



A COMPARATIVE STUDY ON COSUMER'S PERCEPTION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO AMAZON AND EBAY PORTALS IN GOBI TALUK

Dr. E. Shirley Elizabeth

Assistant Professor, Department of Commerce, P.K.R. Arts College for Women, Gobichettipalayam, Erode.

Abstract

Online shopping has become an increasingly common staple of life in the 21st century. Its popularity can be credited to the fact that convenience is highly valued in our world today. Shopping online offers the opportunity to buy anything and everything you need while on a flight or getting ready for bed. The introduction of technological changes compulsorily admitted the usage of computer system in the shopping zone. Some consumer purchases are made through other means, such as catalogue shopping, telemarketing and on-line purchasing (also known as cyber shopping). Cyber shopping on the Internet is the latest trend in consumer shopping. Online shopping helps in saving time. But in our country online shopping is in a developing stage and it will surely dominate in the near future. Online shopping is the process of purchasing and selling products or services over internet. Online shopping uses computer technology to purchase products from retailers and stores. Online shopping is the large part of electronic commerce. This study was carried out to know the consumer's perception towards online shopping among two companies. Generally a comparative study helps in knowing the customer's attitude, awareness, understanding, demand, usage and feedback about the online products.

Key Terms: *Online Shopping, Cyber Shopping, Catalogue Shopping, Telemarketing, Ecommerce.*

Introduction

Shopping is part of every day's life. Some get the required necessities from shopping, others get something more. It is viewed as a way to release the stress, a way to complete some desire in the mind, or a way to add some flavor to the mechanical way of life. Shopping is the purchase of goods and services from retailers. In some context it is considered as a leisure activity and as well as an economic one. Shopping is not considered as a recreational activity of psychological interest, but it involves selection and purchase of goods and services. Shopping involves the purchasing of products by consumers, all of which depends upon the various categories that are based on the way that consumers think about them and the way they purchase them. The three main categories are convenience goods, specialty items and shopping goods.

Shopping is probably one of the oldest terms used to talk about trade or commerce in general. Then again, in ancient times, the terms that would have been used would be 'trading' or 'bartering' and probably even 'market.' So what has traditional shopping have to offer now is that the internet has opened up a wider and more enticing market to the current consumers. Online shopping has become an increasingly common staple of life in the 21st century. Its popularity can be credited to the fact that convenience is highly valued in our world today. Shopping online offers the opportunity to buy anything and everything you need while on a flight or getting ready for bed. The introduction of technological changes compulsorily admitted the usage of computer system in the shopping zone. Some consumer purchases are made through other means, such as catalogue shopping, telemarketing and on-line purchasing (also known as cyber shopping). Cyber shopping on the Internet is the latest trend in consumer shopping. Online shopping helps in saving time. But in our country online shopping is in a developing stage and it will surely dominate in the near future.

Online shopping is the process of purchasing and selling products or services over internet. Online shopping uses computer technology to purchase products from retailers and stores. Online shopping is the large part of electronic commerce. Nowadays, more and more people would 'shop' via Internet, thanks to the prevalence of computer. Clicking in one item at a time, thousands of items will be displayed on the screen based on various choices. No need to wade across a long road and nudge through hustling crowds to get a pair of fancy shoes. Just a click on the key board, make the choice and the goods will be delivered, right on the spot. Prefixing 'e' to any word implies an 'electronic' involvement or integration of information and communication technology. Thus, in simple terms, e-marketing refers to integration of information and communication technology with the marketing processes. Moreover, competitive pressures have compelled most companies to integrate online marketing with their traditional strategies. The major reason for companies making online presence includes the following:

- Expanding the global market reach
- Creating awareness worldwide about virtual presence
- Improving the business visibility
- Reduction in the marketing cost



- Nurturing and strengthening the relationships with customers and business partners.

Information and communication technology is employed to collect information at the point of sales and to transmit it instantaneously from the retailer to the manufacturer. The Web has transformed the markets from ‘physical marketplace’ to ‘virtual marketplace’ leading to basic alteration in the consumer-decision process. The way of offering services across geographical boundaries has also been revolutionized by information and communication technology.

Research Reviews

Preeti Khitoliya (2014) conducted a study on “Customers Attitude and Perception Towards Online Shopping” from the study it was understood that the attitude and perception of customers towards online shopping. From the above study it was concluded that many of the respondents found that the quality, size, and colour of the product differs from product to product and what they claim to possess and display on the website.

Dr.Rakshita Puranik and Dr.Alok Bansal (2014) conducted a study on “A Study of Internet User’s Perception Towards E-Shopping” examined the various factors that influence the internet user’s perception towards e-shopping. From the above study it was found that it helps the researcher to understand the drivers of consumer’s perception and their intention to shop on the internet and also this study helps firms to understand the internet user’s needs and consequently, relate the marketing policies or strategies to be applied.

Karve, Sunil (Jan 2014) explored and from the study he found that most of the youth go for online shopping and unearth some of the habits of the youth like purchase on monthly basis through credit card. It was also discovered that Flip kart was ranked highest followed by Amazon by the respondents. 76Per cent respondents felt that it was safe and secure to do online shopping. 67Per cent respondents felt that there can be chances of being cheated while shopping online.

Statement of the Problem

Consumer’s perception has become a crucial point of differentiation in online shopping where consumers make weekly, fortnightly or monthly trips and then spend more on these trips than other times especially in countries like India where competition in online is very fierce. Online shopping in India is gradually inching its way towards top and becoming the next zoom industry. Now a day’s online shopping are in trouble. They are facing stiff competition from other similar competitors and they strive to bring in more innovations to satisfy the customers and retain them. So at this juncture a comparative study is essential to differentiate between the consumer’s perceptions towards two competitive companies namely Amazon and eBay of the same category through online shopping. This study enumerates the level of satisfaction, perception and problems faced during online shopping by the customers and it also emphasizes the various factors that influence the buyers while making online shopping and also it helps to study about the consumer’s perception, level of satisfaction, demand of the product, problems, and feedback about the two online shopping companies.

Objectives of the Study

- To examine the relationship between the shopping preference and satisfaction level of the online respondents of Amazon and E-Bay portals.
- To find out the different factors which influence the customers to prefer online shopping both in Amazon and eBay portals.

Scope of the Study

The study has been made to find out the “Customer’s Perception towards online shopping between two competitive online companies namely Amazon and eBay with special reference to Gobichettipalayam Taluk” would bring out the customers view and opinion towards online shopping, their preference and requirements for online shopping, their satisfaction level and the various problems faced by customers while shopping through online. This study reveals how much the customers are aware about online shopping. The study also presents an overview about the improvement to be made in online shopping

Sources of Data Collection

Primary Data

Primary data was collected with the help of structured questionnaires which were designed in a manner that it could reveal the people’s knowledge, belief, preference and satisfaction. A pilot study was conducted with 25 respondents and the questionnaires were administered to the selected online shopping who used both Amazon and eBay portals.



Secondary Data

Secondary data was collected through various records, reputed monthly journals, articles, magazines, study materials and websites.

Area of the Study

The present study is restricted to Gobichettipalayam Taluk in Erode District

Research Approach

The primary data was collected through questionnaire method. All the respondents were asked to fill in the questionnaire themselves. The questionnaire contains both open ended and closed ended questions.

Sample Size and Procedure

The survey was based on survey method. The data had been collected through questionnaire. 174 and 126 samples based on the convenient sampling technique were taken as the sample size from Gobichettipalayam Taluk for this study, from both Amazon and E-Bay Portals. After the collection of primary data, they have been thoroughly verified, edited and coded.

Research Design

In this research the researcher has used both Descriptive and Analytical type of research for this study. The theoretical framework gives a clear picture as to what theories and models were used by the researchers to support their study.

Statistical Tools Used For Analysis

The collected primary data were fed in **SPSS (20) (Statistical Package for Social Science)**. All the required sub tables were prepared on the basis of the requirements. For the purpose of detailed analysis the following tools have been used in this study.

- Percentage
- Chi-square
- Correlation

Results and Discussion

Table Showing the Shopping Preference of the Respondents

Based on the shopping preference the respondents are classified into two main categories such as Amazon and eBay and this is presented in Table 1

Table-1, Table Showing the Distribution of Online Shopping Respondents Among Amazon and E-Bay Portals

S.No	Independent	Particulars	Amazon		E-Bay	
			F	P	F	P
1	Gender	Male	78	45	74	58
		Female	96	55	52	42
2	Age	Below 20 Yrs	38	22	26	21
		21-30 yrs	82	47	54	43
		31-40 yrs	41	24	29	23
3	Marital Status	Above 40 yrs	13	7	17	13
		Married	72	41	47	37
		Unmarried	102	59	79	63
4	Educational Qualification	School	9	5	3	2
		UG	29	17	73	58
		PG	93	53	25	20
		Professionals	37	21	14	11
5	Occupation	Others	6	4	11	9
		Business	32	19	41	32



		Employee	58	33	52	41
		Student	66	38	23	18
		Home maker	13	7	7	5
		Others	5	3	3	4
6	Income	Rs.5000 & Below	39	22	14	11
		Rs.5001-Rs.10,000	41	23	7	6
		Rs.10,001- Rs.15,000	52	30	24	19
		Rs.15,001 - Rs.20,000	34	19	39	31
		Above Rs.20,000	8	6	42	33
7	Family Size	2	17	10	21	17
		3	64	37	23	18
		4	73	42	31	25
		bove 4	20	11	51	40

Source: Primary Data, F= Frequency, P= Percentage, N=300

Table 2, Online Shopping Preference of the Respondents

S.No	Preference Of Shopping	Frequency	Percent
1.	Amazon	174	58
2.	E-Bay	126	42
	Total	300	100.0

Source: Primary Data

It is inferred from the above table that out of 300 online shopping respondents 58 Per cent of them prefer Amazon Portal .While the remaining 42Per cent of the respondents prefer E-bay Portal.

Table Showing the Factors Influencing the Purchasing Behaviour Of Online Shopping Portal Respondents

Based on the factors influencing the purchasing behavior of Amazon and E-Bay portal, the factors are classified into five categories namely Time saving, Convenience, Price, Variety and Other category. These details are presented in Table 3

Table 3, Factors Influencing the Purchasing Behaviour of Online Shopping Portal Respondents

S.No	Factors	Amazon Portal		E-Bay Portal	
		Frequency	Percentage	Frequency	Percentage
1	Time saving	61	35	41	33
2	Convenience	47	27	37	29
3	Price	21	12	14	11
4	Variety	29	17	25	20
5	Security payment services	16	9	9	7
	TOTAL	174	100	126	100

Source: Primary Data

It is divulged from the above table that, 35 per cent of the Amazon and 33 per cent of the E-Bay respondents feel time saving as the highest influencing factor. Next place goes to Convenience for both the portals. Variety is considered as an third important factor which influences both the Amazon and E-Bay respondents, followed by price and security payment services respectively

Correlation Analysis

The factors which affect the satisfaction level can be classified into six categories namely Time, Advertisement, Price, Quality, Available products and Convenience shopping. With a view to find the relationship between shopping preference



and various factors which affects the satisfaction level of the online respondents, a correlation tool was used and it is exhibited in the following table.

H₀. There is no significant relationship between shopping preference and the various factors which affects the satisfaction level of the online respondents.

Table 4, Correlation Analysis between Shopping Preference and Satisfaction Level of the Online Respondents

Source: Primary Data

S. No	Factors	Shopping Preference	Time	Advertisement	Price	Quality	Availability of Products	Convenience Shopping
1	Shopping Preference	1						
2	Time	-.257**	1					
3	Advertisement	0.099	.148*	1				
4	Price	-.525**	.437**	.416**	1			
5	Quality	-.835**	.341**	0.027	.590**	1		
6	Availability of Products	-.528**	.579**	.461**	.899**	.575**	1	
7	Convenience Shopping	-.514**	0.099	-.237**	-0.064	.203**	.147*	1

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

It is understood from the above table that Shopping preference is positively correlated with that of Advertisement, while it has its negative impact on Quality with -.835 at 0.01 percent significance level, followed by Availability of products at -.528 at 0.01 percent significance, Price at -.525 at 0.01 percent significant, Convenience shopping at -.514 at 0.01 percent significance, time at -2.57 at 0.01 per cent significant levels respectively. The next factor time is positively correlated with Availability of Products at .579 at 0.01 percent level significance. Advertisement is the next factor which is positively correlated with the Availability of products at .461 at 0.01 percent level of significance. Next to Advertisement Price is the next factor which is positively correlated with Availability of products at .899 at 0.01 percent level of significance. The factor quality is positively correlated with Availability of products with .899 at 0.01 percent level of significance.

Findings of Amazon Portal

- 55 per cent of the Female respondents prefer Amazon rather than their male counterparts.
- 47 per cent Respondents in the age group of 21-30 like Amazon products.
- 59 per cent of the unmarried people are interested in Amazon goods.
- 53 per cent of the Post Graduates go in for online shopping in Amazon Portal.
- 38 per cent of the student population are able to purchase from Amazon Portal
- 30 per cent of the respondents fall into the income category of above Rs.10, 001-15000 group who shop through Amazon portal.
- 42 per cent of the online respondents fit into the family size of 4 members in the family, who buy goods through Amazon portal.

Findings of E- Bay Portal

- 58 per cent of the Male respondents prefer E-Bay rather than their female counterparts.
- 43 per cent Respondents in the age group of 21-30 like E- Bay products.
- 63 per cent of the unmarried people are interested in E-Bay goods.
- 58 per cent of the Under Graduates go in for online shopping in E-Bay Portal.
- 41 per cent of the Employees are able to purchase from E- Bay Portal.
- 33per cent of the respondents fall into the Income category of aboveRs.20,000 group who shop through e-Bay portal.
- 40 per cent of the online respondents fit into the family size of above 4 members in the family, who buy goods through E-Bay portal



Suggestions

- Companies should be aware of their customer's perception about the online products thereby reducing the consumer's perceived risk in the online shopping environment by providing quality products, timely delivery and by providing customer's friendly website portals for the online customers.
- One of the main reason for not preferring online shopping is that there is a less chance of making reasonable negotiations and bargaining. It has been found that the Online Consumers are price sensitive. Hence these price sensitive consumers do not take much interest in online shopping. So the companies should allow considerable bargain for such customers.
- After sale services has to be increased in online shopping for buyers' satisfaction by providing exchange offer for damaged goods and provide warranty, guaranty card for customer purchasing good.
- One of the main reason for not preferring online shopping is that there is a less chance of making reasonable negotiations and bargaining. It has been found that the Online Consumers are price sensitive. Hence these price sensitive consumers do not take much interest in online shopping. So the companies should allow considerable bargain for such customers.
- Most of the respondents feel that the main reason for purchasing through online shopping is due to the availability of more varieties and at competitive price. Here trust about Amazon and E-Bay portals among customers also must be increased by providing undamaged products and timely delivery.

Conclusion

This study is a very humble attempt made by the researcher to compare the consumer's perception towards online shopping towards Amazon and eBay portals. Shopping is a necessary evil in our day-to-day lives attracting buyers through various ways such as Advertisement, Festival Offers, Special Offers, Discounts, etc., is also carried out in online shopping. The important thing to remember is that the shoppers are different. While the customers are shop on several sites, many Amazon shoppers are very loyal to Amazon and won't even visit eBay. Some E-Bayers feel it would be a sin to shop on Amazon. By selling on both sites, you are potentially getting millions of additional eyeballs on your products. E-Bay is moving closer to Amazon's model, in many ways. Like it or not, this is the wave of the future. Online shopping is fastly improving one and it is sure to dominate the market in the future. So the researcher is happy and satisfied as a step forward has been taken by the researcher in this area.

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