# E- COMMERCE – NEED OF THE MODERN MARKETING - AN ANALYTICAL STUDY

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#### **ABSTRACT**

India has been developing and there has been a policy change in the recent past which has constrained India to digitalize itself, not only nation but also every person's daily to daily life now a day's being digitalize. So the main objective of this study to examine that how much demographical factors influence E-Commerce or digital shopping behavior of Jodhpur's consumer. Demographical factors such as — age, monthly income, occupation, education, sex. To conclude the data researcher framed questionnaire & collect data, as per the data through SPSS the result were analyzed. The result showed that there is a strong & significant & positive relationship between demographical factors of online shopping with digital shopping buying behavior.

**Keywords**: - Digital shopping, E-Commerce, Demographic factors.

#### Introduction

India has been developing and there has been a policy change in the recent past which has constrained India to digitalize itself. During implementation of the demonetization in the recent past and further bringing up of GST has invoked the use of digital transactions even for purchasing vegetable and fruits. During that crucial period where there were long queues before the banks and ATMs, the apps like Pay TM, Mobiquik, Free Charge RuPay and many other e-wallet apps have found good place because of the need of the time. As per report of Times of India, the e-wallet transactions in India after demonetization have witnessed a growth of 400 to 1000 percent from 17 lakh per day to 63 lakh per day (ToI, 2016). Not only in urban, but also in rural India have the people started using internet and these digital apps for online money transactions. The above is the witnessed of increased scope of digital shopping. The digital technologies, on one hand has made an attempt to accelerate economic growth by providing opportunities for small business to establish & flourish,

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one the other hand it has strongly affected the culture. The advancement of accessibility to internet through computers & smart phone has virtually brought the markets in the pockets of consumers. What consumer needs to do is to connect the online shopping apps with the e-valet and the payment is securely done & the item purchased will be at the door step of the consumers. Not only this, but unlike off-line shopping, the consumer is able to rate his shopping experience on number of parameters. This rating influences other consumers for taking their buying decision with respect to product as well as marketer which ensures trust and transparency in the system. There are various similar variables which affects the consumer behavior towards online shopping. A lot of studies in India and abroad have been done on factors influencing consumer behavior towards online shopping.

#### Theoretical background and literature review

(Babar.Rasheed & Sajjid 2014) collected the sample of 132 internet users as respondents for four variables (namely, usefulness, ease of use, financial risk and attitude). Of these it was found that usefulness was detected as a strong influence on attitude of consumers. (Chahal 2015) identified 21 variables affecting consumer behavior towards online shopping from review of literature. (Javadi. Dolatabadi, Poursaeedi & Asadollahi 2012 ) studied the impact of demographic factors on on-line shopping parameters like satisfaction, re-purchase intention, numbers of items purchased and overall expenditure made for on-line shopping. It was revealed that on-line shopping in India is significantly affected by demographic factors such as age, gender, marital status, income etc.( Nazir , Tayyab. Sajjid, UrRashid & Javed 2012 ) used various qualitative tools to analyze the factors affecting online shopping by making a survey of 120 respondents in Pakistan and revealed that security in payment, privacy of financial information, price, trust, convenience, online reviews were identified as most fascinating measures affecting online shopping. (Li & Hong 2013) in their study attempted to explain the inter-relationship between perceived vale, satisfaction and consumer re-purchase intention.

South Korea. (Ul Hassan 2015) used regression analysis found that there is a positive relationship and significant influence between self-efficacy, brand image and social brand communication on online buying behavior of a customer. (Hardia & Sharma 2013) also examined the impact of demographic factors on online buying behavior of youth. They studied impact of four demographic variables namely; age, gender, educational background and pocket money on four measures of online shopping namely

(A National Peer Reviewed Refereed Journal)

ISSN: 0975-6825, Volume 14, Issue 1, January-June 2021, pp. 182-193

internet facility, ease of process, security of website and timely delivery. (Gulmeez & Kumar Sharma 2016) have done a descriptive study to understand the factors influencing teenager's behavior, attitude and perception towards online shopping. They revealed that Marketing Strategies of the company, Delivery System, Product diversity and Browsing Speed as important factors. (Chandra & Sinha 2013) also attempted to analyses factors affecting online shopping behavior of 100 respondents in Bhilai and Durg cities and applied regression analysis to conclude that website design, convenience, time saving and security were the top influencing factors.

(Khanna & Sampat 2015) analyzed in their study specifically done during festive season i.e. Diwali by online shopping giants in India namely, Amazon.com and flipkart.com. They observed that price and product specification to be the most important factors in selecting an item but the selection process may further be improved by making personalized recommendations and stickiness to one online retailer. (Novak 1996) revealed that attributes like less variety, any time shopping, physical evidence are impacting on online purchase intention. Bellman et al. (1999) revealed in their research the demographical factors are influencing positively towards purchase intention. Gender impact on Internet usage has also been analyzed from different perspectives by different researchers. *Novak et al. (2000)*, proved in the research factors like product varieties, mismatch between actual and delivered, sense of intangibility making impact intention to purchase online.

Mauldin & Arunachalam (2002), identified that certain attributes like long deliver time, speed of the internet, more searching time for a specific product, no negotiation are closed related intention to purchase the products through online. Hoffman and Tonita et al. (2004) found that in Digital shopping context consumer evaluate their internet shopping experience in terms of perception regarding product customization, form of payment, delivery terms, service offered, risk involved, privacy, security, personalization, and enjoyment. In a research by Haq Ul Zia, (2008), "Perception towards digital shopping: An Empirical study of Indian Consumers" suggested that overall website quality, commitment factor, customer service and security are the four key factors which influence consumers' perceptions of online shopping. The study revealed that the perception of online shoppers is independent of their age and gender but not independent of their education & gender and income & gender. Convenience is the most influencing factor. Time saving and security is also important, particularly the security concerns are very important while shopping online. Most of the respondents are fulfilling that there

has no risk in digital shopping. It can be concluded that there is a opportunity for the near future. The digital shopping among consumers of business development and we can suggest that there has a need to provide online shopping services (Chandra and Sinha, 2013).

According to Seema Agarwal, (2013), "A study of factors affecting online shopping behavior of consumers in Mumbai region", factors that affect online shopping are time saving, money saving, no risk in transaction, easy to choose and compare with other products and delivery of product on time. With advancements in Online shopping, there have been changes in the methodology for business transactions. India, being a rapid adaptor of technology is apace with the current scenario of electronic data exchanges and has taken to e-commerce. Though Online Shopping provides many advantages, there are still a significant number of customers who refuse or reluctant to adopt the facilities of online services. In India the adoption rate of the technology is significantly different from other nations because of the country's unique social and economical characteristics. The aim of this research study is to investigate the factors influencing the adoption of Online Shopping in West Bengal, India (Chatterjee and Ghosal, 2014).

#### Research objective

The present paper focuses on identifying various variables dependent on underlying variables which influences or inducts consumers for online shopping for FMCG products. Various other parameters such as quality of product, time taken for delivery of product, security of payment, after sales services etc are other parameters influencing consumers' online purchases decision. These variables have been identified by the researchers by immense review of literature and brain storming sessions with subject experts and professionals in area of marketing.

#### **Research Methodology**

The study is descriptive for the purpose which data has been collected using convenience sampling targeting 120 customers having adequate experience in online purchasing. While selection of these customer respondents, due care has been taken to ensure diversity regarding demographic measures namely, gender, age, income and educational qualification as these can be the controlling variables.

The measures influencing online shopping behavior has been identified by immense literature review and were included in the second part of the questionnaire.

A closed ended questionnaire with five point likert scale asking the respondents to rate their level of agreement from strongly agree (5) to strongly dis-agree (1) regarding

(A National Peer Reviewed Refereed Journal)

ISSN: 0975-6825, Volume 14, Issue 1, January-June 2021, pp. 182-193

various measures influencing them to buy online was administered.

#### **Hypothesis**

H<sub>01</sub>: Gender makes no significant difference regarding factors affecting online shopping behavior of customers.

H<sub>02</sub>: Income makes no significant difference regarding factors affecting online shopping behavior of customers.

H<sub>03</sub>: Education makes no significant difference regarding factors affecting online shopping behavior of customers.

H<sub>04</sub>: Age makes no significant difference regarding factors affecting online shopping behavior of customers.

The factors so identified with the constructs will be analyzed on various demographics using appropriate tests (T-Test).

#### **Data Analysis**

In this study T-test was used to determine the significance difference between independent variables (Age, income, education, occupation & gender) & the behavior of consumer towards online shopping. It helps to identified that how demographical factors influence online shopping behavior. Also reliability coefficient test was done by using cronbach's alpha analysis.

#### 1. Sample Description of Demographics

Table no.1 shows the sample description of demographical factors table indicated that age composition of those whose ages were less than 30 were 50% of the respondents, whereas half (50%) of the respondents ages ranged more than 30 years. The education profile of the surveyed respondents indicates that 36% of the respondents had graduate & Post Graduate degree and 64% with professional degree ,As per occupation, result showed that 41 % of the respondent were working & 59 % respondent were non working As per result in age, 50% of the respondent were female & rest of the respondent were 50%.

Table :- 1

#### Sample Description of Demographic

Factor	Frequency	%		
Age				
Less than 30	60	50		
More than 30	60	50		
Occupation				
Working	33	27.5		
Non Working	70	58.3		
Gender				
Female	66	55		
Male	54	45		
Education Level				
Graduate & Post Graduate	43	36		
Professionals	75	64		

## 2. Ranking of independent variable

Resulted that there were five independent variables that were tested by the researcher through the questionnaires & these were distributed to the respondents. The Likert scale was used in the questionnaire: 1 indicates strongly disagree, 2 indicate disagree, 3 indicate neutral, 4 indicate agree and 5 Indicates strongly agree.

Table :- 2
Ranking of Independent Variables

Factor	Mean	Mean Average	Rank Order		
Occupation					
Working	60.333	4.022	5		
Non Working	60.357	4.023			
		8.045			
Gender					
Female	59.742	3.982			
Male	61.667	4.111	2		
		8.093			
Education					
Graduate & Post					
Graduate	59.465	3.964			
Professionals	61.973	4.131	1		
		8.095			
Age					
_					
Less than 30	59.983	3.998			
More than 30	61.233	4.082			
		8.08	3		
Monthly income					

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Less than 50,000	61.2115	4.08	
More than 50.000	60.147	4.009	
		8.089	4

From the above Table 2 it could be interpreted that with the ranking score of the independent variables, Highest mean score of factors based on the respondents' answers. The overall result showed that Education was the most important factor; on the basis of result it was interpreted that professional qualified respondent mostly preferred digital shopping. Respondents who are highly educated choose online shopping. Second most important factor that influencing customer online shopping was gender the ratio of male & female customer using digital shopping was equal followed by age, age was also most preferable factor that influence customer to purchase products from digital shopping, according to ranking order monthly income consist 4<sup>th</sup> ranking followed by occupation. Ranking order identified the preference levels of demographical factor. After age monthly income was the most influencing factor. Occupation is lowest influencing factor.

#### 3. Reliability for data collected

From the table 03 listed the Cronbach's Alpha (coefficient alpha) of each variable. All the variables Show a high degree of reliability. If the value of Cronbach's Alpha (coefficient alpha) is Greater than .6 then the reliability of the independent factor was highly positive. Result showed that the value was .86 & it was greater than .6 so the reliability of the independent variable were highly positive

**Table - 3** Reliability Statistics

Cronbach's Alpha	N of Items
.868	15

# 4. Case Processing summary

Table - 4

		N	%
	Valid	120	100.0
Cases	Excluded <sup>a</sup>	0	.0
	Total	120	100.0

## Hypothesis test

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	Occupation		Gender		Education Level		Age		Monthly Income	
	F	Sig	F	Sig	F	Sig	F	Sig	F	Sig
Digital shopping improve shopping style /	1.591	.210	9.597	.002	5.798	.018	1.400	.239	3.042	.084
Digital shopping enhance shopping habits / activity	.001	.969	.129	.720	16.404	.000	1.618	.206	15.380	.000
Digital shopping is Entail a lot of mental stress	.040	.843	.961	.329	.041	.840	.091	.764	.065	.799
Digital shopping is easy to understand & clear	.047	.829	2.578	.111	3.839	.052	2.437	.121	8.156	.005
is Digital shopping improving your effectiveness	1.223	.271	5.472	.021	2.287	.133	.322	.572	5.586	.020
Does the time of delivery is important *	.390	.533	4.076	.046	.044	.834	2.364	.127	.672	.414
Is the brand loyalty of the company is important	.012	.913	1.256	.265	.054	.816	.041	.840	2.846	.094
mporum										
Is the guarantee & warrantee of the company is	.060	.807	.065	.799	.352	.554	.883	.349	1.644	.202
important										
Is the secrecy level of the payment information is	.006	.941	3.606	.060	.028	.868	.611	.436	1.203	.275

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important										
Does the whole description of	.019	.890	5.947	.016	.068	.795	.002	.966	1.663	.200
product is important										
Is the product quality is important	.197	.658	.919	.340	.780	.379	.681	.411	3.763	.055
Does the product price is important	.411	.523	2.749	.100	.860	.356	.023	.881	.670	.415
Digital shopping stores should provide product pictures from	.161	.689	.001	.979	2.017	.158	1.100	.297	.032	.857
various positions										
Digital marketing should have various variety of options	.994	.321	.037	.849	.365	.547	.818	.368	.004	.953
Color of the product in an digital store creating confusion to deciding to purchase the product *	.028	.868	.333	.565	.074	.786	.030	.863	.999	.320
	5.180	10.266	37.726	5.203	33.010	7.138	12.420	7.438	45.726	4.692

#### **Analysis**

In the context of statistical analysis, we often talk about null hypothesis or alternative hypothesis. Significance difference between variables shows the accepting or rejecting null hypothesis or alternative hypothesis. The above result indicated that significance level of difference in occupation & Age was more than .05%. it shows that occupation & age doesn't impact on buying behavior of consumers. Whereas value of significance level of monthly income, gender & education were equal or less than .05% it resulted that these variables impact on buying behavior of consumers.

#### Conclusion

This research has provided an impact of demographical factor on online shopping behavior of consumers the purpose of this research paper is to investigated the shopping behavior of consumers .the overall result showed that online shopping behavior is highly & positively accepted by consumers result analyzed the growth of online shopping & also

identified that online shopping is more reliable & demographical factor influence online shopping behavior of consumers. t- test uses to analyze the data researcher resulted that occupation & age doesn't impact on online shopping behavior of consumers whereas age , gender & monthly income impact the consumers shopping behavior .ranking order resulted that education is highest influencing factor followed by gender , age , monthly income & & occupation.

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