

Customers Satisfaction towards Online Shopping in Amazon.Com–A Study with Reference to Udumalpet Taluk

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Abstract

The term “Online shopping” is the process whereby consumers directly buy goods or services from a seller in real-time, without an intermediary service, over the Internet. Convenience is one of the main reasons, but huge discounts and offers provided by the online sellers was the important reason for increasing tremendous sales in online shopping. There are virtual stores that allow people to shop comfortable even without stepping out of the house and keeps one way from expenses of travelling and dealing with salesman. Knowing some amazing facts about online shopping can help people to save money. This study attempts to find out the customers satisfaction towards online shopping in amazon.com to Udumalpet taluk. Therefore we have also decided to study consumer’s attitudes towards online shopping and specifically studying the factors influencing consumers to shop online in amazon.com. Product preferences, problems faced by the customers and relevant factors, also suggest the steps have to be taken to the online sellers to improve their sales. This paper is an attempt to analyze customer opinion and satisfaction level in internet marketing. Both collected primary and secondary data were used. 100 samples are collected through a structured questionnaire. Data were analyzed through simple statistical methods like percentage. The major findings of the study is that majority of the customers opinions are satisfied.

Keywords: Online Shopping in Amazon.com, Customer Opinion and Customer Satisfactions.

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Introduction

Online shopping malls are just an electronic catalogue of products. Hence to facilitate easier access to required products, almost all major online malls allow searching the entire catalogue. The first step in the online shopping is to search for the specific product categories using integrated search function. Once the required product is found, put it in a virtual “shopping cart” and continue shopping. After shopping, check out the item and add or delete the contents in shopping cart. The next step is to login using a username and password. Many online malls first require the user to register with them before allowing the user to pay for the bought items. Enter the address to which the product is to be delivered. The buyer might also want to select the payment modes for payment here. After choosing the mode of payment there will be other boxes to fill the billing address or the payment details. Some online malls even ask for email, phone numbers etc. Then wait for the confirmation of the order; the buyer can also modify the order by adding or removing items. Cancellation of order is also possible. Keep the printed copy of the purchased order and confirmations for records, so that in the event of any

dispute, these documents may be useful for verification.

Online shopping has many advantages like global reach, availability of wide variety and cheaper products, 24X7 timing etc. If online retailers know the factors affecting Indian consumer’s buying behaviour they can further develop their marketing strategies to convert potential customers into active ones. Customer satisfaction is the key factor for customer retention and acquisition in online shopping system. Customer satisfaction with respect to online shopping is the extent to which customer’s perception of the online experience confirms their expectation.

Relevance of the Study

Online shopping is on the rise, showing fabulous potential growth. Due to the availability of convenience in online shopping the customers are getting highly attracted toward this modern method of shopping. From the review of literature it has been found that till now no research has been done in this field on Udumalpet taluk. Thus in the light of this background, the research has been made with an attempt to evaluate the customer satisfaction towards online shopping in amazon.com –A study with reference to Udumalpet taluk.

Review of Literature

Kanwal gurleen (2012) discussed that different

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options in internet encouraged them to search and eventually purchase online, because more than 100 million internet users in India. People those who are using internet from 5 to 7 hours a day were found to be adopter of online shopping. Price consciousness, convenience and variety, easy payment options and challenges of online shopping are the factors found to be a significant in online shopping. Without rush traffic and vehicles one can purchase a huge variety of product by spending minimum timing.

D. K. Gangeshwer (2013) has published that top motivators for shopping online which include cash back guarantee, cash on delivery, fast delivery, substantial discounts compared to retail, and access to branded products, while barriers include inability to touch and try products before purchase, fear of faulty products, apprehension of posting personal and financial details online and inability to bargain.

A study conducted by Yasmin and Nik (2014) shows a significant relationship between online shopping activity and website features. Website design features can be considered as a motivational factor that can create positive or negative feelings with a website.

Time savings is one of most influencing factors of online shopping. Browse or search an online catalogue can save time and patience. People can save time and can reduce effort by shopping online. According to Rohm and Swaminathan (2014) one possible explanation that online shopping saves time during the purchasing of goods and it can eliminate the traveling time required to go to the traditional store.

Objectives of the Study

The present study seeks to achieve the following objectives:

1. To analyze the satisfaction level of online shopping in amazon.com.
2. To identify the customers opinion towards online shopping in Udumalpet town.
3. To find out the factor influencing to purchasing the product on online shopping in Amazon.com.
4. To find out the problems faced by the customers in

online shopping Amazon.com.

Research Methodology

Research Settings

The study was conducted in the Udumalpet taluk, a commercial and educational town in Tirupur District. Data for this study was gathered in August 2016 by primary data collection method through questionnaire administered among online shopping customers located at Udumalpet town, that have purchased at least one item through online shopping Amazon.com within the last six months.

Sample Size

A total of 120 questionnaires were distributed out of which 100 questionnaires were usable. Majority of the respondents were male, more than half were between the age group of 20 to 30.

Sources of Data

The primary data were collected with the help of a questionnaire framed keeping in view the objectives of the study. The questionnaire consists of two parts, i.e. part-I and part-II. The part I include background details of the respondents and the part-II various information related to customer satisfaction regarding online shopping in Amazon.com. To supplement the primary data, the secondary information was collected from internet and various Journals.

Statistical Tool Used

Simple statistical tool were used to analyze the collected data.

1. Percentage Analysis.
2. Cross Tabulation and Chi-Square Analysis.
3. Correlation Analysis.

Analysis of Data and Results

As mentioned above, the study is based on a sample of 50 respondents. The demographic profile of sampled customer is shown in table 1.

Table I. Demographic characteristics of sample customers. (n=100)

Demographics	Frequency	Percentage
Gender		
Male	72	72%
female	28	28%
Age Group		
Below 20 Years	6	6%
21-25 Years	18	18%
26-30 Years	32	32%
31-35 Years	27	27%
36-40 Years	12	12%
Above 40 Years	5	5%

Occupation		
Service	52	52%
Self employed	24	24%
Professional	20	20%
Others	4	4%
Marital Status		
Single	33	33%
Married	67	67%
Monthly Income		
Less than Rs 10000	17	17%
Rs10001 to Rs 25000	44	44%
Rs 25001 to Rs 40000	20	20%
Above Rs 40000	19	19%
Residence		
Rural	32	32%
Urban	68	68%

Source: Primary data.

It is revealed from the table I that 72% of the respondents are male and 28% are female. 18% of the respondents belongs to the age group of 21-25 years, 32% of the respondents belongs to 26-30 years, 27% of the respondents belongs age 31-35 years, 12% of the respondents belongs age 36-40 years and 6% of the respondents belongs to the age group of below 20 years and 5% of the respondents belongs to above 40 years, 67% of the respondents are married and 33% of the respondents are single, Most of the respondents 52%

occupations are service, followed by self employed 24%, professional 20% and others only 4%. (Others occupation means housewife).44% of the respondents monthly income are Rs.10,001 – Rs.25,000, 20% of the respondents monthly income are Rs.25,001-40,000, 19% of the respondents monthly income are above Rs.40,000 and 17% of the respondents monthly income are less than Rs 10,000. Table-1 also illustrate that most of the respondent 68% are belong to urban areas.

Table II. Frequency of purchase

Frequency of purchase	Frequency	Percentage
Occasionally	60	60%
Frequently	16	16%
Once in a month	14	14%
Others	10	10%

Source: Primary data.

From the table it is seen that most of the respondent 60% occasionally purchase through online, 16% of the respondents purchase frequently and 14% of

the respondents purchase their products once in a month through online shopping.

Table III. Online shopping experience

Experience	Frequency	Percentage
6 Month	34	34%
1 Year	40	40%
More than 1 Year	26	26%

Source: Primary data.

From the above table it is cleared that 40% respondents have 1 year online shopping experience, 34% of the respondents have 6 month and only 26% of

the respondents have more than 1 year experience of online shopping.

Table IV. Factors influencing online purchases

Factors influence	Frequency	Percentage
Quality	32	32%
No hidden cost	19	19%
No Travel to shop	21	21%
Wide range of product	27	27%
Others	1	1%

Source: Primary data.

From the above table it is cleared that 32% of the respondents are looks Quality as a factor for purchasing product on online, 27 % of the respondents are having wide range of products, 19% of the

respondents are feels no hidden cost, 21% of the respondents are prefer no need to travel to shop and 1% of the respondents are said others factors influenced for online purchase.

Table V. Reason for purchase through online

Reason for purchase	Frequency	Percentage
Best price	37	37%
Brand conscious	20	20%
Convenience and Time savings	39	39%
Others	4	4%

Source: Primary data.

From the above table it is cleared that 37% of the respondents says price is the reason for purchase, 39% of the respondents made convenience and time

saving, 20% of the respondents made brand conscious and 4% of the respondents purchase for other reasons for online purchase in Amazon.com.

Table VI. Items purchase through online shopping

Items	Frequency	Percentage
Books	32	32%
Gifts	12	12%
Garments	28	28%
Electronic Items	20	20%
Others	8	8%

Source: Primary data.

From the above table it is revealed that most of the respondents 32% purchase books, 28% of the respondents purchase readymade cloths, 20% of the

respondents purchase the electronics goods 8% of the respondents purchase other items, and only 12% of the respondents purchase gift items through online shopping.

Table VII. Mode of payments

Payment mode	Frequency	Percentage
NET Banking	48	48%
ATM	20	20%
Cash on Delivery	32	32%
Others	0	0%

Source: Primary data.

Above table reveals that majority of respondents' i.e. 48% use net banking as their mode of

payment during their shopping.

Table VIII. Recommended to others or not

Recommended to others	Frequency	Percentage
Yes	46	92%
No	4	8%

Source: Primary data.

It is cleared from the above table that 92% of the respondent will recommend online shopping to other;

it implies that customers are satisfied with the services of online shopping.

Table IX. Distribution of customers according to their individual perception

Code No.	Attributes	SD	DA	NANAD	A	SA
A	Price of products are costlier than traditional market	28	44	28	0	0
B	Payment procedure is secured	0	10	34	40	16
C	Payment procedure is convenient	0	4	10	20	6
D	Ordered products and supplied products are different	16	36	24	24	0
E	Delivery on time	0	7	27	36	30
F	Cost of delivery is reasonable	0	0	12	52	36
G	Wide varieties of products are available	0	0	10	43	47
H	Desired products are available	0	2	18	44	36
I	Online shopping saves time and money	0	0	5	55	40
J	After sales services are satisfactory	0	4	24	54	18
K	Packaging of product is satisfactory	0	0	17	45	38

Source: Primary data. (Figures in parentheses show percentage)

(Note: SD- Strongly disagree; DA- Disagree; NAND-Neither agree nor disagree; A-Agree; SA- Strongly agree).

The study observed that, most of the customers are satisfied with online shopping. The distribution of customers according to their individual perception with respect to different attributes/statements is (table-9).

(i) It is found that customers are satisfied in all the 11 statements.

The statements **A** (Price of products are costlier than traditional market) and **D** Ordered products and supplied products are different) are negatively worded statements. 72% and 52% (respectively) of the total respondents are simply dissatisfied with these two statements, which clarifies that they are satisfied with the price and products supplied during online shopping.

(ii) 90% respondents are satisfied with the statement **G** (wide varieties of products are available).

(iii) 83% respondents are satisfied with packaging of the

products (**K**).

(iv) More than 90% are satisfied with the statement **B** (Payment procedure is secured) and More than 96% are satisfied with the statement **C** (Payment procedure is convenient).

(v) Out of the total respondents, 95% are satisfied with the statement **I** (Online shopping saves time and money).

(vi) More than 88% are satisfied with statement **F** (Cost of delivery is reasonable) and More than 80% are satisfied with statement **H** (Desired products are available).

(vii) 72% of the respondents are satisfied with **J** (After sales services are satisfactory).

(viii) Out of the total respondents 66% are satisfied with the delivery time of the products (**E**).

Table X. Online Shopping Items * Gender of the Respondents

Online Item Purchase	Books	Gifts	Garments	Electronic Items	Others	Total
Gender	22	8	20	16	6	72
Male						
Female	10	4	8	4	2	28
Total	32	12	28	20	8	100

Source: Primary data.

Chi-square test (symbolically written as χ^2 -test) is a non-parametric test. It is used most frequently by marketing researcher to test hypotheses. This test is

employed for testing hypotheses when distribution of population is not known and when nominal data is to be analysed.

Table XI. Chi-Square Tests

Particulars	DF	Calculated value	Table value
Chi-Square	4	1.006	9.49

Source: Primary data.

Thus, the calculate value of $X^2=1.006$ is less than table value (9.49). The null hypothesis is rejected.

Table XII. Factors influencing of online shopping and occupations of respondents

Factors influence	Quality	No hidden cost	No Travel to shop	Wide range of product	Others	Total
Occupations	12	10	12	17	1	52
Service						
Self employed	10	5	3	6	0	24
Professional	6	4	6	4	0	20
Others	4	0	0	0	0	4
Total	32	19	21	27	1	100

Source: Primary data.

Table XIII. Chi-Square Tests

Particulars	DF	Calculated value	Table value
Chi-Square	12	14.175	21.03

Source: Primary data.

Thus, the calculate value of $X^2=14.175$ is less than table value (21.03). The null hypothesis is rejected.

help of which we determine intensity of relationship between two or more than two variables. Two variables are said to be correlated if the movements in one are accompanied by movements in the other.

Karl Pearson's Coefficient of Correlation

Correlation analysis is a statistical tool with the

Table XIV. Mode of payment* Monthly Income of the Respondents

X	$(X-X^1)x$	X^2	Y	$(Y-Y^1)y$	Y^2	xy
17	-8	64	48	23	529	184
44	19	361	20	-5	25	95
20	-5	25	32	7	49	35
19	-6	36	0	-25	625	150
100		486	100			1228
						464

Source: Primary data.

Thus, the relationship between Monthly income and Mode of payment has been positive. Two variables are correlative positively.

Suggestions

Online shopping is the new trend in shopping products through computers. The fear of purchasing online by using a credit card would be reduced if the companies and different banks collaborate and the banks maintain online accounts directly. To boost the

$$R = 464/772.533 = 0.600$$

confidence of the existing and new online shoppers, the government should provide adequate legal frame works to ensure strengthen measures are taken against people who indulge in online fraud. Most of the people other than students are not having awareness about online shopping; the website merchant should take steps to create awareness among the public. The online seller has to take maximum effort to offer the products with competitive price because the price of the product plays a big role in purchase decision. The online shopping

website must be made known to consumers through different methods of advertisements. The customers prefer the cash on delivery to make payment for their shopping but some of the products are not coming with cash on delivery option. To improve the effectiveness of online shopping this issue must be addressed. Considerable number of respondents facing some problems while shopping in online. This problem should be carefully observed, analysed and settled.

Conclusions

The internet is “anytime, anywhere” media and the expanding power of the internet has brought forth a new generation of interaction platform between humans and computers. The current technological development with respect to the internet has given rise to a new marketing system. The study brought to the fact that most of the online shoppers are students and educated people who have a positive perception towards online shopping. Risk perceptions particularly concerns about online security, are deterring many people from shopping online. Ensure adequate safety in delivery of products is another milestone for online sellers to increase their sales. Online sellers have rectified these problems and also introduce more number of products with additional discounts. This will create more demand from customers. On the basis of the present study concludes that online customers are satisfied. This research explicitly indicates that online marketer should give more importance on price factor and after sale factor. In this competition era all the online marketers should have to concentrate on the customer’s satisfaction to retain the existing customers and have to offer new scheme day by day to attract the new customers.

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