



Consumer Perception towards Online Shopping of FMCG Products in Thrissur District

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Abstract

Online shopping is a form of electronic commerce which allows consumers to directly buy goods, services etc. from a seller interactively in real-time without an intermediary service over the internet using a web browser. Online shopping is the process of buying goods and services from merchants who sell on the Internet. It is the consumers' shopping behavior to shop online. Since the emergence of World Wide Web, merchants have sought to sell their products to people who surf the Internet. Shoppers can visit web stores from the comfort of their homes and shop as they sit in front of the computer. Consumers buy a variety of items from online stores. The sale or purchase transaction is completed electronically and interactively in real time.

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1. Introduction

Online shopping is a form of electronic commerce which allows consumers to directly buy goods, services etc. from a seller interactively in real-time without an intermediary service over the internet using a web browser. Online shopping is the process of buying goods and services from merchants who sell on the Internet. It is the consumers' shopping behavior to shop online. Since the emergence of World Wide Web, merchants have sought to sell their products to people who surf the Internet. Shoppers can visit web stores from the comfort of their homes and shop as they sit in front of the computer. Consumers buy a variety of items from online stores. The sale or purchase transaction is completed electronically and interactively in real time.

The wide use of internet and the rapid growth of technology have created a new market for both the customers and business. Nowadays internet is not just another medium to get in touch with customers, but it is an important channel to find potential customers as well as channel to continue relationship with existing customers. Essentially, the idea of online shopping is to lead customers to a convenient way of shopping. Customers will be able to save their time and money, and retrieve all the product information with just few clicks in few minutes. In addition, purchasing can be done anywhere, anytime according to their preferences.

intervention from the government to ensure adequate Alternative names of online stores are e-web store, e-shop, e-store, internet shop, web shop, web store, online sort, virtual store etc.

Statement of the Problem: Online shopping is a form of electronic commerce which allows a customer to buy goods and services directly from an online seller over the internet at anytime, anywhere by using a web browser. The penetration of internet and its popularity among the consumers is the base of online business development in India. The number of consumers who shop online to purchase goods and services are increasing day by day. This study attempts to study the effect of several factors on online shopping behavior of consumers. The problem area of this study is consumer perception towards online shopping.

Importance: In recent years, online shopping has become very popular. The growth of technology has made these a part of everyday lifestyle. The advent of plastic money or debit/credit card and the smooth access to the World Wide Web has brought the shops from around the world to desktop. Shopping has certainly got a new definition since the arrival of the internet.

Scope: The scope of the study is to evaluate the consumer perception towards online shopping on FMCG in Thrissur district. The study helps us to know the consumers' behavior and attitude towards online shopping. The study also provides a better understanding on factors that influence the purchase behavior of online shopping. The importance and attention given to online shopping is rapidly increasing every day. The particular research is designed and directed on the consumers' perception level and factors that influences online purchase behavior.

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Objectives: The study was conducted with the following specific objectives:

- To measure consumer perception influenced by online shopping.
- To measure consumer perception in different socio economic nature created by online ads.
- To identify the factors influencing online shopping.

Hypothesis:

- A1: There is a significant difference between sample mean and population mean in creating consumer perception towards online shopping of FMCG products in Thrissur district.
- A2: There is a significant difference among different socio-economic stature of consumers in creating consumer perception.

Research Methodology: The study is conducted among people having online shopping history in the Thrissur District. The study uses both primary and secondary data. Primary data has been collected from the customers with the help of questionnaire. Secondary data is collected from the journals, books, magazines and website. The method of sampling taken for the study is convenience sampling. Only those who have completed at least five online shopping activities were included in the sample selected. The study was conducted among 50 respondents from Thrissur district using questionnaires. Adequate care has been taken to ensure representation from all categories of population in the district namely, age, sex, educational qualification, employment, type of locality etc. Percentage analysis is one of the main tools for analyzing the data. Ranking method, t test, ANOVA are also used.

- a) **Analysis of the Frequency of purchase:** It is learnt that 22 percent of consumers purchase online yearly, 22 percent of consumers purchase online once in 6 months, 26 percent of consumers buy online once in a month, and 30 percent of consumers buy online once in 2 or 3 months.
- b) **Customer Perception on ads reliability:** 8 percent of the consumers strongly agree that online ads are trustworthy, 22 percent agree that online ads are trustworthy, 52 percent of consumers are neutral to the statement, 8 percent disagree that online ads are trustworthy and 10 percent of consumers strongly disagree.

- c) **Consumer Perception on Ads as information:** 10 percent of consumers strongly agree that online ads are convincing. 12 percent of consumers agree online ads are moderately convincing, 52 percent are neutral to the statement, 10 percent of consumers disagree and 6 percent of consumers strongly disagree.
- d) **Consumer Perception on Creativity:** 24 percent of consumers strongly agree that online ads are creative. 48 percent agree that online ads are less creative, 28 percent have neutral opinion. Majority of the consumers agree that online ads are creative.
- e) **Consumer Perception on acting as Reminders:** 12 percent of the consumers strongly agree that repeated advertising serves as a reminder to the customers. 50 percent of consumers agree to the statement, 34 percent of consumers have neutral opinion and 4 percent of consumers disagree to the statement.
- f) **Online Ads and Customer Education:** 26 percent of consumers strongly agree to those online ads help to learn about the product. 52 percent of consumers agree, 20 percent of consumers have neutral opinion, and 2 percent of consumers disagree.
- g) **Online Ads and excitements and enjoyments:** Response towards the statement online ads contains funny characters and is enjoyable. 8 percent of consumers strongly agree, 36 percent of consumers agree, 38 percent of consumers have neutral opinion, 14% disagree and 4 percent of consumers strongly disagree.
- h) **Online Ads and Online Purchase:** The level of perception of consumers towards influence of online ads in purchasing products. 32 percent of consumers strongly agree, 38 percent of consumers agree, 20 percent of consumers have neutral opinion and 10 percent of consumers disagree to the statement.
- i) **Mode of Payments:** Response of consumers towards mode of payment shows that 60 percent of consumers choose cash on delivery as their mode of payment, 26 percent of consumers choose credit or debit card payment and 14 percent of consumers choose mobile payments. Most chosen mode of payment is cash on delivery.
- j) **perception of customers with regard to online shopping**

H_0 : The measured perception of population mean and sample mean is not significantly different

Table showing the perception of customers with regard to online shopping

One-Sample Statistics

Construct	N	Mean	Std. Deviation	t value	sig	Mid value
Perception	50	3.6277	.38142	11.637	<0.0001*	3.00

Source: Primary data

One sample t test: Table 4.24 explains the measurement of perception of consumers and the mean of the same is compared with the mid value 3 using student t tests to take befitted inferences. The mean and standard

deviation is registered 3.6277 and 0.38142 respectively. Null hypothesis is rejected at 5% level of significance and inferred that perception of the customers are positive with regards to the online shopping.

k) Perception difference between male and female

H₀: There is no significant difference between male and female with respect to the perception of consumers

Table showing the perception difference between male and female with regard to online shopping

Group Statistics

Construct	Gender	N	Mean	Std. Deviation	t value	sig
Perception	Female	28	3.5907	.45197	-0.771	0.444
	Male	22	3.6748	.26955		

Source: Primary data

Independent t test: Table 4.25 explains the measurement of perception difference between male and female with respect to online shopping. The mean and standard deviation of female is registered 3.5907 and 0.45197 respectively. The mean and standard deviation of male is registered 3.6748 and 0.26955 respectively.

The t value thus obtained is -0.771. Null hypothesis is accepted and inferred that there is no difference between male and female in measuring perception of consumers with regards to online shopping.

k) Perception

l) difference between married and unmarried

H₀: There is no significant difference between married and unmarried with respect to the perception of consumers

Table showing the perception difference between married and unmarried with regard to online shopping

Group Statistics

Construct	Marital status	N	Mean	Std. Deviation	t value	sig
Perception	Married	19	3.6194	.38159	-1.19	0.906
	Unmarried	31	3.6328	.38753		

Source: Primary data

Independent t test: Table explains the measurement of perception difference between married and unmarried with respect to online shopping. The mean and standard deviation of married registered 3.6194 and 0.38159

respectively. The mean and standard deviation of unmarried registered 3.6328 and 0.38753 respectively. The t value obtained is -1.19. Null hypothesis is accepted and inferred that there is no difference between married and unmarried in measuring perception of consumers

with regards to online shopping.

m) Perception among Different Groups

Analysis of the Difference of Perception among Different Groups

H₀: There is no significant difference among different age group with respect to the perception of consumers

Table showing the difference of perception among different age group

Age	N	Mean	Std. Deviation	F value	Sig
Below 20	9	3.5470	.40966	0.275	0.761
20-30	34	3.6380	.40859		
30-40	7	3.6813	.18001		
Total	50	3.6277	.38142		

Source: Primary data

Table explains the measurement of perception difference among different age groups. The mean and standard deviation of below 20 age group registered 3.5470 and 0.40966 respectively. The mean and standard deviation of 20-30 age group registered 3.6380 and 0.40859 respectively. The mean and standard deviation of 30-40

age group registered 3.6813 and 0.18001 respectively. The f value obtained is 0.275. Null hypothesis is accepted and inferred that there is no difference among different age group in measuring perception of consumers with regards to online shopping.

n) Perception among different education group

H₀: There is no significant difference among different education group with respect to the perception of consumers

Table showing the difference of perception among different education group

Education	N	Mean	Std. Deviation	F value	Sig
Diploma	10	3.7000	.19342	0.510	0.678
Bachelor	15	3.6872	.46288		
Master	22	3.5734	.40477		
Above Master	3	3.4872	.24727		
Total	50	3.6277	.38142		

Source: Primary data

Table explains measurement of perception difference among different education group. The mean and standard deviation of diploma qualified registered 3.7000 and 0.19342 respectively. The mean and standard deviation of bachelor degree group registered 3.6872 and 0.46288

respectively. The mean and standard deviation of master degree category registered 3.5734 and 0.40477 respectively. The mean and standard deviation of above master degree group registered 3.4872 and 0.24727 respectively. The f value obtained is 0.510. Null hypothesis is accepted and inferred that there is no

difference among different education in measuring perception of consumers with regards to online shopping.

- o) Perception
- p) among different profession group

H₀: There is no significant difference among different occupation group with respect to the perception of consumers

Table - Perception among different profession group

Occupation	N	Mean	Std. Deviation	F value	Sig
Self employed	11	3.6783	.20005	0.132	0.876
employed	20	3.6038	.45902		
Student	19	3.6235	.38623		
Total	50	3.6277	.38142		

Source: Primary data

Table explains the measurement of perception difference among different profession group. The mean and standard deviation of self-employed category are 3.6783 and 0.20005 respectively. The mean and standard deviation of employed category are 3.6038 and 0.45902 respectively. The mean and standard deviation of student

category registered 3.6235 and 0.38623 respectively. The f value thus obtained is 0.132. Null hypothesis is accepted and inferred that there is no difference among different professionals in measuring perception of consumers with respect to online shopping.

- q) Perception among different income group

H₀: There is no significant difference among different Income group with respect to the perception of consumers

Table showing the difference of perception among different income group

Income	N	Mean	Std. Deviation	F value	Sig
Less than 15000	15	3.6154	.42730	1.151	0.339
15000-30000	18	3.7308	.29053		
30000-40000	14	3.5714	.33829		
Above 40000	3	3.3333	.75891		
Total	50	3.6277	.38142		

Source: Primary data

ANOVA: Table explains measurement of perception difference among different income group. The mean and standard deviation of less than 15000 category registered 3.6154 and 0.42730 respectively. The mean and standard deviation of 15000-30000 categories are 3.7308 and 0.29053 respectively. The mean and standard deviation of 30000-40000 category registered 3.5714 and 0.33829 respectively. The mean and standard deviation of above 40000 categories are 3.3333 and 0.75891 respectively. The f value thus obtained is 1.151. Null hypothesis is accepted and inferred that there is no difference among different Monthly Income of the people in measuring perception of consumers with regards to online shopping.

H_0 : There is no significant difference among different location of the consumers with respect to the perception of consumers

Table showing the difference of perception among different locality customers

Location	N	Mean	Std. Deviation	F value	Sig
Rural	20	3.6154	.45679	0.089	0.915
Urban	14	3.6648	.19924		
Semi Urban	16	3.6106	.41801		
Total	50	3.6277	.38142		

ANOVA: Table explains the measurement of perception difference among different locality customers. The mean and standard deviation of rural locality registered 3.6154 and 0.45679 respectively. The mean and standard deviation of urban locality registered 3.6648 and 0.19924

respectively. The mean and standard deviation of semi urban locality registered 3.6106 and 0.41801 respectively. The f value obtained is 0.089. Null hypothesis is accepted and inferred that there is no difference among different location of the people in measuring perception of consumers with regards to online shopping.

Source: Primary data

Table explains the **reasons for choosing online shopping**. The following reasons are considered as per the rank cited in table. Time saving is the most important reason for doing online shopping as per this survey followed by convenience and product variety.

Findings: From the study it is observed that: 56 percent of the consumers who do online shopping are females. 68 percent of the online consumers are in the age group of 20-30.44 percent of the online consumers have master's degree. 40 percent of them are employed people.40 percent of them live in rural areas.62 percent of consumers who engage in online shopping are unmarried.36 percent of the online consumers have a monthly income of 15000-30000.30 percent of them purchase products online once in two or three months.60 percent of consumers choose cash on delivery as their mode of payment.As per this survey, clothing is the heavily demanded item through online.Flip kart is the most preferred online shopping website as per this survey.

Perception of consumers is measured with average mean of 3.6227 and is more than the mid value 3. Hence it is concluded that the perception of consumers is positive towards online shopping of FMCG products.

1. There is no significant difference between male and female in measuring perception of consumers with regards to online shopping.

2. There is no significant difference between married and unmarried in measuring perception of consumers with regards to online shopping. So it is concluded that marital status is not an influencing factor in determining consumer perception.
3. There is no significant difference among different age group in measuring perception of consumers with regards to online shopping. It is concluded that age group is not an influencing factor in determining consumer perception.
4. There is no significant difference among different education group in measuring perception of consumers with regards to online shopping. It is concluded that education group is not an influencing factor in determining consumer perception.
5. There is no significant difference among different professionals in measuring perception of consumers with regards to online shopping. It is concluded that profession group is not an influencing factor in determining consumer perception.
6. There is no significant difference among different monthly income of people in measuring perception of consumers with regards to online shopping. It is concluded that income group is not an influencing factor in determining consumer perception.

7. There is no significant difference among different location of the people in measuring perception of consumers with regards to online shopping. It is concluded that location is not an influencing factor in determining consumer perception.

Amongst various factors influencing online shopping it is learnt that Time saving, Very convenient, Product variety, Low price, Ease of comparison, Offers/discounted prices, Product descriptions are accurate, Assurance of on time delivery, Ease of product return and money refund, Ease of finding products that are not available in the stores, Guarantee and warrantee, Service quality among online shops and After sales services are the various factors in the order of merit respectively.

Regarding Consumer perception towards online advertisements it is learnt that 52 percent of consumers are neutral towards the trustworthiness of online ads. 52 percent of consumers are neutral towards the statement online ads are convincing. 34 percent of consumers have neutral opinion towards online ads as a valuable source of information about products. 32 percent of consumers agree that online ad is a valuable source of information about products. 48 percent of the consumers agree that online ads are creative. 50 percent of the consumers agree that repeated advertising serves as a reminder to the customers. 36 percent of consumers have neutral opinion towards online ads helps to keep up to date about products available in the market. 52 percent of consumers agree towards online ads helps to identify the brands they are looking for. 36 percent of consumers agree towards the promotion of latest products by online ads. 42 percent of consumers agree towards online ads allows enjoying the best deal out of the competing products advertised.

The survey conducted revealed a positive attitude and behavior toward online shopping among the people in Thrissur district. Most of the consumers irrespective of gender, age group, income group, profession group, marital status, location, and education group do not influence the consumer perception. Online shopping organizations can use the relevant variables and factors, identified from the study, to relook and revamp their strategies and plans. Better understandings of consumer online shopping behavior will help companies not only in getting more online consumers and increasing their e-business revenues, but also to serve customers in a better way.

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