile/Internet banking* with a rating of 16% (**3<sup>rd</sup> rank**). It is evident the buyers prefer to pay for the product on its arrival mainly because of the risk factors involved in online shopping.

More than 70% in both NEHU and MZU were aware of return/refund policies before shopping online. The present study further enquired into whether this

awareness of return/refund policy has an influence on their buying decision. It is evident that return/refund was an important influencing factor in online buying decision among the respondents as majority of the respondents in both MZU (71.5%) and NEHU (67%) agreed on this statement.

### **1.13 PROBLEMS OF ONLINE SHOPPING & POST- ONLINE BUYING BEHAVIOUR OF THE RESPONDENTS:**

Despite the growth, there are several challenges in online shopping when it comes to reaching the customers every corners of the country. This chapter identified various problems of online shopping.

Inability to touch the products has been accorded the 1<sup>st</sup> rank of problems by the respondents with a weighted score of 650 in NEHU and 576 in MZU.

It is evident from the present study that the most common problems of online shopping were the inability to touch the products (total weighted score of 1226), risk of financial loss in debit/credit card transactions (total weighted score of 643), difficulty in return/refund (total weighted score of 597), long time in delivery of products (total weighted score of 544) and loss of goods in transit (total weighted score of 443).

The study has also suggested probable solutions for the common problems of online shopping among the respondents such as offering *Try and Buy* option, virtual trial rooms, 14/30 days return and 24 hours customer service, clear and simple return policy, enlarging the warehouses for faster and timely delivery, protecting personal and financial details by using Secure Sockets Layer (SSL) certificate, regular system scans, using 3D secure gateways to provide an extra layer of security, enabling an Address Verification System (AVS) etc.

### **Post-online buying behaviour:**

Respondents in MZU (52.50%) were more positive towards online shopping with respect to whether it is considered as safe as conventional shopping, compared to respondents in NEHU (36%).

Also, more than half (62.50%) of the respondents from MZU agreed that they have reduced their offline shopping due to online shopping compared to 37% in NEHU. 73% of the respondents in MZU and 68.50% of the respondents have recommended online shopping. Most of the respondents have recommended to their friends and family members (72.08%).

56.25% of the respondents have not made any complaints regarding past online shopping despite some dissatisfactions they have encountered. The most common reasons were not believing that proper actions will be taken (1<sup>st</sup> rank), thinking that it is just a waste of time (2<sup>nd</sup> rank) and not in the habit of making such complaints (3<sup>rd</sup> rank).

For those who have made complaints (43.75%) in the past, the most common nature of complaints were getting the wrong product (1<sup>st</sup> rank), defect in the product (2<sup>nd</sup> rank) and no delivery on time (3<sup>rd</sup> rank).

There was no difference in the ranking order for the nature of complaints and reasons for no complaints between the respondents in NEHU and MZU.

In terms of satisfaction over the delivery services, respondents in MZU (44%) were less satisfied compared to the respondents in NEHU (28.50%). The main reasons for their dissatisfactions included no home delivery services (1<sup>st</sup> rank), difficulty in return/refund (2<sup>nd</sup> rank) and delay in delivery (3<sup>rd</sup> rank). There was no difference in the ranking order between the respondents.

Customer satisfaction is the individual's perception of the performance of the products or services in relation to his or her expectations (Shiffman and Kanuk, 2007). In view of this, the researcher has attempted to study the level of satisfaction of the respondents over online shopping. More than half of the

respondents in both NEHU and MZU were satisfied in their overall past online shopping experiences, quality of products received and choice of payment methods. While most of them were either unsatisfied or neutral about the return/refund policies (67.25%) and after sales services (69.75%).

The present study also revealed that despite number of problems and difficulties faced in their online shopping, majority of the respondents in both NEHU (62%) and in MZU (79%) have decided to continue and to shop more through online shopping. Only a few (1.50%) have decided to stop buying online. The hypothesis “*There is no significant difference between respondents in NEHU and MZU on probability of future online shopping based on past experiences*” is rejected since the p value  $0.008 < 0.05$  which concludes that there is a significant difference between the respondents with respect to probability of future online shopping based on past experiences.

#### **1.14 Conclusion**

With the advancement of internet technology and growth of e-commerce market, online shopping becomes the most common channel of shopping. However, the success of online shopping depends highly on the consumers’ willingness to accept it. It is evident that the attitude towards online shopping is favorable among the university students in NEHU and MZU as most of them have decided to continue to shop online in the future and the overall level of satisfaction based on their past experiences is quite satisfactory. However, the present study is limited to the online buying behaviour of the selected university students and therefore, broader sample size is desirable to generalize the online buying behaviour in Meghalaya and Mizoram.



### **1.15 Suggestions:**

This section gives the summary of suggestions for the online sellers and marketers, website developers and internet service providers for the growth of online shopping.

- **Improving security measures for digital payments:**

Cash on delivery (COD) mode of payment is the most preferred mode of payment by majority of the Indian online shoppers (Nielsen's Global Connected Commerce Survey) as they find it more secure compared to digital payments. Respondents in the present study also accorded first rank (46%) as the most preferred mode of payment in online shopping. Improving digital payment will be helpful for online sellers to overcome risks involved in COD (such as chances of loss of money handled by the business representatives and longer time to receive the money from the partnering courier services), which can be do so by providing the right security measures to gain trust of the consumers and offering incentives for online payment to encourage more shoppers to shift from COD to online payments.

- **Providing detailed and accurate product information:**

The inability to touch and feel the product before purchasing has been one of the most common problems in online shopping. In the present study also, the respondents ranked it as the main problem (48%) in their online shopping. This problem could be solved by providing detailed and accurate product information which in turn will help in reducing the amount of return products and reduce the cost beared by the online sellers for picking up and sending it back to the warehouse.

- **Reliable Return/ Refund Policy:**

Providing fast and easy return/ refund policy is desirable for attracting more customers since the fear of not being able to return the products or refund the money when online order does not meet their expectation is one of the main reasons why many hesitant to shop online.

- **Strengthening Website Accessibility:**

Fast and easy website accessibility is the key to attract more online shoppers. There used to be a huge jam in accessing some of the online stores, especially during the festive seasons such as Diwali, End of Season Sale etc. Due to this problem, online sellers may end up losing their potential customers.

- **Improving and Expanding Logistic Services:**

Delay in delivery can have a negative impact on consumer's future buying. Online marketers must focus on providing fast and timely delivery services.

- **Strengthening Supply Chain Management:**

One of the most effective ways to gain competitive advantage in online shopping is to strengthen the supply chain which can be do so by integrating order management system with the online store, physical locations and enterprise resource planning, increasing warehouse capacity and customer proximity.

- **Targeting the younger age groups:**

Two- third (2/3<sup>rd</sup>) of the Internet users in India are in the age group of 12-29 years (IAMAI & Nielsen Report, 2019). The online sellers should target this age segment for better future growth

- **Word of Mouth communication:**

Word of Mouth (WOM) communication is very effective since the reference groups (friends, relatives, neighbours etc.) have a strong influence on consumer's buying behaviour. In the present study, majority of the respondents in NEHU (68.50%) and MZU (73%) recommended others to use online shopping. Satisfying the existing online shoppers in their shopping experiences could have a huge impact.

- **Focusing on online marketing opportunities in Northeast India:**

Northeast India is providing ample opportunities for the online marketers to expand their market. The top e-commerce companies in the country such as Amazon, Flipkart, Snapdeal etc. agreed on this. Taking care of the problems

faced by online shoppers in these regions will have a positive impact for the growth of online shopping in the country.

- **Extensive market research:**

Compared to the mainland India, Northeast India is lacking choices of products available in the local market. Online sellers should undergo market research to find out products which are in huge demand and not available in the local market to offer in the online platform.

- **Urban- Rural Digital gap:**

Reducing the urban-rural digital gap is a major challenge for the growth of online marketing in the country. As per the latest report by the Internet & Mobile Association of India (IAMAI) & Nielsen (2019), for the first time, India has more internet users in rural areas (227 million active users) than in urban areas (205 millions). Reaching the rural masses will have a huge impact for the growth of online shopping as majority of population in our country is concentrated in rural areas (65.53% as per World Bank report, 2019).

### **1.16 Scope for Further Research**

The present research covers the online buying behaviour of university students in Meghalaya and Mizoram only. The researcher has suggested some of the areas for further research:

- Online buying behaviour of different age groups or gender specific.
- Comparative studies between other North-eastern states or North-east with other parts of the country.
- Consumer protection and after sales services in online shopping.
- Consumer behaviour towards online services in North-east India.
- Studies on online education and health services.
- Buying behaviour towards online financial services.
- Impact of COVID-19 on online shopping behaviour.

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