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Customers Engagement and Dis-Engagement towards Online Shopping In India

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Abstract

The human beings are changing their habits and adapting newer ways and means with the rapidly evolving global environment. Consumption pattern of the consumers in the form of internet is growing rapidly with the new ways of reaching customers and listening to them by putting consumers at the center of service experience. Today, E-commerce is the new face of Internet which has given more power to all the stakeholders of the industry. On one side of the coin the people around the world are finding it convenient and time saving while shopping online portals. But on the other side consumers are also finding it hard to consume the experience of online shopping. Thus this research study tries to deeply analyze reasons for engagement and dis-engagement of customers through online shopping.

Introduction

Mother Earth is continuously revolving and rotating around the Sun with the passage of time. The human beings are also changing their habits and adapting newer ways and means with the rapidly evolving global environment. Since the birth of human being one aspect that is continuously moving with him/her is the Revolution. The term Revolution is the catalyst in many forms in the initial phase like Agriculture which the entire world uses in the form of Agricultural Revolution than came with the passage of time the new era of Industrial momentum or which changes the lives of global people in the form of assembly lines or mass production.

Now with the same changing and evolving wave of revolution has taken a new shape and size in the form of Internet. Earlier Internet was used as a means of communication by the different faces of the global world. But as the consumption pattern of consumers are changing and above all the consumers buying behavior has seen a paradigm sea change. Most of the people around the world have tasted little bit of fruits given by the Internet in one form or the other.

Consumption pattern of the consumers in the form of internet is growing rapidly with the new ways of reaching customers and listening to them by putting consumers at the center of service experience. Today, E-commerce is the new face of Internet which has given more power to all the stakeholders of the industry. The people around the world are finding online shopping convenient and time saving while shopping through e-commerce websites. The consumers of India are also matching their footsteps with the global consumption pattern of products and services. Moreover research reports of various well known platforms are continuously signifying that the adoption of internet in India is increasing rapidly.

Review of Literature

Internet purchase of tangible goods present unique challenges when compared with traditional brick and mortar retail store purchases. Consumers do not have the opportunity to physically inspect goods purchased over the internet prior to purchasing them (Jarvenpaa and Todd, 1996-97).

Instead, internet purchasers must rely on mediated representations of the goods being purchased, are normally dependent on third parties for delivery of purchased goods and may question the convenience of product returns.

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Customer service variables of vendor knowledge, responsiveness (delivery time and return convenience) and reliability are examined in this study.

The concept of risk is important for understanding how internet consumers make choices (Hasan and Rahim 2004). Shopping environments on the internet may be uncertain for the majority of online shoppers especially if they are novices.

The risk may then be defined as the subjectively-determined expectation of loss by an online purchaser in contemplating a particular online purchase. Amongst the identified perceived risk are financial, product performance, social, psychological and time/ convenience loss.

Financial risk stems from paying more for a product than being necessary or not getting enough value for the money spent (Roehl and Fesenmaier 1992).

Kanwal Gurleen (2012), "Customers satisfaction towards Online shopping", discussed that different options in internet encouraged people to search and eventually purchase online, because there are more than 100 million internet users in India.

Those people 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.

Allred, Smith and Swinyard (2006) identify the online consumer to have the following characteristics: younger, wealthier, better educated, having a higher "computer literacy" and are bigger retail spenders.

Donuthou and Garicia (1999) identify the online consumer as: older ,make more money, convenience seeker, innovative, impulsive, variety seeker, less risk aware, less brand and price conscious, and with a more positive attitude towards advertising and direct marketing. Some of these characteristics are similar, while other are the opposite.

Another study conducted by Variawa (2010) analyzed the influence of packaging on consumer decision making process for Fast Moving Consumer Goods. The aim of the research was to analyze the impact of packaging for decision making processes of low-income consumers in retail shopping.

One of the common models of consumer decision making process has been offered by Blackwell et al (2006). According to him, the five stages of consumer decision making process are followings: problem/need recognition, information search, evaluation of alternatives, purchase decision made and post purchase evaluation.

Adrita Goswami et.al (2013), studied "Customer Satisfaction towards Online Shopping with Special Reference to Teenage Group of Jorhat Town" study concludes that online customers are satisfied in the aspects such as Price, Quality of products, Ease of use in mobile platform and Timely Delivery at remote areas.

This research explicitly indicates that online marketer should give more importance on price factor and after sale factor.

Dhevika V.P.T, Latasri O.T.V, S Karmugil (2014), in their paper "Factors Affecting Online shopping of Customers" revealed that the most important factor influencing online shopping is-security, followed by – trust worthy shopping and – website design/features and the least important factor influencing is – bargaining shopping, there is no significant association between security and website design/features of the respondents and their overall online buying behaviour.

Chisnall (1995), points out that human needs and motives are inextricably linked and that the relationship between them is so very close that it becomes difficult to identify the precise difference which may characterize them. People may buy new coats because it protects them against the weather but their real underlying dominant need maybe to follow the latest fashion trends.

Geissler, (2012); The shopping motivation literature is abound with various measures of individual characteristics therefore, innovativeness and risk aversion were included in this study to capture several of these traits.

Smith and Rupp (2003), identify that the difference in social class creates a difference in purchasing Online Behaviour. Consumers from a higher social class generally purchase more and have a higher intention to purchase online because there is a higher probability that they possess a computer and also have greater access to the Internet. Consumers from lower social classes would not have the same properties. The authors also point out that consumers with lower social class, and thereby not having the same properties, would not have the needed computer literacy to be able to leverage a computer.

The primary data for the present study was collected by forming a questionnaire. Questionnaire was designed for capturing demographic details of the respondents and their buying behavior through e-commerce. The area of research was taken as Delhi, Gurugram, Faridabad Ghaziabad and Noida and the questionnaire was filled from 960 respondents.

Hypothesis of The Study
H1
There is no significant difference among customers in engaging with e-commerce portals for online shopping.
H2
There is a significant difference among customers in engaging with e-commerce portals for online shopping.

Results and Findings
Respondents Reason to Engage In Online Shopping
The present study find out various reasons for which respondents are using e-commerce portals. The primary reason comes out be the convenience which respondents always takes care while accessing the e-commerce websites.

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Time saving was seen as the important factor by 108 female respondents where as 256 male respondents

look towards convenience.

Figure 1: Respondent's Reason to Engage in Online Shopping
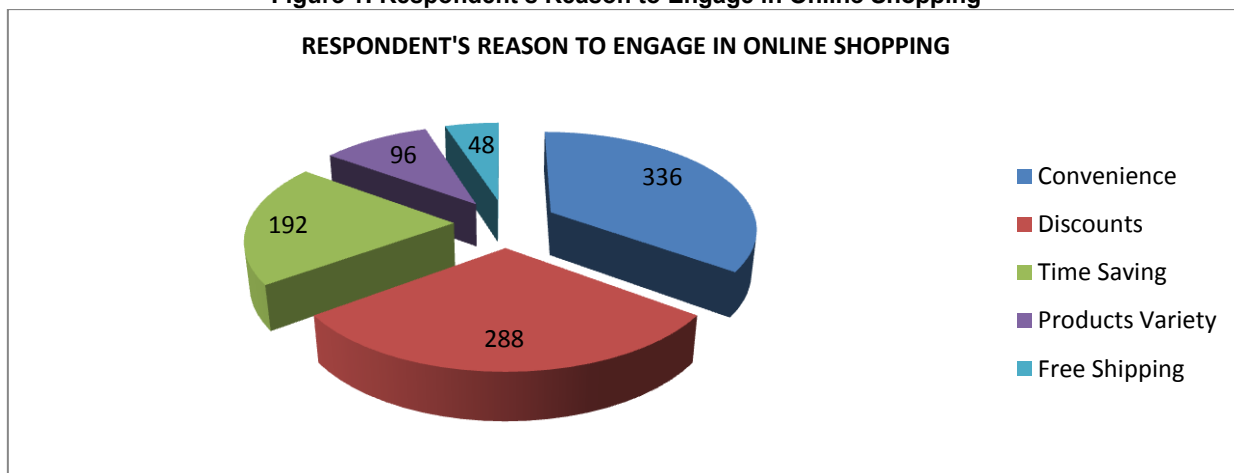
Source: Primary Data Compiled from Questionnaire

Discounts come out to be an important reason for buying through online shopping for 288 respondents. Free shipping is having 48 respondents those who look e-commerce as a mode of shopping.

It is quite evident that 144 females prefer variety of products to move towards e-commerce websites and 336 males thinks that e-commerce portals gives them time saving.

The present study signifies that consumers are using e-commerce websites and the major parameter for which 336 respondents like the most regarding e-commerce portals is the convenience they provided to the consumers.

Similarly 192 respondents revealed that time saving is an important parameter in opting e-commerce portals. So the number of e-commerce portals will rise in the coming future in India.

So as per the Figure: 1, Table: 1 and Table: 2 we accept the H1 Hypothesis and reject the H2 Hypothesis which signifies that the number of e-commerce portals will rise in the coming future in India. As respondents are taking into consideration the convenience and time saving aspects of the e-commerce websites.

Table 1: Gender of The Respondents And Respondents To Engage In Online Shopping
Case Processing Summary

	Cases					
	Valid		**Missing**		**Total**	
	N	**Percent**	**N**	**Percent**	**N**	**Percent**
Gender Of The Respondents * Respondent's Reason To Engage In Online Shopping	960	100.0%	0	.0%	960	100.0%

Source: Primary Data Compiled from Questionnaire

Table 2: Gender of The Respondents And Respondents To Engage In Online Shopping

CROSSTABULATION						
Count		**Respondent's Reason To Engage In Online Shopping**				**Total**
		Convenience	**Discount**	**Time Saving**	**Products Variety**	**Free Shipping**	
Gender of The Respondents	**Male**	256	196	84	60	28	624
	Female	80	92	108	36	20	336
Total		336	288	192	96	48	960

Source: Primary Data Compiled From Questionnaire

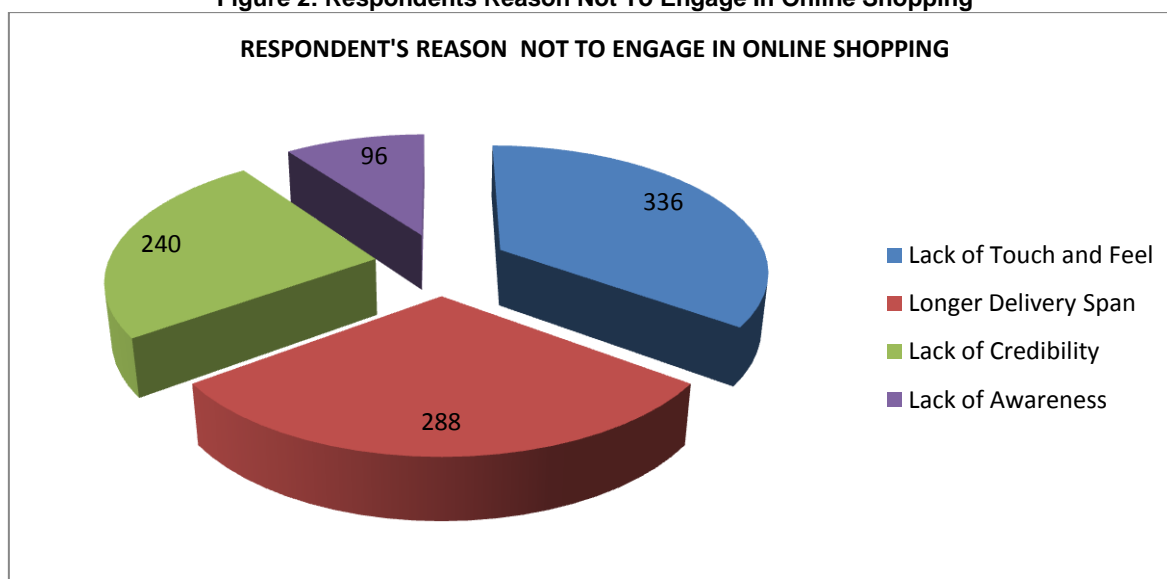## Respondents Reason Not To Engage In Online Shopping

Maximum of the respondents thinks that the reason for not to engage in online shopping is lack of touch and feel in the nature of e-commerce websites and this is evident from the 336 respondent's views. The other reason for not moving towards the e-commerce portals is the longer delivery span of the

products as signified by 288 respondents. 140 male respondents and 100 female respondents feel lack of credibility while engaging through e-commerce portals.

It is evident from Figure: 2, Table: 3 and Table: 4 that Lack of awareness by 60 males and 36 females are visualized as the not engaging reason for e-commerce websites.

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Moreover 112 females are not engaging in e-commerce websites because of Lack of touch and feel.

Figure 2: Respondents Reason Not To Engage In Online Shopping

Source: Primary Data Compiled From Questionnaire

Table 3: Gender Of The Respondents And Respondents Reason Not To Engage In Online Shopping

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender Of The Respondents * Respondent's Reason Not To Engage In Online Shopping	960	100.0%	0	.0%	960	100.0%

Source: Primary Data Compiled From Questionnaire

Table 4: Gender Of The Respondents And Respondents Reason Not To Engage In Online Shoppingcrosstabulation

Count		Respondent's Reason Not To Engage In Online Shopping				Total
		Lack of touch and feel	Longer delivery span	Lack of Credibility	Lack of Awareness	
Gender Of The Respondents	Male	224	200	140	60	624
	Female	88	88	100	36	336
Total		336	288	240	96	960

Source: Primary Data Compiled from Questionnaire

Conclusion

Since ages, consumers are exchanging or buying products through various modes and channels. By the advent of e-commerce revolution consumers are now purchasing through e-commerce websites. The study reveals that 30% of the respondents in the present research study are moving towards discount as this is an important reason for which respondents are purchasing through e-commerce websites. But taking other business functions also into account e-commerce companies should try to focus less on discounts for financial stability of the organization.

As with the passage of time e-commerce companies would be focusing on the services provided by them to the consumers. Slowly and gradually consumers would be giving due importance to the experience provided by the e-commerce companies.

Companies need to address touch and feel, delivery span, awareness and credibility issues seriously as initial number are revealing that customers are learning new ways of purchasing in the manner of convenience from online shopping as 35% of the respondents in the present study takes convenience as an important attribute to move towards e-commerce but lack of credibility is holding the same customer back.

So on one hand customers are being motivated by the e-commerce companies for moving towards online space but one aspect of credibility is holding them back. Thus stakeholders of the e-commerce industry should try to focus on the upcoming concern of lack of credibility.

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