

## **Students Study Project on:**

**The Customer's perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State**



**In connection with CCE-  
Hyderabad initiated Jignasa- Study  
Project**

### Submitted by

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**Prepared By:**

**Group of Commerce Students  
Department of Commerce  
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**Acknowledgement**

We express our deep sense of gratitude to Sri V.Surender Reddy, Assistant Professor, Department of Commerce Government Degree College Wanaparthy, who has guided us in this Students Study Project. His close supervision, personal care and research insights have made us to keep this work in the present state.

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**Yours obediently:**

**Group of Commerce Students,  
Department of Commerce  
Government Degree College, Wanaparthy. T.S**

<b>S.no</b>	<b>Name of the student</b>	<b>Group</b>	<b>Year</b>	<b>Hall ticket no.</b>
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## **Declaration by Students**

We hereby very sincerely declare that the present Students Study Project entitled “**The Customer’s perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State**” has been carried out by us under the close supervision of Sri. V.Surender Reddy, Assistant Professor of Commerce and able guidance of all other our faculty members, Department of Commerce, Government Degree College Wanaparthy Further, we also please to declare that the present work has not been presented anywhere for any scholar work/Project work/publication. Hence we honestly submit that, this Students Study Project Report is original in its nature and the data presented is based on our empirical study.

**Yours obediently:**

**Group of Commerce Students,  
Department of Commerce  
Government Degree College, Wanaparthy**

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<b>5</b>		<b>B.COM.CA E/M</b>	<b>II. YEAR</b>	

## Declaration by the Guide

This is to certify that the Students Study Project Report on “**The Customer’s perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State** ” has been carried out by the Group of Students, from Department of Commerce of our College under my supervision. Further I also declare that, this report has not been submitted anywhere for award of any degree, diploma, certificate or award. Following are the students involved in the work.

<b>S.no</b>	<b>Name of the student</b>	<b>Group</b>	<b>Year</b>	<b>Hall ticket no.</b>
<b>1</b>		<b>B.COM.CA E/M</b>	<b>III. YEAR</b>	
<b>2</b>		<b>B.COM.CA E/M</b>	<b>III. YEAR</b>	
<b>3</b>		<b>B.COM.CA E/M</b>	<b>III. YEAR</b>	
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<b>5</b>		<b>B.COM.CA E/M</b>	<b>II. YEAR</b>	

Hence certified

**V.Surender Reddy**  
Assistant Professor of Commerce  
Government Degree College, Wanaparthy. T.S

# Government Degree College, Wanaparthy. T.S

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## Certification by the Head of the Department

This is to certify that the proposed Students Study Project Report entitled “**The Customer’s perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State**” has been carried out by the Group of Commerce Students, from Department of Commerce of our College under the supervision of Sri V.Surender Reddy, Assistant Professor of Commerce. The list of students involved in the work is given below and I also certify that they are the bonafide students of our Department pursuing B. Com Degree for the academic year: 2018-19 with bearing hall ticket numbers mentioned in the table. Further I declare that the prepared report was original in its nature and not been published anywhere or in any form by the project trainees and their guide. Hence it is certified.

S.no	Name of the student	Group	Year	Hall ticket no.
1		B.COM(CA) E/M	III. YEAR	
2		B.COM(CA) E/M	III. YEAR	
3		B.COM(CA) E/M	III. YEAR	
4		B.COM(CA) E/M	III. YEAR	
5		B.COM(CA) E/M	II. YEAR	

# Certification by the Principal

This is to certify that the Students Study Project Report on “The Customer’s perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State” has been carried out by the Group of Students, from Department of Commerce of our College under the able supervision of Sri V.Surender Reddy, Assistant Professor of Commerce. The list of students involved in the work is given below and I also certify that they are the bonafide students of our college pursuing B. Com Degree for the academic year: 2014-17 with baring hall ticket numbers mentioned in the table.

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5		B.COM(CA) E/M	II. YEAR	

**Principal**

**(Dr.K.Padmavathi**

# **Customer's perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State**

## **ABSTRACT**

E-commerce is relatively a novel concept. It is, at present, heavily leaning on the internet and mobile phone revolution to fundamentally alter the way businesses reach their customers. While in countries such as the US and China, e-commerce has taken significant strides to achieve sales of over 150 billion USD in revenue, the industry in India is, still at its infancy. However over the past few years, the sector has grown by almost 35% CAGR from 3.8 billion USD in 2009 to an estimated 15.3 billion USD in 2016. The essence of e-commerce is in its ability to transcend physical boundaries and reach customers in a manner different from the traditional brick-and-mortar stores, to their very doorstep. However, the base of the e-retailing model is technology and logistical solutions that facilitates the customer acquisition and the final 'reach' process. The main objective of the proposed study is to analyse the pros and cons of E-Commerce from different angles and perspective.

The research study was carried out with the objectives to study the profile of the respondents and study the customer priorities, to analyse the socio-economic background and motivational factors to opt for Commerce of customers, to study the emerging trends in E-Commerce and to study the customer perceptions and satisfaction levels.

A purposive sample of 100 was designed. Further this 100 sample was divided into two groups urban and rural. Further male and female samples were also taken from urban and rural areas. The proposed segregation was taken with a view to making the study more representative, scientific, meaningful, expedient, time saving and manageable. The statistical tools like averages, percentages, ratios were used to analyse the data. Relevant statistical tests were also used to further analyse the data. The tables and diagrams were used to present the data. that there is a significant association between education and use of e-commerce. It is found that there is significant association between age, income level, education level, and occupation of the respondents and use of e-commerce. The main findings are there are positive growth of e-commerce in urban and rural areas. The customers are opting e-commerce more than the traditional buying method.

**Key words:** E-commerce, customer priorities, perception, satisfaction level

# **Customer's perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna State**

## **INTRODUCTION:**

At global economic level, India is one country among the BRIC nations which has established itself as an economy with emerging markets. Since liberalization, the country has witnessed growth at rate which is very remarkable. With changes in most of the sectors, capital markets, infrastructure, banking, insurance, etc. are the sectors where India has witnessed a high pace of growth. With reforms in business sectors and the revolutionary changes in Information Technology sector, the choices of consumers' with reference to shopping situation and payment mechanisms have also broadened. Buyers now have the alternative option of buying a product or availing of a service from offline as well as from online shops. With the increasing penetration of internet, these methods of purchasing have become popular. Today people have many choices with reference to buying venues, but the most recent one is buying through internet i.e. online shopping mode.

Nowadays, the Internet is being widely used for various purposes and has become part of daily life. At its inception internet was used as a medium for communication only but with time it has become a source to learn, entertain and most recently a medium for the exchange of goods and services between buyer and seller. The internet now has resulted in a new mode of exchange between buyer and sellers and has created an alternative for the traditional marketplace. Shopping through the internet has brought a different dimension to commercial activities. Compared to traditional shopping, consumers are preferring the internet as shopping medium because of its characteristics like ability to view and shop at any time from any corner of the world, feature like searching information about commodities, place a query / review or give purchase orders. Along with these features, convenience and comparatively lower price are some additional features resulting in acceptance of internet as a new shopping avenue.

## **Definition of Online Buying Behaviour**

Behavior is the apparent, noticeable response in a given situation with respect to a given target. Use of the Internet for retail shopping has expanded immensely in recent years and has had a profound influence on the shopping process for many consumers. Online buying

behaviour is a type of behaviour which is exhibited by customers while browsing websites of an e-tailer in order to search, select and purchase goods and services, in order to fulfill their needs and wants. It's basically a behaviour which is reflected by the purchaser during the process of buying through the internet.

### **Online Shopping**

While shopping online, every customer desires convenience, speed, price benefits, product comparison facility etc. It is not that these features are not available in traditional shopping methods. But due to changes in life style, the notions of these features have changed among the buyers. Now individuals are finding it difficult shop from traditional channels due to their changed lifestyle. As a result of all these issues along with the technological advancements, a new mode of shopping i.e online shopping also called as electronic shopping has emerged. The Internet, in the field of shopping, has brought sea changes in the mindset of customers with reference to convenience, speed, price, product information and services associated with online shopping. The internet has provided marketers with a completely new way to create value for customers and build relationships with them' in the form of online shopping. Online shopping is the process whereby consumers directly, without an intermediary service, buy goods or services from a seller in real-time over the Internet. One way of doing electronic commerce is online shopping. In online shopping, electronically the sale or purchase of transaction takes place 1. It

is also referred to as e-shopping where 'e' stands for Electronic Shopping. Electronic shopping is defined as a computer activity/exchange performed by a consumer, via a computer-based interface, where the consumer's computer is connected to and can interact with, a retailer's digital storefront to purchase the products or services over the internet.

An e-shop allows the customer to browse entire range of product or service offered by e-vendor, view pictures of the products, along with the complete description of the product specifications, including features and prices. On online stores with the help of "search" features e-shoppers can easily search out specific models, brands or items 2. An online shop is also referred to as , e-shop, e-store, internet shop, webshop, webstore, online store, or virtual store. In present time almost all the big retailers are now offering their online shops. These are also known as e-tailers and their online retail shops are sometimes known as e-tail.

E-Commerce or electronic commerce, deals with the buying and selling of goods and services, or the transmitting of funds or data, over an electronic platform, mainly the internet. These business transactions are categorised into either business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer (C2C), consumer-to-business (C2B) or the recently evolved business-to-business-to-consumer (B2B2C). E-Commerce processes are conducted using applications, such as email, fax, online catalogues and shopping carts, electronic data interchange (EDI), file transfer protocol and web services and e-newsletters to subscribers. E-Travel is the most popular form of e-Commerce, followed by e-Tail which essentially means selling of retail goods on the internet conducted by the B2C category.

### **IMPORTANCE AND USES OF E- COMMERCE:**

1. E-commerce emphasizes the generation and exploitation of **new business opportunities** and to use popular phrases: “generate business value” or “do more with less”.
2. Electronic Commerce is enabling the customer to have an increasing say in what products are made, how products are made and how services are delivered
3. Electronic Commerce endeavours to improve the execution of business transaction over various networks.
4. It leads to more effective performance i.e. better quality, greater customer satisfaction and better corporate decision making.
5. We may achieve greater economic efficiency (lower cost) and more rapid exchange (high speed, accelerated, or real-time interaction) with the help of electronic commerce.
6. It enables the execution of information-laden transactions between two or more parties using inter connected networks. These networks can be a combination of plain old telephone system (POTS), Cable TV, leased lines and wireless. Information based transactions are creating new ways of doing business and even new types of business.
7. Electronic Commerce also incorporates transaction management, which organizes, routes, processes and tracks transactions. It also includes consumers making electronic payments and funds transfers.
8. Firm use technology to either lower operating costs or increase revenue. Electronic Commerce has the Potential to increase revenue by creating new markets for old products, creating new information-based products, and establishing new service delivery channels to better serve and interact with customers.

9. Electronic Commerce research and its associated implementations is to reduce the “friction” in on line transactions frictions is often described in economics as transaction cost.

10. Electronic Commerce is also impacting business .to business interactions. It facilitates the network form of organization where small flexible firms rely on other partner, companies for component supplies and product distribution to meet changing customer demand more effectively.

11. It is facilitating an organizational model that is fundamentally different from the past. It is a control organization to the information based organization.

## **CHALLENGES FOR E COMMERCE:**

Internet based e-commerce has besides, great advantages, posed many threats because of its being what is popularly called faceless and borderless. All of the following examples are both ethical issues and issues that are uniquely related to electronic commerce.

**Ethical issues:** Jackie Gilbert Bette Ann Stead (2001), reported the following ethical issues related to e-commerce.

1) Privacy has been and continues to be a significant issue of concern for both current and prospective electronic commerce customers. With regard to web interactions and e- commerce the following dimensions are most salient:

(1) Privacy consists of not being interfered with, having the power to exclude; individual Privacy is a moral right. Privacy is "a desirable condition with respect to possession of information by other persons about him/herself on the observation/perceiving of him/herself by other persons"

2) Security concerns: In addition to privacy concerns, other ethical issues are involved with electronic commerce. The Internet offers unprecedented ease of access to a vast array of goods and services. The rapidly expanding arena of "click and mortar" and the largely unregulated cyberspace medium have however prompted concerns about both privacy and data security.

3) Other ethical issues: Manufacturers Competing with Intermediaries Online "Disintermediation," a means eliminating the intermediary such as retailers, wholesalers, outside sales reps by setting up a Website to sell directly to customers. Disintermediation include (1) music being downloaded directly from producers (2) authors distributing their work from their own Web sites or through writer co-operatives.

## **Customer Perception and Satisfaction Levels**

It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. Customer perceptions and satisfaction levels are very important for e-Commerce like any other business. The customer satisfaction levels measured with the help of certain parameters like price, quality, delivery timings and methods, customer service, brand image, offers, warranty and guaranty services, easiness in choosing the products, reaching the customer on time, information about products, payment methods, delight in using the products, shopping from the home, 24/7 shopping, etc. All these makes the shopping a low cost transaction, reduces the distance, removes the intermediaries, and highest satisfaction to customer. The perception factor is also key e-commerce. Their socio-economic conditions like education, income level, social group, residence area (urban/rural), accessibility of technology, social norms, regulatory mechanism, and payment methods constitute the perception of the customer. The clear understanding such things will determine the success of e-commerce.

## **Historical Overview of Online Shopping**

Today internet has changed the way we shop. In present day one of the most popular activity on the web is shopping. Online shopping has got tremendous charm in it as one can shop online at any time , from anywhere. It also offers to compare the product features and their prices by sitting at home itself. The history of online shopping dates back to the year 1979. The origin of online shopping is linked with the invention of videotex being invented in 1979 by Micheal Aldrich in the UK. The term e-commerce was originally generated to explain the process of execution of business activities taking place electronically by making use of technologies like Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT). EDI and EFT are considered as the backbone of e-commerce. These technologies only, made it possible to exchange information and execute transactions like the placement of purchase orders and generation of invoices electronically. 1980 to 1990 was the period of the growth of e-commerce industry around the world. This growth took place because of the invention of ATM's and

introduction of debit cards. During this period the major players which led to the growth of e-commerce include Boston Computer Exchange, Minitel and Electronic Mall. All these were electronic marketplace launched by different countries. In the year 1990 biggest

achievement till date of e-commerce took place. In this year Tim Berners-Lee introduced the first ever web browser known as World Wide Web. In the very next year, it started using it for commercial benefits. In 1994 Netscape released a new browser which helped the people visiting any website by typing its name in navigator browser. Along with this Netscape also issued Secure Sockets Layer (SSL) encryption to address security issues while doing online transactions. Another major milestone which took place is the introduction of paypal system in 1998. Paypal is the company which provides an alternative (through the internet) for cash or check payment. As a result of these two inventions, many European and American businesses created their ecommerce websites between 1998 and 2000. Some of them were Amazon, e-Bay, Alibaba, Indiamart. Till the year 2000, a large number of online vendors came in the industry with the speculation of ever increasing profit with time. Unfortunately, in the same year, the e-commerce market went down and many of players were wiped off from the industry. This downfall even could not stop the ecommerce industry to grow. Many new players and even the retailers who were having the brick and mortar stores started offering their products online by means of their online websites. After year, 2000 to till date the e-commerce industry kept

growing with day by day increasing number of players. Even like an offline business, many big e-commerce companies started acquiring small e-commerce companies in order to achieve higher levels of profit. Some e-commerce companies like Amazon have also issued their IPO so early in the year 2011 only. After 2000 various different models of E-Commerce came into existence. Along with this it has been observed that hundreds of e-commerce services such as online food ordering, media streaming, online advertising, online marketplace, brick and mortar retailers, e-commerce payment systems and online store front have emerged.

## **Timeline of Online Shopping**

- Year 1979 was the year of conception of online shopping being marked by invention of electronic shopping by Micheal Aldrich.
- After conception, the next milestone took place in 1982 with the launch of Boston Computer Exchange for selling used computers.
- In 1982, in France, a pre-internet videotext online service by the name of Minitel was introduced.
- Year 1984 was marked for the launch of online marketplace "Electronic mall" by CompuServe. It was popular for offering product images in all color.
- In 1987, Swreg, an online payment processor for global businesses began to provide software.

- In 1990, WorldWideWeb, the first ever web browser, was introduced by Tim Berners-Lee. With help of worldwideweb, e-commerce websites can be easily browsed.
- Year 1992 was the year for the launch of an online marketplace for selling books, named as Book Stacks Unlimited.
- After world wide web, in 1994, another web browser by the name Netscape Navigator was introduced by Netscape.
- 1995 was the year known for launch of Amazon.com, an online marketplace by Jeff Bezos.
- In the same year, one more online marketplace launched was as Ebay.com which was earlier known as Auctionweb.
- In 1996, An Indian online marketplace, Indiamart was launched.
- In the same year, Korea also launched an online market place called as Eclaza.
- The year 1998 is marked for the launch of very well-known online payment system –Paypal.
- In 1999, an online marketplace for shoes and other apparels was launched by the name of Zappos.
- In the same year China launched Alibaba.com, an online marketplace.
- In 2000, an online marketplace, Stubhub was launched for selling tickets of events.
- In the same year, Google launched an online advertising service called as Adwords. It allowed users to show an advertisement in Google search results that is related to the viewer's search.
- In the year 2000, Walmart launched its website so that its customers' can shop online.
- In 2001, an online payment platform was launched by the name Skrill.
- In the same year, a business-to-business online shopping system was launched by Costco.
- Again in 2001, an online marketplace for technology was launched by the name Newegg.
- In 2002, Ebay, an online marketplace acquired paypal, an online payment system in \$1.5 billion in stocks.
- After 2001, in 2002 another business-to-business online marketplace, Bossgoo was launched. [
- In the same year, an online delivery service was launched by Safeway Inc.
- In 2003, Google launched AdSense which allowed users to promote their goods on the web, based on the product's relevance to the viewer of the advertisement.
- Steam, the digital Right Management and gaming platform was launched at global level by Valve Corporation in the same year.
- In 2005, Amazon in order to expand, launched Amazon prime Service which allows users to expedite shipping on any purchases for a flat annual fee.
- Year 2006 is marked for the launch of a prominent storefront service called as Shopify.

- In the same year Ebay acquired Stubhub.
- In 2007 another popular online marketplace of India, Flipkart was launched.
- In the same year, in Seattle, an online food ordering service, Amazon fresh was started. .
- In 2008, another online storefront service, Magento was launched.
- In 2008, Paypal credit was acquired by Ebay.com).
- In the same year ,an online gaming marketplace, GOG.Com was launched ).
- In 2009, an online storefront, Bigcommerce was launched. .
- The same year is also marked for acquisition of Zappos.com by Amazon.
- In 2009 itself ,a game changer in the field of payment made for online purchase was introduced by the name of Bitcoin.
- In 2010, An online marketplace by the name Groupon was launched. .
- In 2011, an acquisition activity of Magento by Ebay.com took place. .
- In the same year google wallet like paypal was launched. It was a prominent online payment system. .
- In 2012, an online food ordering and delivery system, Instacart was launched. .
- In 2013 ,Google Express ,an online food ordering service like Amazon Fresh and Instacart was launched.[46]
- In the same year, China was declared as country with world's largest ecommerce market.
- In 2014, an online payment system in form of mobile app called as Apple Pay was launched.
- 2014 was also the year for the launch of an online marketplace jet.com.
- In 2015, like Apple pay ,Android Pay was launched by Google.
- In the same year Pinterest for allowing the users to sold their pins to others, entered e-commerce industry by adding buyable pins. .
- In 2016, declaration of acquisition of Jet.com by Walmart was announced.
- In the same year Alibaba, an Chinese online marketplace announced about acquisition of a controlling stake in Lazada Group.

Over the last two decades, rising internet and mobile phone penetration has changed the way we communicate and do business. E-commerce is relatively a novel concept. It is, at present, heavily leaning on the internet and mobile phone revolution to fundamentally alter the way businesses reach their customers. While in countries such as the US and China, e-commerce has taken significant strides to achieve sales of over 150 billion USD in revenue, the industry in India is, still at its infancy. However over the past few years, the sector has grown by almost 35% CAGR from 3.8 billion USD in 2009 to an estimated 15.3 billion USD in 2016.

Industry studies by IAMAI indicate that online travel dominates the e-commerce industry with an estimated 70% of the market share. However, e-retail in both its forms; online retail and market place, has become the fastest-growing segment, increasing its share from 10% in 2009 to an estimated 25% in 2017. Calculations based on industry benchmarks estimate that the number of parcel check-outs in e-commerce portals exceeded 110 million in 2015. However, this share represents a miniscule proportion (less than 1%) of India's total retail market, but is poised for continued growth in the coming years. If this robust growth continues over the next few years, the size of the e-retail industry is poised to be 10 to 20 billion USD by 2017-2020. This growth is expected to be led by increased consumer-led purchases in durables and electronics, apparels and accessories, besides traditional products such as books and audio-visuals.

The essence of e-retailing is in its ability to transcend physical boundaries and reach customers in a manner different from the traditional brick-and-mortar stores, to their very doorstep. However, the base of the e-retailing model is technology and logistical solutions that facilitates the customer acquisition and the final 'reach' process. E-commerce further brings to the table vagaries in customer orders accompanied with difficult scenarios such as free delivery order rescheduling, cancellation, returns and cash-on-delivery.

E-Commerce or electronic commerce, deals with the buying and selling of goods and services, or the transmitting of funds or data, over an electronic platform, mainly the internet. These business transactions are categorised into either business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer (C2C), consumer-to-business (C2B) or the recently evolved business-to-business-to-consumer (B2B2C). E-Commerce processes are conducted using applications, such as email, fax, online catalogues and shopping carts, electronic data interchange (EDI), file transfer protocol and web services and e-newsletters to subscribers. E-Travel is the most popular form of e-Commerce, followed by e-Tail which essentially means selling of retail goods on the internet conducted by the B2C category.

#### **LITERATURE REVIEW:**

**Gopal & Deepika (2017)** analysed the consumer buying behaviour in online shopping through the researcher done by various authors. The authors concluded that time saving, enjoyment, previous experience and trust in online shopping are the most influential factor for consumer's online shopping.

**Maanisha & Shukla (2016)** studied the consumer's behaviour towards online purchasing of electronic goods in Bhopal & Jabalpur city. The results of the study indicated that product quality, accessibility, convenience, price and time savings are the specific factors that influence customer's attitude towards online shopping.

**Amol Ranadive (2015)** conducted a study on "An Empirical Study on the Online Grocery Shopping Intentions of Consumers in Vadodara City." The objective of the study was to study the factors that affect the intention of the consumers in Vadodra to buy groceries online. The data collection was done using self-administered questionnaire from the consumers who possessed some prior experience of buying goods online over the internet. A Stratified sampling design was used in the study. The results of the study showed that there was a weak but positive intention expressed by the respondents towards buying groceries online. It also helped the online grocers to realize consumers' wants and preferences while they shop online for grocery products. Moreover, online grocers would be able to position themselves in the market at par to be accepted by consumers in Vadodra city. It is suggested from the study that it can also be applicable to other areas of Gujarat for understanding the behaviour of consumers towards online grocery shopping and the companies can accordingly devise strategies for increasing their customer base.<sup>75</sup>

**Ms. Asmatara Khan, Dr. Chadrnahauns R. Chavan (2015)** conducted a study on "Factors affecting on-line shoppers behavior for electronic goods purchasing in Mumbai: An empirical study". The objective of the study was to study motivational factors affecting online shopping behavior of electronic goods. A model was developed to examine the relationship between perceived risks, return and attitudes towards online shopping along with the influence of an individual's domain specific innovativeness (DSI), attitude, subjective norm and planned behavior (PBC) towards online shopping. The Primary data was collected with the help of a self administered questionnaire from online shoppers in Mumbai who had the experience in online shopping. Data analysis was done using SPSS version 18.0 for the data gathered through structured questionnaire. Data analysis was done by Chi-square Test and T-test to analyze effect of independent variable on dependent variables. It was observed from the study that financial risks negatively affects attitude toward online shopping.

**Dr. Amaravathi, M., Mr. Anand Shankar Raja, M. (2015)** conducted a study on "Customers' preference towards online shopping with special reference to the city of Kochi". The objective of the study was to explore factors which motivate the consumers to prefer online shopping

and to determine whether the demographic constructs play an important role in influencing a person to involve in online shopping. The primary data was collected through questionnaire from the respondents using a simple random sampling method. This study highlights the change that has been taken place in online shopping. With the help of factor analysis results were analyzed. The findings revealed that online shopping has really saved a lot of time for many in this competitive World. Moreover, demographic constructs of the customers have strong influence on online shopping. Many customers prefer online shopping based on various criteria related to their personal space and based on their demographic constructs because the background of the customers are important to get influenced by online shopping.

**Dr.S.Saravanan, K.Brindha Devi(2015)** conducted a study on “A study on online buying behaviour with special reference to Coimbatore city”. The aim was to find out the preferences given by the online consumers for different online websites and find out the most frequently buying product through online shopping. The primary data was collected from questionnaire from 200 respondents. The constructs were measured based on seven point scale. The findings of the study showed that Electronic products are mostly preferred by the online buyers, the second preference goes to Cosmetic & third preference to Food section, followed by gift products, clothes, tickets and Music Software.

**Ravjot Kaur, Gurmeet Kaur, Aman Kumar, Gaurav Kumar(2015)** conducted a study on “Customer Attitude towards Online Shopping in Chandigarh”. The aim of the study was to explore the factors affecting buying behavior of consumers towards online shopping and to study the risks/problems faced by online shoppers. The primary data was collected from 100 respondents falling into three categories according to their online shopping frequency: high users, medium users and low users. To test the significance of the relationship between various factors and attitude towards online shopping of the internet users: kruskal wallis test was used. The observations from the study were that the major factors influencing the online shopping were convenience, perceived risks, affordability and product characteristics. Convenience and affordability were the positive factors that drive the consumers to choose internet as a shopping medium whereas perceived risks and product characteristics were those factors that stops the consumers to shop online. The conclusions drawn would help the marketers/online sellers to focus on the key factors that affect the attitude of the consumers towards online shopping.

**Dr. Shiv Prasad,Dr. Amit Manne, Dr. Veena Kumari(2014)** conducted a study on “Changing face of buyers behaviour towards on line shopping of financial products in India (A

Case study of Rajasthan State).” The aim of the research paper was to study the buying behavior of financial products through online shopping. The sample size included 1000 respondents in rural, urban and semi urban parts of Rajasthan having different age and income group. A pilot survey of 200 respondents was carried out to gather feedback. A well-structured questionnaire was developed after pilot survey. The questionnaire comprised of two parts i.e. general information about respondents’ demographic backgrounds and other part consisted of questions relating to factors important for online purchase, information source, expected and experiences and opinion on online purchase.

**Navneet Madan, and Jesada Sivaraks(2014)** in their study discussed about the importance and benefits of E-Commerce. The results of this research will increase researcher’s comprehension on difference in factors that influence online purchase intentions of experience and inexperienced online purchasers. The interesting finding is that the results show that variety, website system quality, and tangibility have no influence on purchasing intention in customer’s decision even though the respondents were quite satisfied with these dimensions

**Dr .Anukrati Sharma(2013)**, made an attempt to study the recent trends, influences, preferences of customers towards e-commerce and online shopping and to give the suggestions for the improvement in online shopping websites. The author stated that Today almost every big company has adopted these technologies to increases sales, to make branding all over the globe. Online shopping in India saw a 128% growth in interest from consumers in 2012 as compared to the previous year, according to a new report. The growth was only 40% between 2010 and 2011, said the report compiled by Google and TNS Australia.

**According to Sharma and Mittal (2009)** in their study "Prospects of e-commerce in India", mentions that India is showing tremendous growth in the Ecommerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India. Today E-commerce is a common word in Indian society and it has become an integral part of our daily life.

**Ramírez Nicolas(2010)** stated that "The Internet has changed many facets of our daily lives: the way we relate and communicate with one another, how we interact with a bank, read newspapers or watch television. Even the way we buy and sell. Whether inserted in printed media or posted through letter boxes, they attracted new customers and were also offered at the time of purchase to promote consumer loyalty by encouraging repeat purchases at ISSN 2348 -

8891 AltiusShodh Journal of Management & Commerce outlets. In order to play the "high number game", there were many businesses which offered special discounts to a group of customers together.

**Donald Rogan(2007)** explains the relationship between consumer behaviour and marketing strategy. He states that strategy is about increasing the probability and frequency of buyer behaviour. Requirements for succeeding in doing this are to know the customer and understand the consumer's needs and wants. The expectation-confirmation model (Oliver 1980), on the other hand, focuses on the post-purchase behaviour. It is a widely used model in the consumer behaviour literature, particularly in explaining consumer satisfaction and repeat purchase. Satisfaction is the central notion of this model and it is formed by the gap between expectation and perceived performance (Oliver 1980). The expectation-confirmation theory suggests that if the perceived performance meets one's expectation, confirmation is formed and consumers are satisfied.

**Bhattacharjee(2001)** stated that satisfied users are more likely to continue the IS use. Thus, we point that adoption and continuance are connected to each other through several mediating and moderating factors such as trust and satisfaction. Venkatesh(2000) reported that perceived convenience offered by Internet Vendors has a positive impact on consumers' attitude towards online shopping, as they perceive Internet as a medium that enhances the outcome of their shopping experience in an easy way. Online shopping holds a great potential for youth marketers. According to Vrechopoulos et al. (2001) youth are the main buyers who used to buy products through online.

**Dholakia and Uusitalo(2002)** study examined the relationship between age and Internet shopping; found that younger consumers reported more linen to the online shopping. They also found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

**Benedict et al (2001)** in his study on perceptions towards online shopping reveals that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by external factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.

## **THE NEED/RELEVANCE OF THE STUDY:**

The E-Commerce is the new and emerging method of business. It is present in all types and areas of business. It is also undergoing continuous changes to emerge as best way of business to cut the cost, to improve effectiveness and efficiency, and to enhance the profit by reaching all customer segments. On the other hand, the customers also experiencing the easiness in choosing the best products at best deals, timely delivery of goods and services at their door step. The customers are also increasingly moving towards the E-Commerce mode with the help of advanced internet and communication technology. This method of business is also not free from issues and challenges. As a result the customers are very careful when they use this type of purchase and payments.

Though many researches were carried on the area of E-commerce, the sub areas of emerging trends and customer issues like their priorities and perception, the socio economic back ground were not studied sufficiently. These issues will form the case base of this research study project.

#### **OBJECTIVES OF THE STUDY:**

The main objective of the proposed study is to analyse the pros and cons of E-Commerce from different angles and perspective. The specific objectives of the study will be carried out with the following objectives

1. To study the profile of the respondents and study the Online Shopping habits
2. To study the emerging priorities of customers in Online Shopping.
3. To analyse the socio-economic background and motivational factors to opt for Online Shopping.
4. To study the customer perceptions and satisfaction levels in Online Shopping.

#### **Hypothesis of the study**

1. H<sub>01</sub> There is no significant association between education of the respondents and Online shopping.
2. H<sub>02</sub> There is no significant association between income of the respondents and Online shopping.
3. H<sub>03</sub> There is no significant association between occupation of the respondents and Online shopping.
4. H<sub>04</sub> There is no significant association between Age of the respondents and Online shopping.

5. H<sub>05</sub> There is no difference between rural and urban respondents about use Online shopping.

## **6. RESEARCH METHODOLOGY:**

Research Methodology is the scientific approach adopted for the preparation of any report or dissertation or thesis. For the present study following methodology has been adopted.

### **(A). Sample Design:**

A purposive sample of 100 was designed. Further this 100 sample was divided into two groups urban and rural. From urban sample of 50, male sample of 25 and female sample of 25 was taken. In rural areas also from a sample of 50, male sample of 25 and female sample of 25 was taken. The proposed segregation was taken with a view to making the study more representative, scientific, meaningful, expedient, time saving and manageable.

### **(B). Data collection:**

For the study data have been collected from both primary and secondary sources.

The well-structured questionnaire was served to the respondents in urban and rural areas coupled with observations to receive '**respondents**' response which is essential for qualitative data.

Necessary secondary data also collected from published and unpublished records of the selected organization. Data regarding conceptual frame work of the topic statutory and legislative dimensions and review of literature also collected from Journals, Magazines, Newsletters, Newspapers, Periodicals, Reference Books, Reports of the Government and Non-Government organizations, select unit's annual reports and various other publications.

### **(c). Period of the study:**

Further this study also conducted for a period of 4 weeks and the data of last two years related to the select E-Commerce portals was collected and used.

### **(D). Techniques of data analysis:**

For analysing the data and information simple statistical techniques such as percentages, ratios, diagrams, charts and averages will be used. Further, the interpretations have also been derived based on the tabulated information and bar diagrams designed from the respondents' data.

Other advanced statistical tools also used to check and test the reliability of the data and information.

### **Limitations of the Study:**

Any study based on sample units is bound to suffer with certain limitations. The present study is not an exception to this. The following are limitations of the present study.

- The study is only an academic point of view, and as the sample size is restricted to 100, the conclusions derived there on cannot be generalized for whole population/ universe.
- The study is based on primary and secondary data. The information collected from internal records and observation may suffer from limitations like incompleteness, non-availability and irregularity.
- As the present study is based on observation and survey research method, it also carries the limitations of the said methods and there may be approximation.
- Some of the responses are bound to be vague and not satisfactory; however, every care will be taken to ensure that authenticity of the data gathered from these interviews by a continual cross checking to avoid the element of subjectivity in the responses. But still the element of subjectivity cannot be avoided together.
- The E-Commerce portals those are used by respondents in Wanaparthy district are large in number, but only limited number was selected for the study because of time and resource constraint.
- Conclusions and suggestions in some cases may be based on the researcher's own judgement.

#### **SCOPE OF THE STUDY:**

As the study is confined to only 100 respondents of urban and rural areas of Wanaparthy district, the findings and conclusions derived thereon may not be generalized. It is assumed that the respondents are honest in expressing their opinions but in scientific evaluation it may not be beyond the doubt. Further the geographical variations may also affect the findings from rural to urban and even semi urban. Though the sample size is small and less scope for generalizations, but every care has been taken to include all types of consumers in the sample to make it a representative one.

### **RESULTS & ANALYSIS**

#### **The Profile of respondents**

People belonging to different socio-economic and demographic backgrounds use different products and brands. The perception, attitude, motivation, personality depend on socio-economic and demographic factors. Why, what, when, how people buy products depend to large extent on the peoples' socio-economic and demographic factors. Hence, keeping in view

the importance of socio-economic and demographic factors in consumer behavior a modest attempt has been made in the study to know the socio-economic and demographic profile of respondents.

**Table .1**

**The Profile of respondents**

<b>Age</b>	<b>Below 25Yrs</b>	<b>25-35 Yrs</b>	<b>35-50 Yrs</b>	<b>Above 50 Yrs</b>		
	<b>42%</b>	<b>33%</b>	<b>21%</b>	<b>4%</b>		
<b>Sex</b>	<b>50%</b>		<b>50%</b>			
<b>Marital Status</b>	<b>52%</b>		<b>48%</b>			
<b>Education</b>	<i>Below Ssc</i> 15%	<i>Inter</i> 13%	<i>Graduation</i> 407%		<i>Above graduation</i> 25%	
<b>INCOME</b>	<b>Below 10000</b>	<b>10000-25000</b>	<b>25000-50000</b>		<b>Above 50000</b>	
	<b>18</b>	<b>46</b>	<b>33</b>		<b>2</b>	
<b>Occupation</b>	<b>Self-Employee</b>	<b>Business</b>	<b>Professional/Employees</b>		<b>Others</b>	
	<b>31%</b>	<b>20%</b>	<b>45%</b>		<b>4%</b>	
<b>Area</b>	<b>Urban 50%</b>		<b>Rural 50%</b>			
<b>Income Level</b>		<b>Below 10,000</b>	<b>10,000 - 25,000</b>	<b>25,000-50,000</b>	<b>50,000-1,00,000</b>	<b>Above 1,00,000</b>
		<b>6%</b>	<b>18%</b>	<b>46%</b>	<b>24%</b>	<b>6%</b>
		<b>10%</b>	<b>39%</b>	<b>33%</b>	<b>17%</b>	<b>1%</b>

Source: Primary data compiled from Questionnaire,

The following table shows the priorities of customers while they do the online shopping. Upon the serving the questionnaire to respondents, it is found that the followings items stood as the major priorities of the customers in online shopping. The Electronics, mobiles, laptops, computer, watches, Clothes, shoes, betls, Books, Furniture, beds, chairs , tables and other interior decoration etc are majorly purchased items by the respondents.

**Table .2: The Priorities of products of respondents**

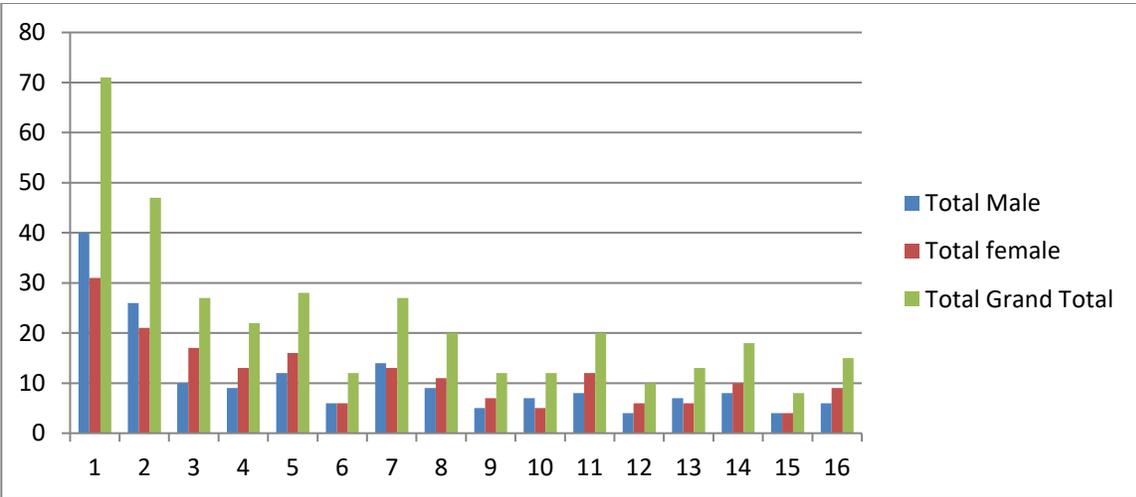
<b>Type of products they purchased</b>	<b>Urban(50)</b>	<b>Rural(50)</b>	<b>Total</b>	
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	M(25)	F(25)	M(25)	F(25)	M(50)	F(50)	Grand Total(100)
1.Eletronics: mobiles, loptops, computer, watche, etc	22	16	18	15	40	31	71%
2.Clothes, shoes,betlsetc	12	11	14	10	26	21	47%
3.Books	5	9	5	8	10	17	27
4.Furniture, beds, chairs , tables and other interior decoration	4	9	5	4	9	13	22%
5.Kitchen items	6	9	6	7	12	16	28%
6.Baby item	3	3	3	3	6	6	12%
7.Sports items	7	7	7	6	14	13	27%
8.Health and fitness items	5	6	4	5	9	11	20%
9.Beauty care items	4	5	1	2	5	7	12%
10.Tools and hardware	3	3	4	2	7	5	12%
11.House hold items	6	7	2	5	8	12	20%
12.Pet animals	3	4	1	2	4	6	10%
13.musical instruments, movie and music	6	4	1	2	7	6	13%
14.Pens and stationary	6	5	2	5	8	10	18%
15.automotives	3	3	1	1	4	4	8%
16.any other items	6	6	0	3	6	9	15%

Source: Primary data compiled from Questionnaire,

Note: Figures are in percentages(%).

### Graph.1: The Priorities of products of respondents



Note: x- Axis – Variables Y-Axis- Percentage of respondents

The customer is a psychological, rational and complicated human being. The purchase decisions are influenced by multiple factors. The product quality, price, offers and deals, advertisement, door delivery, convenience, time factors etc have the impact on the customers mind. When the questionnaires with the following details were served to the respondents, the responses are like this. The amazon.com is leading in e-commerce in Wanaparthy district followed by flipcart and snapdeal. The majority of the customers are purchasing the goods and service for their family members. The print media, electronic media, Friends and neighbors and Social networks are playing important role in providing the information about the product.

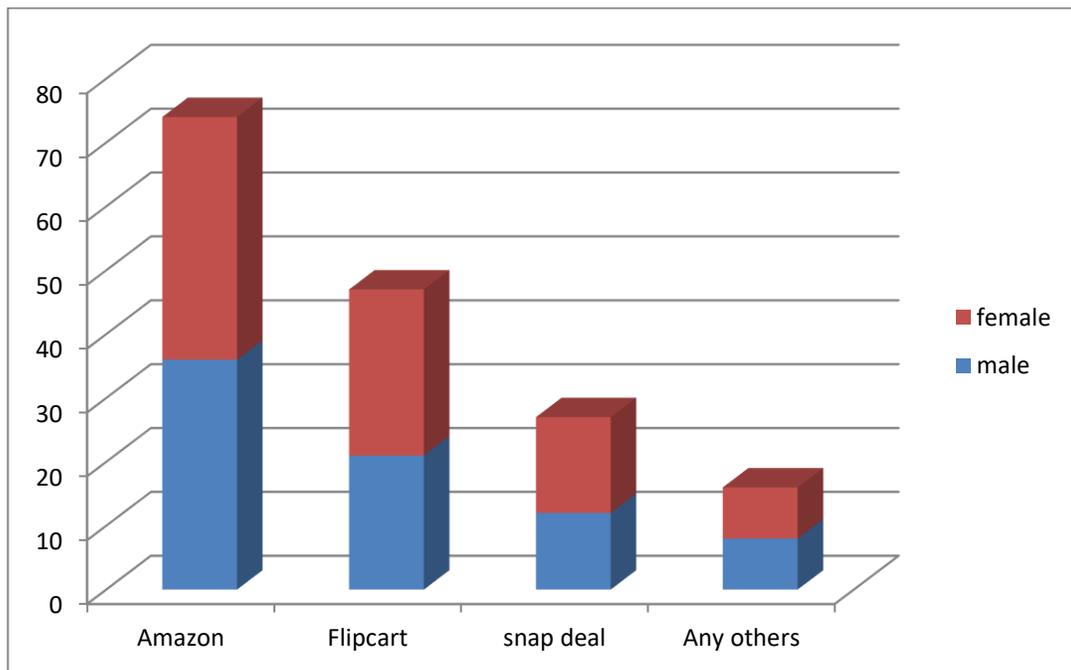
**Table .3: The shopping behaviour and motivational factors**

	Urban(50)		Rural		Total		Grand Total (100)
	M(25)	F(25)	M(25)	F(20)	M(50)	F(50)	
<b>Portal used for Online Shopping</b>							
<i>Amazon</i>	17	18	19	20	36	38	74%
<i>Flipcart</i>	13	6	8	20	21	26	47%
<i>snap deal</i>	10	12	2	3	12	15	27%
<i>Any others</i>	3	4	5	4	8	8	16%
<b>For whom they do online shopping</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>female</b>	<b>Male</b>	<b>Female</b>	
self	20	15	13	11	33	26	59%
for family members	11	17	21	22	32	39	71%
for any others	3	1	3	0	6	1	7%
<b>Information about Products they get</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>female</b>	<b>Male</b>	<b>female</b>	

Print media	2	6	12	9	14	15	29%
Electronic media	15	13	13	12	28	25	53%
Friends and neighbors	10	8	9	7	19	15	34%
Social net works	11	8	13	17	24	25	49%
Any others	2	1	2	1	4	2	6%
<b>Motivating factors</b>	<b>Male</b>	<b>Female</b>	<b>Male</b>	<b>female</b>	<b>Male</b>	<b>female</b>	
Low price	12	15	11	12	23	27	50%
Easiness for shopping	7	6	9	9	16	15	31%
Best deals and offers	9	9	12	16	21	25	46%
door delivery	10	6	16	16	26	22	48%
convenience	3	3	5	3	8	6	14%
Time	7	3	6	6	13	9	22%
Any others	1	0	1	0	2	0	2%

Source: Primary data compiled from Questionnaire.

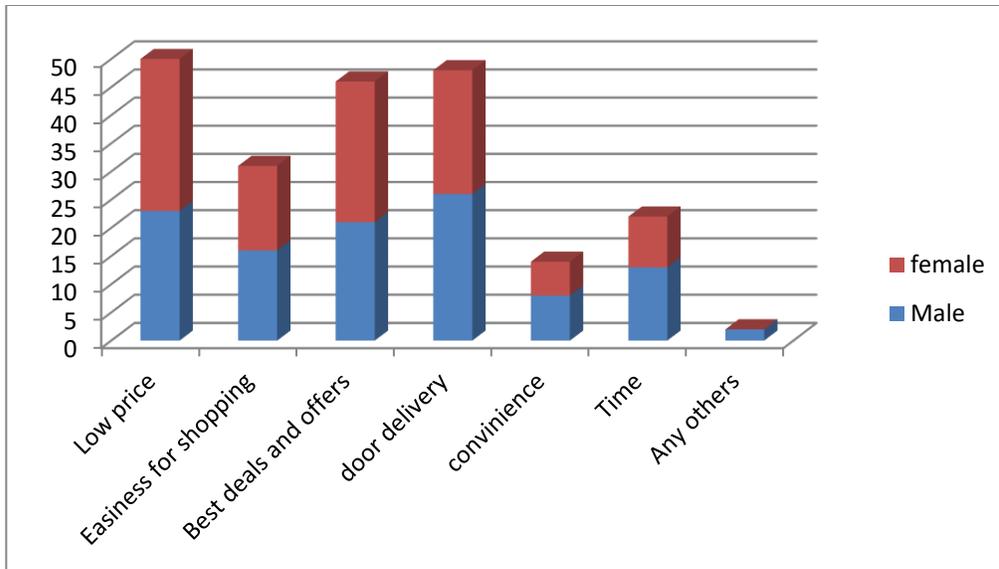
*Graph.2:Portal used for Online Shopping.*



- Male,
- female

## Motivational factors of Online Shopping Customers

*Graph.3:Motivational factors of E-Commerce Customers*



The perception is an important component of the consumer behaviour. It decides how he views the goods and services and his purchasing patterns. The positive perception leads to better customer relations and repeated purchase from the same brand, shop, seller etc. The customer perceptions towards the price, offers and Deals, Quality, Reliability, Warranty and Guarantee etc is very important. The below given table explains the respondents perceptions towards these important aspects.

**Table .4: The perceptions and satisfaction of Online Shoppingcustomers**

(The Figures are in Percentages)

Opinions of respondents	Responses		
	<b>Price</b>	<b>Low Price</b>	<b>Normal Price</b>
	35%	60%	5%
<b>offers and Deals</b>	<b>Best Offers</b>	<b>Normal offers</b>	<b>Not Attractive</b>
	57%	33%	10%
<b>Quality</b>	<b>Low quality</b>	<b>Normal quality</b>	<b>High quality</b>
	7%	70%	23%
<b>Reliability</b>	<b>Good</b>	<b>Average</b>	<b>Poor</b>
	45%	48%	7%
<b>Warranty and Guarantee</b>	<b>Trustable</b>	<b>Not trustable</b>	<b>Can't Say</b>
	49%	17%	34%
<b>Goods received on time</b>	<b>Always on time</b>	<b>Below or above time</b>	<b>Never on time</b>
	35%	58%	7%
<b>Services of delivery boys</b>	<b>Poor</b>	<b>Normal</b>	<b>Best</b>
	4%	41%	55%

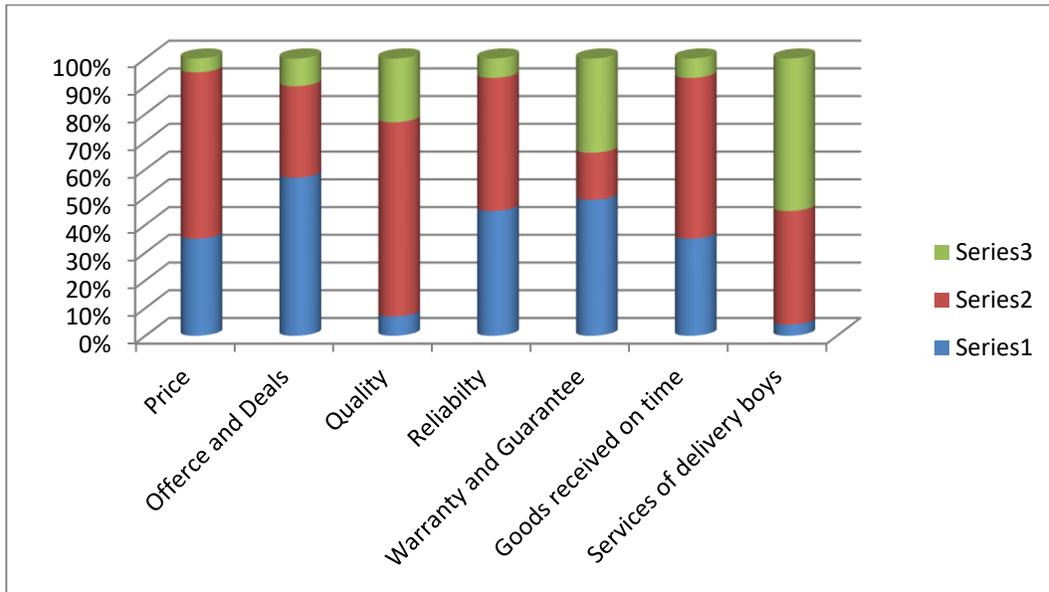
Frequency of Online shopping	Frequently	On festivals	celebrations of events
	21%	38%	41%

Source: Primary data compiled from Questionnaire,

Note: Figures are in percentages(%)

The below given graph is designed based on the above table for easy understanding.

**Graph.4:Satisfaction of E-Commerce Customers**



- **High Satisfaction**
- **Normal satisfaction**
- **Low satisfaction**

The Experiences are very crucial for a customer. The good experiences motivate the customers for more purchases and these experiences will be shared among his friends, relatives and social groups. This study project also took up this area as one of the base for collecting data of the shopping experiences of the respondents and to generalise with e-commerce business. The experiences of the respondents includes cheating case in online shopping, made of payments, feeling of shopping and complaints about the products , because these issues are very important to understand the consumer satisfaction levels and have impact on success or failure of e-commerce business.

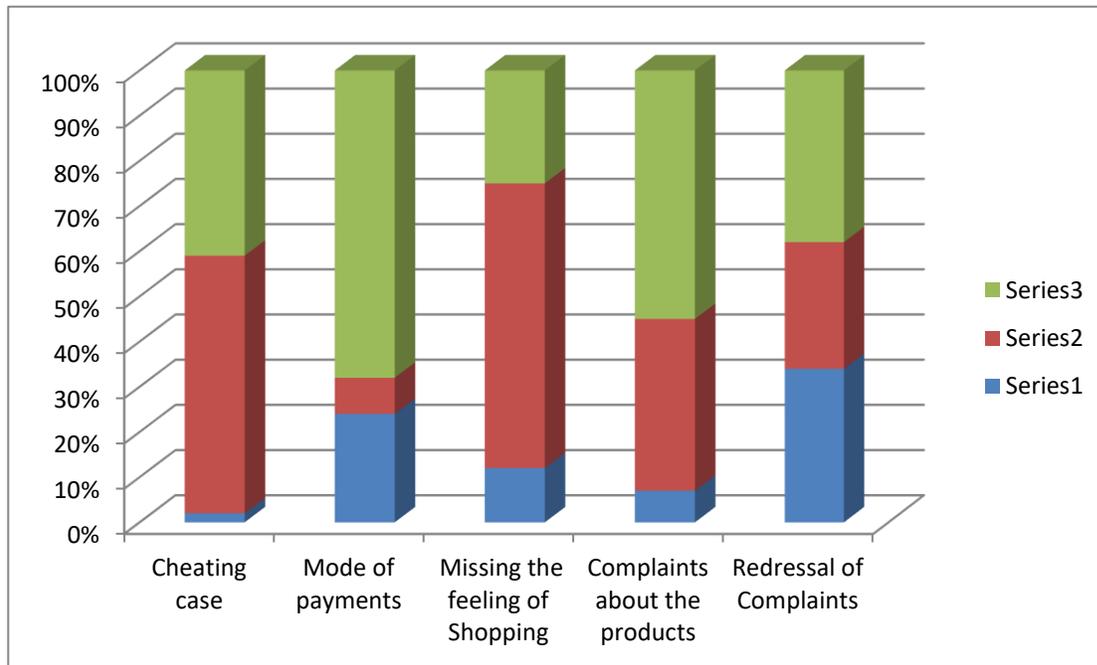
**Table .5: The Experiences of Online Shoppingcustomers**

Experiences of Respondents	Responses		
	Always	Some times	Never
Cheating case	2%	57%	41%

<b>Mode of payments</b>	<b>Card payment</b>	<b>Online Payment</b>	<b>COD</b>
	24%	8%	68%
<b>Missing the feeling of Shopping</b>	<b>Always</b>	<b>Some times</b>	<b>Never</b>
	12%	63%	25%
<b>Complaints about the products</b>	<b>Always</b>	<b>Some times</b>	<b>Never</b>
	7%	38%	55%
<b>Redressal of Complaints</b>	<b>Always</b>	<b>Some times</b>	<b>Never</b>
	34%	28%	38%

Source: Primary data compiled from Questionnaire,

*Graph.5:Experiences of Online ShoppingCustomers*



### Hypothesis

- H<sub>01</sub>** There is no significant association between education of the respondents and Online shopping.

Table 1

ANOVA Test

Association between education and use of Online Shopping

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	113.912	3	37.971	55.627	.000
Within Groups	65.528	96	.683		
Total	179.440	99			

Source: primary data

8. Table 1 shows the association between the education and Online shopping among the identified respondents in Wanaparthy dist. of Telangana state. As per the results, the 'p' value 0.00 is below the standard value 0.05 at 5% level of significant. Therefore, the null hypothesis is rejected. Hence, it is concluded that there is a significant association between education and Online shopping.

1.

**H<sub>02</sub> There is no significant association between income of the respondents and use of e-commerce.**

**Table 2**

ANOVA Test

1. Association between income and Online shopping.

	Sum of Squares	Df	Mean Square	F	Sig.
Between Group	107.549	98	1.097	41.188	.000
Within Group	45.201	1	45.201		
Total	152.750	99			

Source: primary data

1. Table 2 shows the association between the income and Online shopping among the identified respondents in Wanaparthy dist. of Telangana state. As per the results, the 'p' value 0.00 is below the standard value 0.05 at 5% level of significant. Therefore, the null hypothesis is rejected. Hence, it is concluded that there is a significant association between income and use of e-commerce.

**H<sub>03</sub> There is no significant association between occupation of the respondents and use of e-commerce.**

**Table 3**

ANOVA Test

Association between occupation and use of Online Shopping

	Sum of Squares	df	Mean Square	F	Sig.
Between Group	133.369	98	1.361	14.241	.000
With in Gropu	19.381	1	19.381		
Total	152.750	99			

Source: primary data

- Table 3 shows the association between the occupation and Online shopping among the identified respondents in Wanaparthy dist. of Telangana state. As per the results, the 'p' value 0.00 is below the standard value 0.05 at 5% level of significant. Therefore, the null hypothesis is rejected. Hence, it is concluded that there is a significant association between the occupation of the respondents and use of e-commerce.

**H<sub>04</sub> There is no significant association between Age of the respondents and use of e-commerce.**

**Table 4**

ANOVA Test  
Association between Age and use of Online Shopping

	Sum of Squares	df	Mean Square	F	Sig.
Between Group	179.522	1	179.522	374.019	.000
With in Gropu	47.038	98	.480		
Total	226.560	99			

Source: primary data

- Table 4 shows the association between the Age and Online shopping among the identified respondents in Wanaparthy dist. of Telangana state. As per the results, the 'p' value .00 is below the standard value 0.05 at 5% level of significant. Therefore, the null hypothesis is **rejected**. Hence, it is concluded that there is a significant association between the age of the respondents and use of Online Shopping in Wanaparthy dist..
- 9. H<sub>05</sub> There is no difference between rural and urban respondents about use Online shopping.**

**Table 5**

Difference between rural and urban respondents

		Use of Online Shopping		Total
		Yes	No	
Areas	Rural	24	26	50
	Urban	36	14	50
Total		60	40	100

CHI-SQUARE TEST

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.000 <sup>a</sup>	1	.014

10. Table 5 shows the difference between the rural and urban respondents among the usage Online shopping in Wanaparthy dist. As per the results, p value 0.01 is below the standard vale .05 at 5% level of significant. Hence, the null hypothesis is rejected. Therefore, it is concluded that there is a significant difference between the rural and urban areas in the usage of Online shopping in Wanaparthy dist.

## **FINDINGS:**

1. It is found out from the table that majority of respondents are blow 25 years (42%) the remaining are in the age group of 25-35 years(33%), the age group of 35-50 years (21%) and above 50 years is 4% only. Hence The youth are doing more online shopping
2. It is found out from the table that 52% of the respondents are married and remaining 48% are un-married. The married persons may be with earning ability and taking care of their family member's needs.
3. It is observed that majority of the respondents are having graduation qualification (47%). The SSC or below is only 15%. It means the persons with more education using more technology which is crucial for Online Shopping.
4. In sample size, 50% of the respondents are from urban areas and 50% are from rural areas. In urban, 50% male and 50% are female, and in rural 50% male and 50% are female respectively (Preselected sampling )taken for this study. Hence inclusiveness is observed to make this study more representative one.
5. It is found out that majority of the respondents (46%) are in the income earning group 25,000 to 50,000 in urban areas, majority of the respondents (39%) are in the income earning group of 10,000 to 25,000 in rural areas.
6. It observed from the table that more online customers (71%) purchasing electronics, mobiles, loptop, computers, watches etc , in both urban and rural areas, majority of respondents are male respondents (88% and 72% respectively).
7. It is found out from the table that majority of the respondents (74%) are using amazon.com portal in urban and rural areas. The flipkart.com is the second priority of the majority of the respondent followed by snapdeal.com.

8. It is observed from the table that the customers are using electronic media (53%) social network (49%), friends and neighbours (34%) for knowing about various online products and other information.
9. It is observed from the table that majority of the customers are motivated by low price(50%), door delivery(48%) , best deals and offers(46%)(Aggregate of male and female in both urban and rural areas).
10. It is found out that majority of the respondents opined that prices are normal or below normal levels. Only 5% of the respondents felt that prices are higher in online shopping.
11. It is observed that majority of the respondents (57%) attracted by best offers in online shopping.
12. It is observed that majority of the respondents are of the opinion that the goods are with good quality. Only 7% of respondents felt that low quality goods in Online Shopping.
13. When the question was posed to the respondents about warranty and guarantee, majority of the respondents (49%) are replied that these warrantee and guarantee are trustable.
14. About the frequency of shopping asked to respondents, more customers doing online shopping on celebrations of events (41%), on festivals (38%) and remaining do frequently and casually (21%).
15. When the question was asked about experience of cheating cases, 57% of the respondents opined that sometimes they had these types of experiences.
16. It is found out that majority of the respondents use cash on delivery (COD) method (68%) for payment, followed by card payment (24%) and online payment (8%).
17. It is found out that 45% of the respondents complained about the products and services. It is also found out that 62% of such cases were immediately redressed.
18. It is found out that more of respondents expressed the opinions that certain goods do not have shipment/delivery facility/accessibility to the semi-urban and rural areas. Especially big commodities like washing machines, refrigerators, air coolers etc.

### **SUGGESTIONS:**

The following are the suggestions offered for the effective functioning of Online Shopping.

1. It is suggested that age has been found to have influence on online purchase. Internet usage has not diffused uniformly among all age groups, hence the difference in attitude towards online purchase.
2. Mode of payment plays a crucial role in the success of a e-commerce company. The buyer should have a choice to see the product at his home through door delivery and then make cash payment. To win the confidence and credibility of online buyers payment on delivery facility should be extended to the buyers. Hence it is suggested that they should provide on delivery of payment option to the buyers.
3. It is suggested that online business requires 100% satisfaction of consumers for its survival and growth. Even if a small percentage of the online buyers are not satisfied, through social media they can ventilate their dissatisfaction which will have far reaching impact on ecommerce.
4. It is suggested that the prices of the products sold through online should also be low and within the reach of the buyers as the lower price is the influencing factor.
5. It is suggested that the online stores have to give discounts to woo the online buyers as discount is the key influencing factor for the consumer.
6. It is further suggested that the e-commerce companies should safeguard and protect the credit and debit card information by maintaining confidentiality and security of the consumers. The online purchase has to be hack proof.
7. It is suggested that the online buyers should have reliable and dependable after sale service. The facility of after sale service will go a long way in increasing the volumes of business of online stores. The severest limitation of online stores is lack of post sales service facilities. Further, it is suggested that online stores should start their after sales service in all metropolitan and cosmopolitan cities to provide after sale service.
8. It is suggested that after delivery of the product to the consumer, if consumer wants to seek clarification or information regarding the product, the online stores have to be prompt to attend to the complaints and calls of the customers through toll free number without causing much irritation and inconvenience by keeping him on the line indefinitely.
9. It is found that majority of the online buyers are youths. As such the e-commerce companies have to appeal to the youth segment by various schemes and discounts periodically.

10. It is found that majority of the respondents are using smart phones and laptops. Hence ecommerce companies should have a tie up with smart phone companies to increase the volume of business.
11. It is suggested that online retailers need to provide more connivance and competitive price and more variety products in order to attract online shoppers to their websites and encourage them to make a purchase decision.
12. It is suggested that the companies should give personal information privacy to the consumers who are involved in online buying of products and services.
13. Especially fly by night companies which will be cheat the online customers.
14. It is suggested that online transactions should be safe and proper security to be assured to the people making online purchases.
15. Internet is a backbone of Online Shopping. Internet penetration in India is very low. It is suggested that online stores should strive for internet connectivity and accessibility Throughout the length and breadth of India.
16. It is suggested that Online Shopping companies should transact with all the online buyers in National and Regional languages also. So to reach out to the large number of semiliterate people across India.
17. The Online Shopping business is more reachable to big cities, metros etc. Not properly reachable to other districts, mandals and other small towns and villages. This problem should be addressed immediately to tap the semi-urban markets and rural markets.
18. India has poor roads and highways make logistics difficult which is a hindrance for the growth of Online Shopping in India. Hence it is suggested that the Government should undertake development of roads and express ways enabling smooth shipment of products to the nook and corner of India.

## **CONCLUSION:**

Internet is providing companies new channels of communication and interaction. It can create closer yet more cost effective relationships with customers in sales, marketing and customer support. Companies can use web to provide on-going information, service and support. Online shopping has made shoppers more knowledgeable than ever before. Consumers are becoming more efficient by shopping online and more effective because of ease of information accessibility online. Many shoppers go online for research purpose rather than purchase purpose. Consumers are increasingly shifting from the crowded stores to the one-click online

shopping format. A key e-commerce driver has been the evolution of online purchasing behaviour in the tier 2 and tier 3 cities due to access to products and services which were otherwise not available to these consumers. The share of traffic from tier 2 and tier 3 cities is rapidly growing for major players. However limited country personal computer and broadband penetration has necessitated the use of mobile phone as the primary means of internet access for many consumers beyond the major cities of India. The young demographic supported by raising income levels, internet penetration and smart phone sales are the drivers for the growth of ecommerce in small towns of India.

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**QUESTIONNAIRE**  
**ON**  
**The Customer's perception towards Online Shopping: A study of Wanaparthy Dist. in Telangna**

**SECTION -A: DEMOGRAPHIC FACTORS**

- 1. Name of the Respondent :
- 2. Place :
- 3. Age :
  - a. Below 25      b. 25-5      c. 35-50      d. above 50
- 4. Gender: Male/Female :
- 5. Marital Status ( Married/Unmarried):
- 6. Education:
  - a. SSC                      b. Intermediate      c. Graduation      d. Above Graduation
- 7. Occupation:
  - d. Self-Employee      b. Business      c. Professional/Employees      d. Others
- 8. Monthly Income:
  - a. Below 10,000                      2. 10,000-25,000
  - c. 25,000-50,000                      4. Above 50,000
- 9. Family type:
  - a) Single                      b) joint family                      c) Nuclear family
- 10. Family size:
  - a. Below 2                      b. 3-5                      c. 6-8

## SECTION-B

11. How frequently you do buy products or any other transaction through online?  
a. Less than twice      b. 3-6 times      c. 6-9 times      d. 9-12 times
12. In which device usually you do online shopping?  
a. PC/Desktop      b. Laptop      c. Smartphone      d. Smartpads
13. Which is the preferable mode of payment you like to do for online shopping?  
a. Cash on delivery      b. Debit card      c. Net banking      d. Credit card
14. Which E-Commerce/Online shopping Portals you use ?  
a. Amazon      b. Flipcart      c. Snapdeal      d. Any Other
15. How do you get information about products in online shopping? Print media  
 Media      b. Friends & Neighbors      c. Social networks      d. Any Other
16. What device you use for Online Shopping?  
a. Mobile phones      b. Laptops /Personal computers      c. Cyber Cafes      d. Any Other
17. Do you feel that you miss the feeling of shopping in online shopping?  
a) always      b) sometimes      c) frequently      d) Never
18. Have you ever complained about the products to the seller? (      )  
a) always      b) sometimes      c) never
19. Have they responded and solved the complaints? (      )  
a) always      b) sometimes      c) never
20. Who will prompt you to go for online shopping and decides the products? (      )  
a) Husband      b) wife      c) childrens      d) together
21. Satisfaction with products quality (      )  
a) low      b) normal      c) high
22. Satisfaction with easiness and convenient?  
a. low      b) normal      c) high
24. For whom they do online shopping  
a. Self      b. for family members      c. for any others
25. Motivating factors  
a. Price      b. Offers and deals      c. Convenience      d. any other
26. Factors influencing the purchase decision of the shoppers

<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

<b>Sl.No</b>	<b>Factor s</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	I shop online because of the cheaper price.					
2.	I can compare price in online shopping.					
3.	I prefer online shopping as I can do even during office time.					
4.	To buy limited edition products I prefer online shopping.					
5.	I prefer online shopping due to wide products availability.					
6.	I prefer online shopping due to non availability of products in Off line shops.					
7.	Discounts are high in online shopping.					
8.	While shopping online I can see the ratings and prefer products.					
9.	Online feedback from the existing users increases my trust to prefer online shopping.					

10.	Free delivery influences me to go for online shopping.					
11.	24/7 convenience make me to prefer online shopping.					
12.	Competitive price availability in compare to shops.					
13.	I prefer online shopping for sensitive products.					
14.	Easy return policy makes me to prefer online shopping.					
15.	Online rating is pre authentication to the quality assurance.					
16.	I can sell or buy second hand goods through online.					

27. What is your perception towards pricing of onlinestores?

- a. Veryhigh    b.High    c.Average    d. low e. Verylow

28. What is your perception towards postsales services from onlinestores?

- a. Verygood    b.good    c.Average    d. poor e. verypoor

29. What is your perception towards customer care service by onlinestores?

- a. Verygood    b.good    c.Average    d. poor e. verypoor

30. What is your perception towards packaging of products?

- a. Verygood    b.good    c.Average    d. poor e. verypoor

31. What is your perception towards mode of payment?

- a. Verygood    b.good    c.Average    d. poor e. verypoor

32. What is your perception towards replacement of products?

- a. Verygood    b.good    c.Average    d. poor e. verypoor

33. What is your overall level of perception towards online shopping?

- a. Verygood    b.good    c.Average    d.poor    e. Verypoor

34. What is your level of satisfaction towards online shopping?

<b>Highly dissatisfied</b>	<b>Dissatisfied</b>	<b>Neutral</b>	<b>Satisfied</b>	<b>Highly satisfied</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

Sl.No	Particulars	1	2	3	4	5
1.	Delivery on time					
2.	Packaging and handling					
3.	Customer service after sales					
4.	Replacement of damaged products					
5.	Overall satisfaction					

*Thank you very much,*

**2. Press news of E-Commerce covered in one of local News Paper.**

## మోసపోయిన యువకుడు

సెల్ ఫోన్ కు బదులు పోస్టులో బెల్లు..

తొగుట : మీకు బంపర్ ఆఫర్.. 4 వేలకే సామ్సంగ్ స్మార్ట్ ఫోన్ మీ సొంతం చేసుకోవచ్చు.. అనే సమాచారంతో వెంకట్రావుపేట యువకుడు కనుకయ్య మొబైల్ కి మెస్సేజ్ వచ్చింది. వెంటనే తనకు కావాలని తిరిగి మెస్సేజ్ చేశాడు.. గురువారం పోస్టులో బాక్స్ వచ్చింది. రూ.4000 పోస్ట్మ్యాన్ కు ఇచ్చి బాక్స్ తీసుకొని ఎంతో ఆశతో.. ఓపెన్ చేసి చూడగా అందులో ఒక బెల్లు, రెండు కార్డు బాక్సులు వచ్చాయి. దీంతో తాను మోసపోయానని లబోదిబోమన్నాడు. ఇకనైనా ప్రజలు అప్రమత్తంగా ఉండాలని పలువురు సూచిస్తున్నారు.



### 3. Press news of E-Commerce

**SALES BOOST**

## Increase online sales and customer base

To reach and satisfy today's digital consumers, e-commerce is crucial. Here are three tips to help you take full advantage of your website's e-commerce capabilities and boost your online sales:

- 1. Integrate your online store with social media.** Make it easy for customers to share your products and their purchases with their friends on Facebook, Twitter, Pinterest, etc. If a customer sees something she likes, she should be able to "pin" it to her Pinterest board, and if she wants to share her recent purchase with her Facebook and Twitter friends, she should be prompted to do so. This builds customer loyalty and increases your reach, attracting new customers to your site.
- 2. Pay attention to what's selling and what's not.** For the products that are selling well, figure out what you're doing right. Your e-commerce software should allow you to see a breakdown of your top-selling products by dollar, length of time a customer spends on your site before buying, etc. Watch these metrics.
- 3. Provide excellent customer support.** The shopping experience isn't over when a customer makes a purchase. Make sure someone is actually manning your customer support so that if a customer has a question, he receives a quick and helpful response. If you have a link that says, "Click here for live customer support," you must be able to provide just that. Also, remind customers who have abandoned their cart, meaning they added items to their online shopping cart but never made a purchase. Send these customers an email reminder about the items they were viewing. It may be just the push they need to make a purchase.



*Julie May is CEO of Bytes of Knowledge and a member of Entrepreneurs' Organization Nashville.*