

Adoption & buying behaviour towards pure play E-tailers: A study with reference to customers of Dombivli city.

Balu Trymbak Shirsath

Assistant Professor

Department of Commerce, DSPM's K.V. Pendharkar College of Arts, Science & Commerce,
Dombivli (E) Maharashtra, INDIA
Email: btshirsathpro@gmail.com

Abstract: *With the rising internet & smart phone users across the country e-tailing industry has started gaining its foothold in India. Through this research paper, the adoption and buying behaviour of customers from Dombivli towards pure play e-tailers is studied. Besides basic demographic information such as gender, age, monthly family income level, educational qualification and occupation various other factors were considered in questionnaire like preferred device for shopping, preference of different E-tailer, frequency of purchase, amount of purchase, preferred mode of payment. Data has been collected from 352 respondents from Dombivli City. The data is presented in tabular as well as in graphical form using pie charts. Detailed analysis and interpretation of the core factors relating to the Adoption and buying behaviour of Customers towards pure play e-tailer is given in the research paper.*

Key Words: *Adoption, Buying behaviour, E-Shopping, Pure play E-tailers.*

1. INTRODUCTION:

E-tailing is classified into two categories (i) brick & click e-tailing (ii) pure play e-tailing. The basic difference between two is that, the Brick & click e-tailers uses internet as their secondary means to reach out customers as they have physical existence in the market, where as pure play E-tailers uses internet as their primary & only means of retailing, as they don't have physical existence in the market. Number of leading research firms of India engaged in research of E-commerce, estimated high growth of Indian e-tailing industry in coming years. High growth of e-tailing in coming years estimated by research firms can be achieved with the support of tier II, III, IV cities & rural part of the country, as major part of Indian population resides in tier II to IV cities & rural part. Dombivli is an important tier III city in kalyan taluka of thane district. It is located about 50 kms from Mumbai and it is a part of Mumbai metropolitan region urban agglomeration. Dombivli has distinction of being highest literacy rate. Most of the families in the city are nuclear families and in number of cases couples are working professionals. As the city is situated away from commercial hub Mumbai, people almost spend more than three hours daily in commuting to work place. Though they have disposable income they do not find time to make suitable purchases. This has created a favourable ground for the growth of online shopping in this area. As survival & growth of any business depends on its customers & to achieve desired growth e-tailers need to understand adoption & e-buying behaviour of customers, particularly from tier II to IV cities & rural part of the country.

2. REVIEW OF LITERATURE:

(2012) Ms. Dahiya Richa through Research Paper "impact of demographic factors of consumers on online shopping behaviour: a study of consumers in india" published in international journal of engineering and management I.J.E.M.S., revealed that on-line shopping in India is significantly affected by various Demographic factors like age, gender, marital status, family size and income. However, Researcher has not considered the Education of consumer as a factor influencing their online shopping behaviour.

(July 2010) Mr. Ankur Kumar Rastogi through Research paper "a study of indian online consumers & their buying behaviour" published in International Research Journal, attempts to analyze the features related to the buying behaviour of online shoppers. Consumer buying behaviour in respect of online shopping was studied using different socio-economic variables. It also provides a support that helps researchers understand the drivers of consumers' attitude and goal to shop on the Internet, and consumers' perceptions regarding ease of use and usefulness

(Aug, 2018) Mohammad anur Rehamaan through research paper "Consumer buying behavior towards online shopping: An empirical study on Dhaka city, Bangladesh" provides guidelines to managers about the attributes that must be included in their products and service quality, mode of delivery channel, payment gateway, security, trustworthiness, and pricing strategy.

2.1. OBJECTIVES OF THE STUDY:

- To know the level of adoption of Pure Play E-tailing by Customers in Dombivli City.
- To explore the factors influencing adoption of Pure Play E-tailing in the defined area of Study.
- To assess the buying behaviour of consumers towards pure play e-tailers.

2.2. HYPOTHESIS:

- Ho: Electronic appliances are the least preferred product category in online Shopping.
 H1: Electronic appliances are the most preferred product category in online Shopping.
- Ho: Amazon is the least preferred pure play E-tailer in an online shopping.
 H1: Amazon is the most preferred pure play E-tailer in an online shopping.

With due consideration to the above listed objectives, the following methodology was adopted for completing this research study.

3. RESEARCH DESIGN:

- **Area of the study:** This study tries to find out adoption & buying behaviour of customers towards pure play e-tailers in Dombivli study.
- **Data source:** Since the study is descriptive & analytical in nature both primary & secondary data was used.
- **Primary data:** Data was collected from the 352 respondents with different demographic background from different part of Dombivli city through a direct survey, for direct survey a structured questionnaire containing closed ended & dichotomous questions, questions based on five likert scale was used.
- **Sampling:** Cluster & Stratified sampling of population selected was done.
 352 respondents from different cluster of city was considered & due care was taken to include respondents from different strata.
- **Secondary data:** Secondary data from reference books, articles in daily newspapers, journals, popular shopping portals & well known websites was used for explanation & analytical approach.
- **Data processing & Framework of Analysis:** Data was processed & analysed with the help of statistical tools.

Table 1 : Demographic Profile of the Respondents

Sr. No.	Basis	Frequency
1.	AGE (in Years)	
	15-30	166
	31-45	115
	46-60	53
	60 & Above	18
2.	GENDER	
	Male	230
	Female	122
	Transgender	000
3.	MARITAL STATUS	
	Married	197
	Unmarried	155
4.	FAMILY SIZE(Number of family members)	
	0-2	27
	2-4	220
	5-6	87

	7-8	13
	Above 8	5
5.	EDUCATIONAL QUALIFICATION	
	Up to SSC	87
	Up to HSC	126
	Up to Graduation	105
	Post-Graduation	34
6.	OCCUPATION	
	Employed	91
	Professional (Doctor, Engineer, C.A., lawyer, any other)	51
	Owner of a business	27
	Self-Employed	29
	Student	92
	Home Maker	42
	Retired Person	20
7.	MONTHLY FAMILY INCOME (Amount in rupees)	
	Up to 12,000	55
	12,001 to 25,000	127
	25,001 to 50,000	91
	50,001 to 75,000	43
	More than 75,000	36

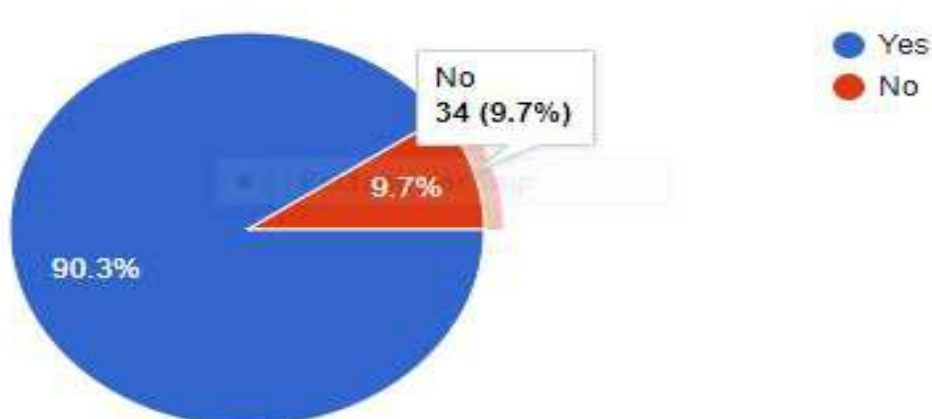


Figure 1: E-literacy: A fundamental necessity for adopting e-tailing

E-literacy i.e. skills set to use internet and related technology is the fundamental necessity for adopting e-tailing and to check the same respondents were asked whether they are using internet. Above figure shows that out of 352 respondents 316 are using internet.

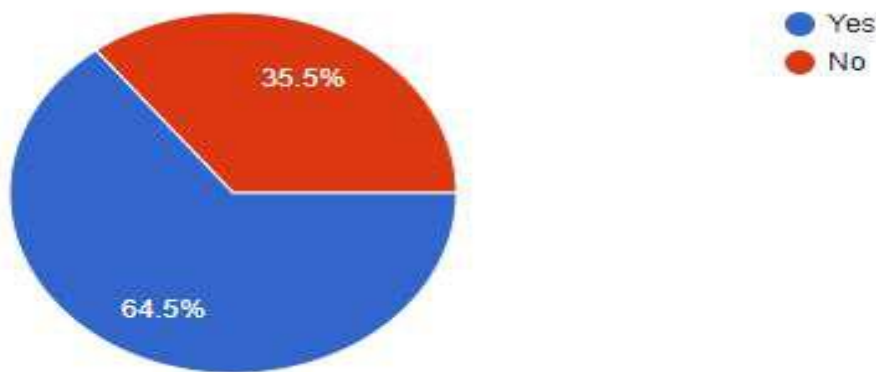


Figure 2: Adoption of Pure Play E-tailing

For understanding the adoption level of Pure Play E-tailing among the customers, they were asked about their mode of shopping, based on the answer they were categorized into two categories i.e. Customers preferring e-tailing and Customers not preferring e-tailing. Above figure shows that out 352 respondents 227 respondents prefer pure play E-tailers for shopping and 125 respondents have never used E-tailing option for shopping

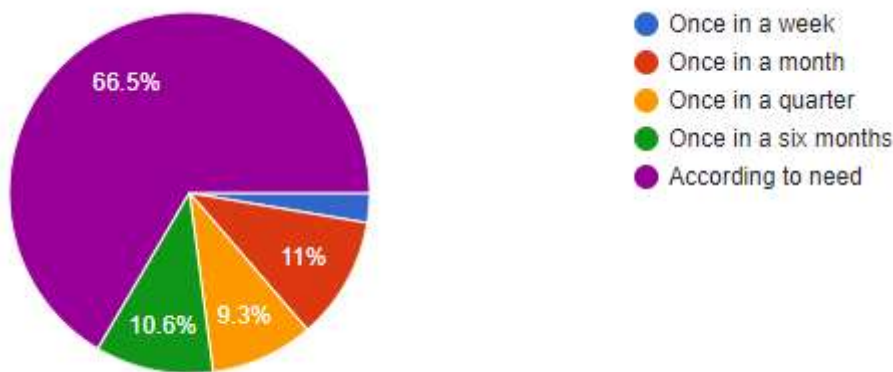


Figure 3: Frequency to adopt pure play E-tailing:

Question on frequency clearly brings out that majority of online shoppers i.e. 151 prefer e-tailing option according to the need and very negligible i.e. only 06 shoppers are consistent as they purchase online in every week.

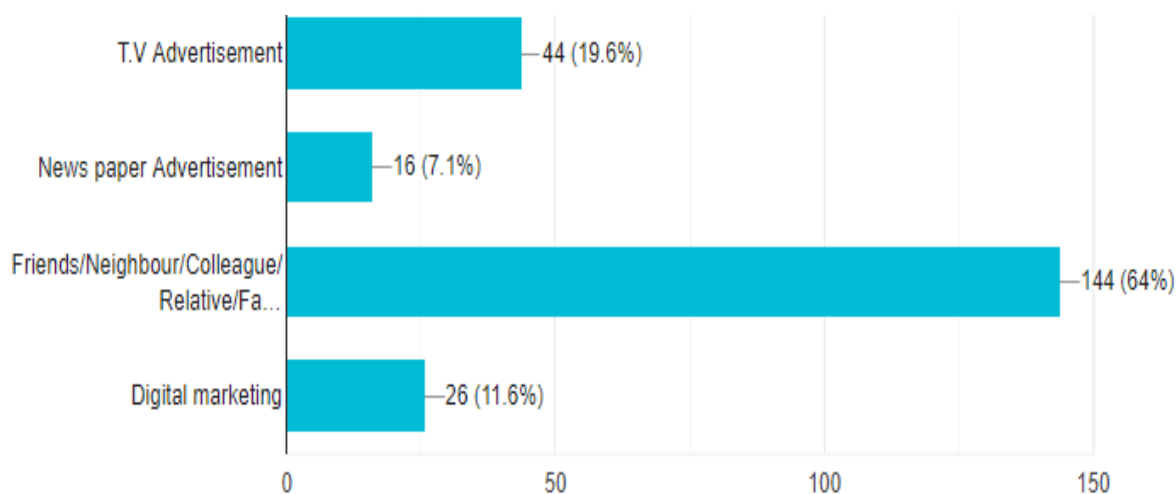


Figure 4: Factors influencing adoption of Pure Play E-tailing

Reference plays important role in E-tailing. Above figure reveals that 144 respondents prefer e-tailing because of positive experience of their friends/neighbours/colleagues/relatives/family members, whereas 44 respondents are using e-tailing because of T.V. advertisements. Newspaper and digital marketing have influenced 16 and 26 respondents respectively.

E-Buying Behaviour:

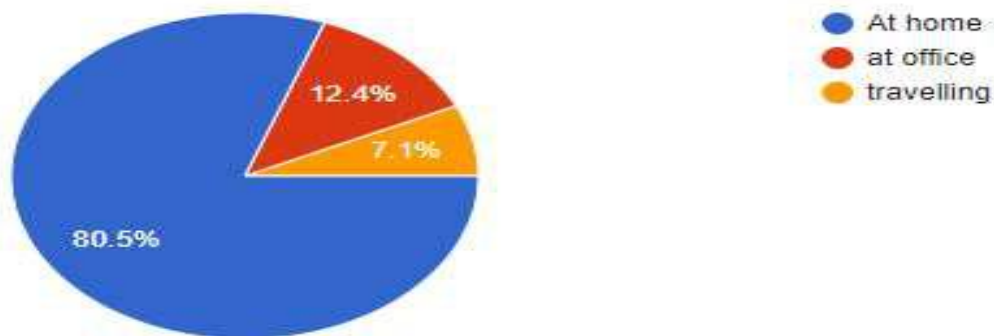
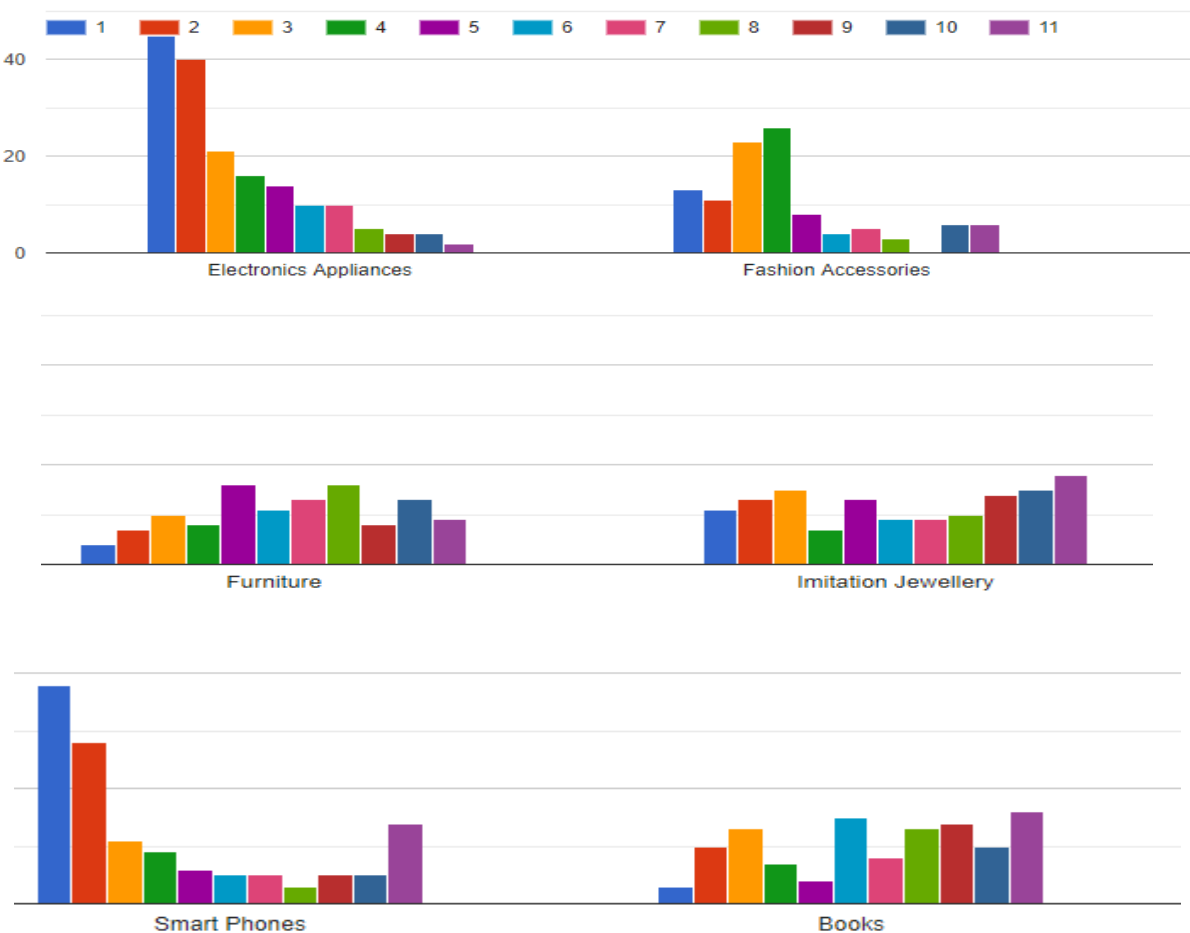


Figure 5: E-shopping Preferred at:

Above diagram depicts that more than 80% i.e. 182 customers prefer online shopping when they are at home and only 7% i. e. 16 respondents prefer e-tailing during travelling.



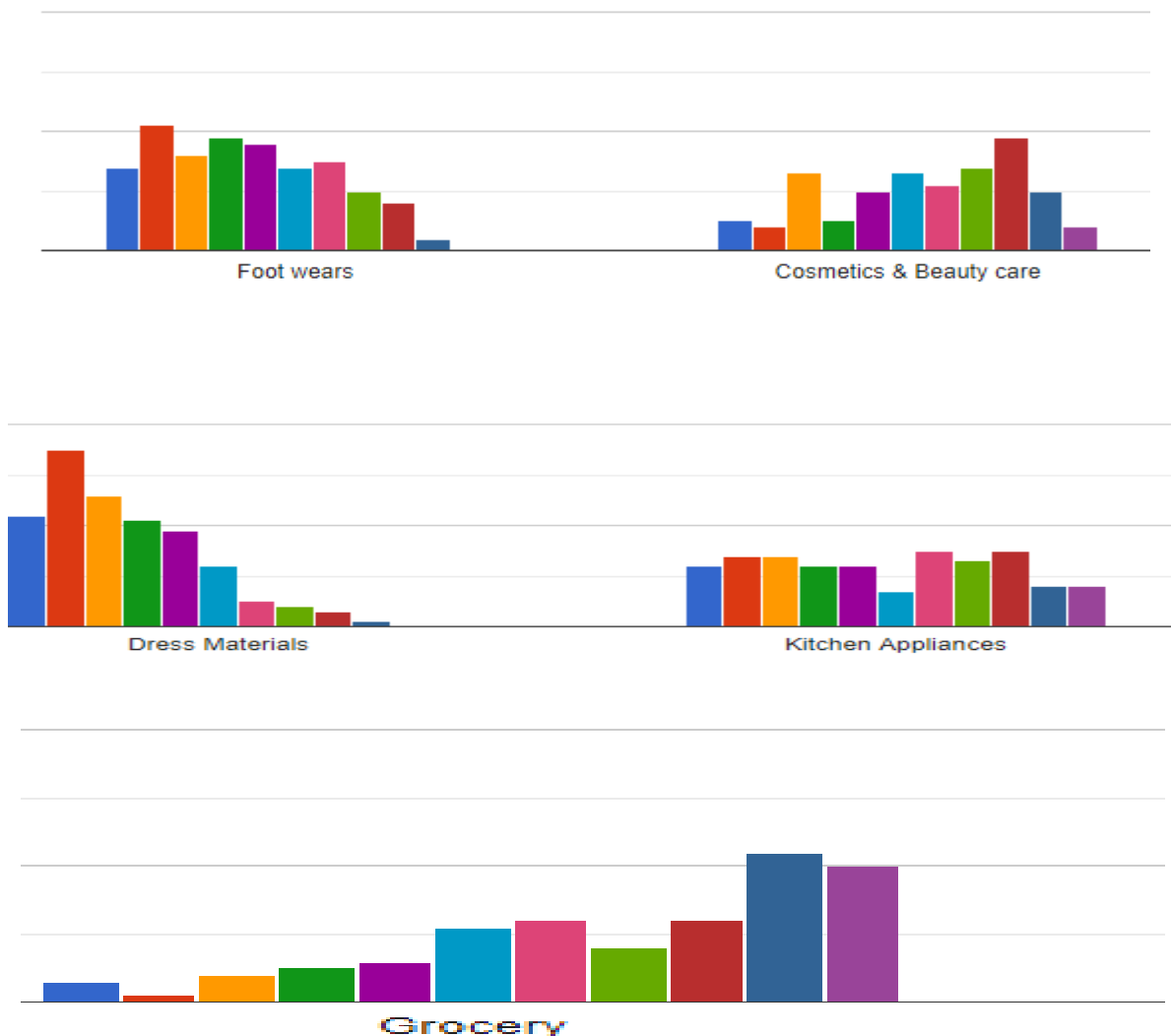


Figure 6: Preferred Product Category:

Above figures reveal that electronic appliance is the most preferred product category by customers in e-shopping followed by smart phones, dress materials, foot wears and cosmetics.

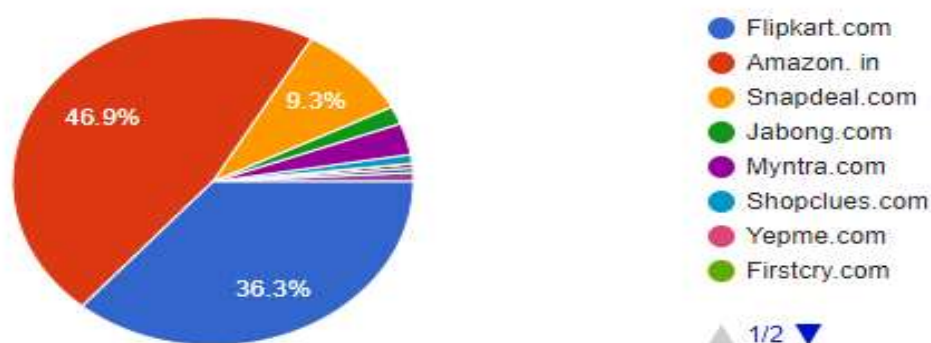


Figure 7: Preference for different pure play E-tailers:

It can be seen from the above diagram that amazon.in is the most trustworthy e-tail site for shopping. 106 respondents out of 227 prefers amazon for their frequent shopping need. Flipkart is the second most preferred site after amazon, which is preferred by 82 respondents. Flipkart is followed by Snapdeal, Myntra and Jabong which are preferred by 21, 07 & 04 customers respectively.

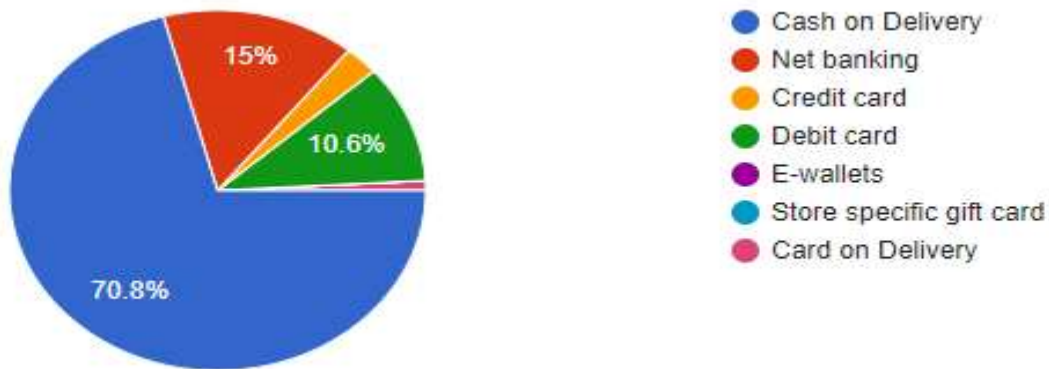


Figure 8: Preferred option for payment:

160 customers prefer cash on delivery option for making payment to e-tailers. Net banking is the second most preferred option used by 34 customers. Net banking is followed by Debit card and Credit card which are used by 24 and 06 customers respectively. Card on delivery is the least preferred option used by only 02 customers.

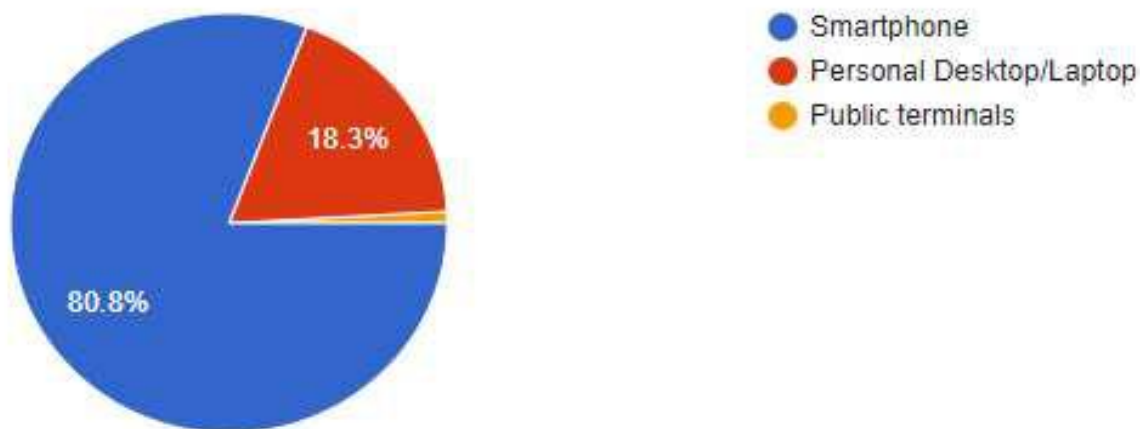


Figure 9: Preferred device for Online Shopping:

181 Customers use smartphones for online shopping. Personal desktop/Laptop is used by 41 customers. Only 02 customers have used public terminals for online shopping.

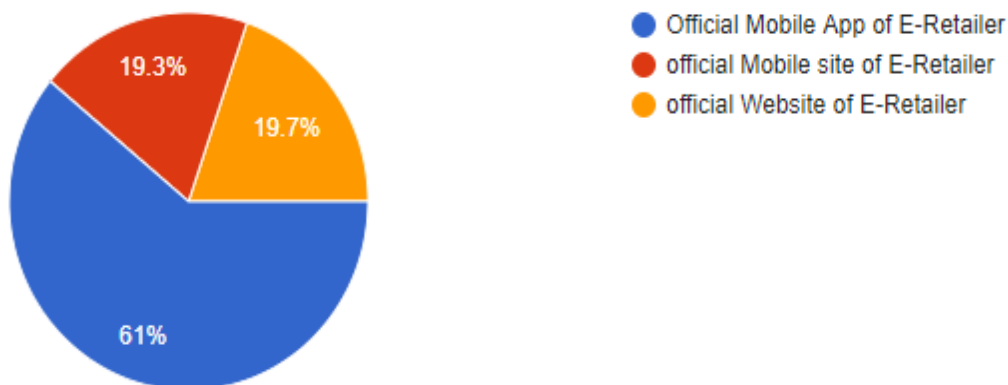


Figure 10: Preferred option for E-shopping:

136 customers use official mobile application of e-tailers for online shopping, whereas 44 customers prefer to visit official website of e-tailers and official mobile site of e-tailers is being preferred by 43 customers.

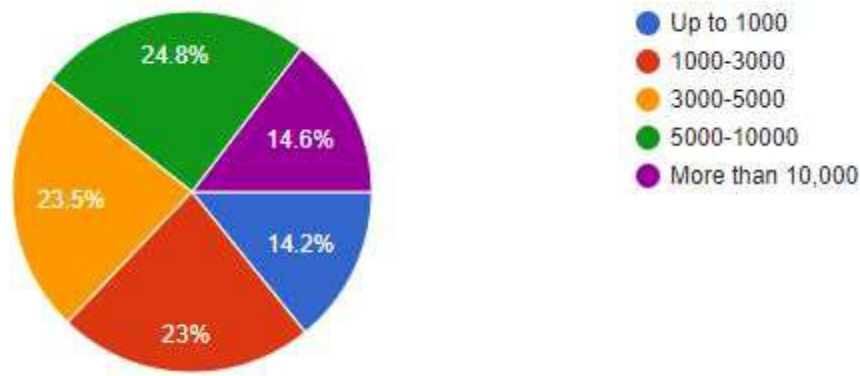


Figure 11: Maximum amount of money spent in single transaction:

56 Customers have spent in between 5,000 to 10,000 in single transaction and 53 customers have spent in the range of 3,000 to 5,000 in single transaction. 33 customers have spent more than 10,000 in single transaction. 32 customers have spent up to 1,000 in single transaction.

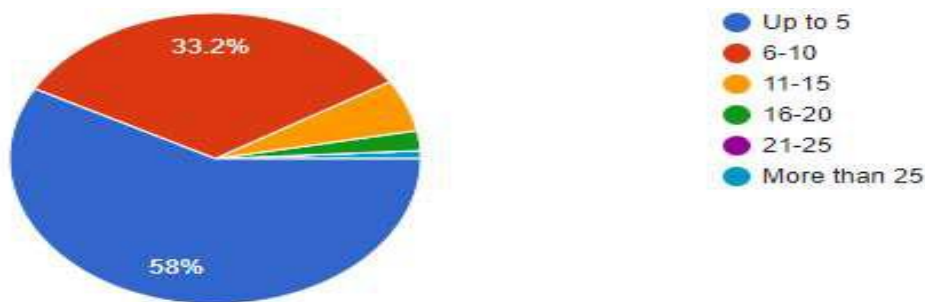


Figure 12: Number of products purchased online in last one year:

131 customers have purchased up to 05 products online. 75 customers have purchased 6 to 10 products online in one year. 13 customers have purchased 11 to 15 products online in one year. 05 customers have purchased 16 to 20 products online in one year. Only 02 customers have purchased more than 25 products in last one year.

4. FINDINGS:

Study shows the following dimensions of adoption & buying Behaviour of customers with pure play E-tailers.

64.5% respondents have adopted E-tailing as an option for shopping.

66.51% prefer e-tailing option according to the need and very negligible i.e. only 06 shoppers are consistent as they purchase online in every week.

Positive experience of reference group with e-tailer is the major factor influencing people in adoption of pure play e-tailing for shopping.

80% respondents prefer online shopping when they are at home and only 7% respondents prefer e-tailing during travelling.

Electronic appliance is the most preferred product category by customers in e-shopping followed by smart phones, dress materials, foot wears and cosmetics, this help in Accepting 1st Hypothesis

H1: Electronic appliances are the most preferred product category in online Shopping

Amazon.in is the most trustworthy e-tail site for shopping. 46.69% of the total respondents prefers amazon for their frequent shopping need, this help Accepting 2nd Hypothesis

H1: Amazon is the most preferred pure play E-tailer in an online shopping.

Flipkart is the second most preferred site after amazon, which is preferred by 36.12% respondents.

70.48% customers prefer cash on delivery option for making payment to e-tailers. Net banking is the second most preferred option used by 14.97% customers. Card on delivery is the least preferred option used by only 02 customers.

79.73% Customers use smartphones for online shopping. Personal desktop/Laptop is used by 18.06% customers. Only 02 customers have used public terminals for online shopping.

Official mobile application of e-tailers is the most preferred way of customers (59.91%) for reaching out to pure play e-tailers for shopping.

Only 14.53% customers have spent more than 10,000 in single transaction, so it shows that customers don't spend higher amount in online shopping.

Majority of customers (57.70%) have purchased up to 05 products in last one year. Only 02 customers have purchased more than 25 products

5. CONCLUSION:

E-literacy is the basic necessity to use pure play e-tailing as shopping option. This study brings out the fact that some customers in spite of having e-literacy & internet access don't prefer pure play E-tailing for shopping. In Dombivli city e-tailing is not deeply penetrated, as 64.5% of customers uses pure play e-tailing for their shopping need. Those who have adopted online shopping they are mainly influenced by the positive e-shopping experience of their reference group. Among the online shoppers some are regular & go for higher amount of transactions, while others are occasional and go for lower amount of purchases. Perception of the customers could be root cause for this diverse adoption & buying behaviour of customers towards e-tailers.

6. LIMITATIONS OF THE STUDY:

- This study is limited to consumers of Dombivli only.
- Study has focused on buying behaviour of consumers towards e-tailers in respect of consumers goods only.
- For study respondents in the age group of 15 to 60 years were selected.

7. SCOPE FOR FURTHER RESEARCH:

This study was confined to consumers from Dombivli city only, hence findings cannot be generalized. Similar kind of research can be conducted in other cities of the country. Adoption & Buying Behaviour of consumers towards other players of E-Commerce industry, providing online financial services such as Paisa Bazaar.Com, Policy Bazaar.Com, Online food delivery platforms can be conducted.

8. ACKNOWLEDGEMENT:

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