VOL-4* ISSUE-1* April- 2019 Remarking An Analisation

A Comparative Study of Online Shopping Consumer Perception on Amazon, Flip Kart and Paytm



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Abstract

This present study has been done on the comparative study of the consumer buying perception on Amazon, Flipkart and Paytm. These three are the big players in the e-commerce website and have made their own mark. The primary data is collected from the 100 respondents and secondary data was collected from various sources such as different business websites and published papers. The objectives of the study was to access the respondent behavior while shopping online and which site they prefer, to find out their payment method and mostly searched products online, also to study with which e-commerce site and by pricing they are satisfied, occasions preferred to do online shopping and also the problems faced by the customers. In major findings of the study, it has been founded that Amazon is leading in every aspect of survey such as price, preferred and also suggesting to friends and in the services provided to the consumers.

Keywords: Amazon, Flip Kart, Paytm, Online Shopping, Consumer Behavior.

Introduction

The internet was hyped as a revolutionary tool of the twentieth century like the telephone and television. Today, internet has virtually become a household name in India. Ina short span of time, Internet and World Wide Web has been viewed as the most vital medium for information, entertainment, communication and commerce. Today, internet has become a necessity for everyone. With the proliferation of Internet, the E-commerce and e-business concepts have expanded. Therefore, a boost in the expansion of the internet in the country will not only help countries to become a vital player of the emerging global economy, but will also enable the citizens of the country to avail the benefits associated with the web technologies.

Over the years, internet has reached to the lower strata of the society and to the smaller cities as well. Initially internet was restricted to homes of the rich class, but with the falling of PC prices and telecommunications rates, internet has found its way to the middle income class as well. Internet has added a new channel for many businesses to reach out to their customers, suppliers and business partners. With this, customers and organizations are doing business transactions over the internet medium. For the new generation or the tomorrow's customer it has become the first search stop. It is more important for all kinds of businesses to be on this medium. If these businesses do not appear in the search results of their prospective customers, it simply means they do not exist for them. In this competitive environment, businesses cannot afford to lose a single customer.

With developments in the internet and web based technologies, distinctions between traditional markets and the global electronic marketplace – such as business capital size, among others – are gradually being narrowed down. The methods of conducting business have changed since the inception of business communities. It has changed from the barter system of the initial period to thee-business. This change happened with the growth and integration of ICT into businesses. Today's business enterprises are in the process of major transformation in order to meet the challenges of network economy. We are all living in a period of profound change and transformation of the shape of society and its underlying economic base. All economies, however simple, are based on Information

E: ISSN NO.: 2455-0817

and Communication Technology (ICT) based business models, but the degree of incorporation of technology into economic activity may differ.

Review of Literature

Ashish Pant (2014), "An Online Shopping Change the Traditional Path of Consumer Purchasing" concluded in his research article that a successful web store is not the just a good looking website with the dynamic technical features but is also emphasis on building the relationship with customers with making money. The success of any e-tailer company in India is depending upon its popularity, its branding image, its unique & fair policies, and its customer relations etc.

Saravanan S and Brindha Devi K (2015), "A Study on Online Buying behavior with special reference to Coimbatore city" focused on online shoppers' preferences and problems on various online shopping marketers. Higher computer literacy makes internet shopping smarter. Their awareness about the internet also makes them better positioned to identify and take decision for products and services.

Francis Sudhakar K, Habeeb Syed (2016), "A Comparative study between Flipkart and Amazon India", conducted a study to critically examine various corporate and business level strategies of two big retailers and those are Flipkart and Amazon. Comparison have been done considering ecommerce challenges, their business model, funding, revenue generation, growth, survival strategies, Shoppers' online shopping experience, value added differentiation, and product offerings. Both these big players made their own mark in India. The survey ended with Amazon as the winner, which satisfied the customer in all the aspects.

Chaffey (2006) defines the key areas where online customers have high expectation of online retailing. The main areas are: logistics, security and privacy of information, timeliness, availability, convenience, customer service.

A study conducted by Vellido et al. (2000), nine factors connected with users' viewpoint of online shopping were extracted. Among those factors the risk perception of users was showed to be the main discriminator between people shopping online and people not shopping online.

Objectives of the Study

The following are the objectives of the study:

- 1. To figure out the work flow of Amazon, Flipkart and Paytm in India.
- 2. To analyze consumer buying perceptions of Amazon, Flipkart and Paytm
- 3. To suggest the suitable measures for the various e-commerce portals for better service to the consumers.

Research Methodology

Data Collection

Keeping in mind of the above stated objectives data has been collected from both sources primary and secondary data. Sample size of this study is 100.

Primary Data

Primary data was collected from face to face interaction, observations, direct interview methods. In essence, the questions asked were tailored to elicit the data that will help for study. The data was collected through questionnaire to understand their experience and preference towards their loyal company.

Secondary Data

Secondary data was collected from research bulletin, journals, companies' concerned websites etc. **Data Analysis**

After collecting primary and secondary data simple percentage method has been applied and pictorial representation has been given below.

Table 1. Genderwise online shopping

Gender respondent	Once in a month	Once in two month	More frequently	Very rare	Total
Male	12	16	8	7	43
Female	15	22	8	12	57

Table 2. Age wise online shopping

Age respondent	Debit card	Credit card	Cash on delivery	Paytm wallet	Total
15-25	9	8	24	-	41
25-35	5	2	17	2	26
35-45	5	3	3	2	13
45 and above	5	2	10	3	20
Total	24	15	54	7	100

Table 3. Age wise purchase pattern of products

Gender	Beauty products	Electronics and gadgets	Appliances	Fashion	Sports and more	Total
Male	5	20	4	6	7	42
Female	27	12	4	9	6	58
Total	32	32	8	15	13	100

Table 4. Online Shopping Frequency

	Frequency	Percent
Once in a month	26	26
Once in two month	36	36
More frequently	16	16
Very often	22	22
Total	100	100

VOL-4* ISSUE-1* April- 2019 Remarking An Analisation

P: ISSN NO.: 2394-0344

RNI No.UPBIL/2016/67980

E: ISSN NO.: 2455-0817

Table 5. Online Site

	Frequency	Percent
Flipkart	39	39
Amazon	39	39
Paytm	14	14
Others	8	8
Total	100	100

Table 6. Online Transaction Method

	Frequency	Percent
Debit card	24	24
Credit card	15	15
Cash on delivery	54	54
Paytm wallet	7	7
Total	100	100

Table 7. Product segment searching

	Frequency	Percent
Cosmetics products Electronics and gadgets Home/Kitchen Appliances Fashion products	32 32 8 8 15 100	32 32 8 15 13 100
Sports Total		

Table 8. Most satisfied Online Portals

	Frequency	Percent
Flipkart	42	42
Amazon	43	43
Paytm	15	15
Total	100	100

Table 9. Online shopping issues and challenges

Valid	Frequency	Percent
Delay in delivery	38	38
low quality product	44	44
Non-delivery	15	15
Refund	3	3
Total	100	100

Findings of study

The outcomes from the respective tables:

- 1. Table 1: Depicts that Gender wise online shopping in female category once in two months occupied highest number 22% followed by male category16%.
- Table 2: Represents age wise online shopping age respondent between 15to 25 occupied highest numbers on cash on delivery 24% followed by 25 to 35(17%), 45 – above (10%) and 35-45 (3%)
- 3. Table 3: Depicts age wise purchase patterns of product female buyers occupied highest

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percentage 27% in beauty products followed by electronics and gadgets, fashion, sports and appliance respectively.

- 4. Table 4: Shows online shopping frequency once in two months occupied 36% followed by once in a month then very often, more frequently.
- Table 5: Represents online respondents preferred online sights Flipkart and Amazon both occupies same preference 39%
- Table 6: Depicts respondents preferred online transaction methods where cash on delivery occupies highest percent i.e. 54% followed by debit card and credit card
- Table 7: Shows Product segment searching cosmetics product and electronic product occupied same percentage 32%
- Table 8: Depicts most satisfied online products where Amazon occupied highest frequency 43% followed by Flipkart(42%) and Paytm 15%
- Table 9: Shows online shopping issues and challenges where low quality product occupied highest percentage 44% followed by delay in delivery 38%, Non-delivery 15% and refund 3%.
 Conclusion

The conducted survey consisted of the detailed analysis of the e-commerce sites like Flipkart Amazon and Paytm with a view to find out the standings of three in the minds of the consumers. The business expansion that they are going toward to day by day is truly praiseworthy by increasing networks worldwide. The relationship that they are successful to build between them and the consumers helped consumer being more friendly and comforted regarding online purchase. Depending upon the conducted survey, Amazon comes out as the winner by elbowing out flipkart by a thin margin as well as giving a tougher competition to Paytm. Though Flipkart is a newer company if compared to Amazon, it needs to work on the services they provide to their consumers. And in case of Paytm, it falls short in the competition. It might take long to overcome but it can be clearly said that, these three different e-commerce agents are performing very well in the present ecommerce market.

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P: ISSN NO.: 2394-0344

VOL-4* ISSUE-1* April- 2019 Remarking An Analisation

E: ISSN NO.: 2455-0817

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