

# **A COMPARATIVE STUDY ON ONLINE AND OFFLINE SHOPPING**

**UNDER THE GUIDANCE OF PROF. DR. SURINDER K DHINGRA**

**SHIVANI MISHRA (22GSOB2010141)**

**GALGOTIAS UNIVERSITY**

## **ABSTRACT**

This study aims to identify the factors that influence customers' choices between in-store and online shopping, as well as any relationships (direct or indirect) between these factors and the two channels. To better comprehend the factors that impact our choices to purchase online or in a real store, this research will function as a theoretical examination. Drawing findings from graphical analysis requires first determining which demographic groupings prefer online shopping over more conventional brick-and-mortar establishments. An analysis of correlation can shed light on the nature of the connection between the product's price and the quantity sought for. Simple regression analysis is a statistical method that uses the value of one related variable to estimate the value of another connected variable. Here, we'll estimate the quantity purchased online using the cost value. Clothing and cosmetics account for the bulk of women's monthly online product purchases, with an average of one unit per customer. The most effective and widely seen form of advertising is discount commercials targeted at female consumers. The average male spends more money each month than the average female, shops at supermarkets instead of specialty businesses, and prefers to purchase gaming gear online. The quantity bought has an inverse relationship with the cost per unit.

**Keyword;** Consumer, online shopping, offline shopping, consumer behavior, regression analysis, graphical analysis, correlation analysis, online, offline, products, shopping .

## INTRODUCTION

Every day, people go shopping. Shopping provides some people with the basics, while it offers something more to others. Some see it as a stress reliever, some as a means to an end (mental desires), and yet others as a method to liven up the mechanised lifestyle. The word "shopping" has been used to describe our activities for a long time. However, "trading," "bartering," and perhaps even "market" would have been more appropriate words to use in the past. Now that the internet has given consumers access to a larger and more appealing market, what good is conventional shopping for? Traditional shopping and online shopping are the two main categories of consumers' purchasing habits. Because computers are so commonplace now, more and more people "buy" online. Thousands of products will be displayed on the screen depending on your selection after clicking just one word. Getting a pair of designer shoes doesn't require navigating a lengthy road or pushing through hordes of people. With a simple touch of a key, you can make your selection, and the things will be delivered immediately. One of the most ubiquitous practices of the modern day is purchasing online. The fact that ease of use is so prized in modern society is a major factor in its widespread adoption. You can grab whatever you need for your shopping spree while you're in the air

or getting ready for bed if you do it online. Since the advent of the internet, online shopping has grown in popularity. Opportunities for the seller to reach the client in a more rapid, easy, and cost-effective manner have grown thanks to technological advancements. In recent years, online purchasing has grown at a rapid pace. These days, the retail market is all about the internet. Meanwhile, traditional market purchases have persisted for quite some time. In order to physically inspect the merchandise and have immediate physical ownership of it following payment, many customers choose to shop offline. Keeping customers happy and loyal in the modern day is all about providing them with what they want: quality, value, and satisfaction. There are many who like to shop online, some who prefer to shop offline, and still others who do both. During the information-gathering period, the study's primary focus is on consumers' preferences for in-store and online shopping. Online shopping, on the other hand, is more convenient and cheaper for consumers. Before making a purchase, consumers should know if they will be buying online or at a physical store. It is up to the consumer to choose the channel that meets their needs and wants the best. Understanding how consumers choose a specific medium for goods purchase is crucial from a managerial perspective in today's competitive market. After sending and receiving emails, chatting online, and surfing the

web, online shopping ranks as the third most popular and finest thing to do on the internet. These are far more essential than the two most frequent things that people think about when they think about what people do on the internet: viewing or becoming entertained, and getting information or the news. The practice of purchasing goods and services via the World Wide Web is referred to by a variety of names. "Buy behaviour" refers to the act of purchasing goods through the use of a web browser on the internet. What matters most when shopping online is the customer's mindset and actions. The unique selling points of online purchasing products have been the subject of earlier research. There has been a lot of research on "high touch" products, which allow the buyer to experience the product through their sense of scent, touch, or trial and error. At the purchasing stage, it is necessary to shop offline because it cannot be done online. Online buying is on the rise, and it's widely acknowledged that it will put pressure on more conventional forms of shopping like brick-and-mortar stores.

In this particular domain, there is a severe lack of research. A sort of electronic shopping known as "online" or "e-shopping" involves a buyer making a purchase from a seller through a web browser. An assortment of other terms for online shopping include virtual store, e-web store, e-shop, e-store, internet shop, web-shop, web-store, online store,

online storefront, and online shopping. Buying from an online store through a mobile-friendly website or app is known as mobile commerce, or m-commerce. (The Alfred H. Schäfer Archive, 1962) In 1979, English entrepreneur Michael Aldrich pioneered online purchasing. (Kimberly & Palmer, 2007) In 1990, the first World Wide Web server was established by Tim Berners-Lee. Its doors were opened with an eye towards business. Online banking, Pizza Hut's first online pizza store, the Netscape SSL v2 encryption standard, and Intershop's first online buying system were just a few of the many technological innovations that came out in 1994. The first safe online purchase or sale took place in 1994 through the Net market or online shopping. After eBay was founded in 1995, the first online buying site in the world, Amazon, was launched in 1995 as well. While many nations have already embraced online shopping, others are just beginning to dabble in the concept. The introduction of the merchant account in 1987 made it much easier for programmers to sell their products online. The original and oldest software that is still in use today was called Swreg. What consumers buy and how they shop will be drastically altered by technological advancements, according to the book Future Shop. Publication occurred in 1992. Topics covered in the book include the future of e-commerce and the impact of the internet on society. With the introduction of Yahoo! in 1994, the year

marks the beginning of the era of online commerce. There were almost 12,000 domain names registered in 1995. With the opening of Yahoo Store online in 1998, Google made its foray into the e-commerce realm. In order to buy things online, shoppers need access to the internet and a legitimate way to pay. Online retailers like Amazon, Myntra, and Flipkart have found success by offering low prices and huge inventory to entice customers. Online purchasing tends to be more popular among people from affluent and educated backgrounds. People with higher education and experience using the internet tend to shop online more often. Online purchasing is becoming more popular as a result of advancements in technology. As a result of technological advancements, people now have a more positive outlook on internet buying.

## LITERATURE REVIEW

In a study conducted by Chaing and Dholakia (2014), the researchers looked at why people shop online. Their research primarily focuses on three factors that influence whether consumers prefer to buy online or in-store. The shopping sites' accessibility features, product type and characteristics, and actual price are all part of it. Customers' intentions to buy are influenced by how easily and quickly they may access shopping websites, according to the study. When consumers

encounter problems when making purchases online, they often resort to offline shopping. However, if they continue to have problems while making offline purchases, they will likely return to online buying. The customer claims that, after comparing the two methods of purchasing, they prefer online shopping since it is more convenient and provides them with more satisfaction. According to research by Iyer and Eastmen (2014), online shopping is more popular among older adults who are well-educated, tech-savvy, and have a good attitude towards the internet and online buying in general. The elderly population that is less familiar with the internet and shopping sites tends to shop offline more often and has a negative attitude towards online shopping. On the other hand, seniors who are more active online tend to shop more often and use more shopping sites to buy goods online. In order to make an informed decision, the more seasoned shoppers examine the pros and cons of both online and offline stores. But there's no correlation between their age and how satisfied they are with their online purchases and their level of education or internet usage. When it came to nineteen different supermarket products, Danaher et.al. (2003) zeroed in on brand loyalty across 100 different retailers, both online and off. The two sets of food goods were compared using a new segmented Dirichlet model, which has extremely prominent features and provides 14 true models for purchase behaviour in

addition to exact classifications for brand choice. Findings showed that internet shopping was significantly more popular among well-known companies with large market shares than anticipated. However, for the small share brand, the situation is exactly the opposite. But in conventional retail settings, there is zero correlation between customer expectations and brand loyalty. Customers' perspectives on online and physical shopping have been investigated by Tabatabaei (2009). The goal is to understand the traditional customer's perspective on online buying, namely what factors affect their decisions to purchase online and what factors discourage them from doing so. He analysed the results of a study he conducted with 264 people at a local mall. The people who have purchased this research are all well-educated and comfortable using computers and the internet. Demographic information, computer literacy, and internet savvy are just a few of the topics covered in the poll. According to the study's findings, online shoppers typically make multiple purchases every month, while offline shoppers only utilise shopping sites one to five times year.

## OBJECTIVES OF STUDY

- ✓ To assess the substantial difference between the online and offline consumer groups in terms of demographics, technology use, availability, and consumer attitude; to conduct a broad

Comparison of online and offline shopping; and to draw conclusions about the relative merits of the two.

The goal is to look at what makes people buy things online and what makes them buy things offline.

- ✓ Whether a customer prefers to buy online or in-store depends on this element.
- ✓ In order to determine if consumer qualification influences online and offline purchase.

## RESEARCH METHODOLOGY

It enumerates the description of the sampling plan, research instruments used for the collection of data pretesting of questionnaire, the use of statistical tools and techniques for the analysis of the collected data.

### Scope:

The area that was considered was strictly contained inside the Greater Noida district in Uttar Pradesh.

### Need of Study:

Understanding how people shop, whether online or at a physical store, is a challenging endeavor. In order to compare online and offline buying modes, I decided to organize a poll.

### Research Design:

It is a strategy that directs the gathering and analysis of information. Accurate and appropriate data

collection is what study design is all about. A well-defined goal is essential for the success of any research project. The method of description employed in this survey.

### **Selection of Population:**

The Greater Noida Area is where the research took place. Consumers on the job, consumers at home, and students make up the population under study.

### **Research Instruments:**

In order to gather information for the study, questionnaires were distributed to the participants. We designed the questionnaire to elicit answers that are pertinent to our research objectives. In order to ensure that the process of filling out the responses does not take up too much time, great care was taken while designing the questionnaires. A questionnaire was created to gather information about people's overall attitude, perception, beliefs, and intentions regarding their perception. In order to gather primary data, a structured questionnaire was distributed to the participants.

### **Data Collection Method:**

**Primary Data:** The most important aspect of collecting primary data is creating the questionnaire. In order to accomplish this, I will design a questionnaire that can gather all the necessary details about the project.

**Information Obtained from Secondary Sources:** The primary data will benefit from its collection. Websites, periodicals, journals, reference books, newspapers, and yearly reports are just some of the many potential uses for this.

### **Limitations of the survey:**

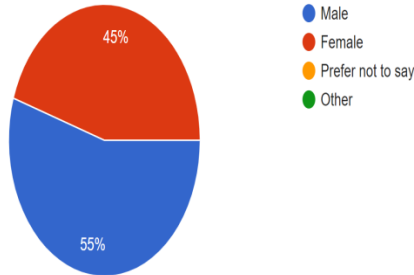
The study could only cover Noida because to time and resource limitations. Given that forty people made up the sample. Despite these sincere and best efforts, the study's findings and conclusions are merely suggestive and not definitive. They acted rudely and failed to answer consumer questions, demonstrating a lack of customer assistance. We cannot claim that the research is applicable in every scenario, period, or place since it is primarily based on primary data.

### **DATA ANALYSIS AND INTERPRETATION**

Forty participants were considered for the research. The percentage of people who shop online versus those who shop in a physical store is seen in the graph. It reveals that whereas 45% of women do the shopping, 55% of men do it. As a result, there are more males participating in the shopping. This provides a rough estimate of the gender ratio of shoppers.

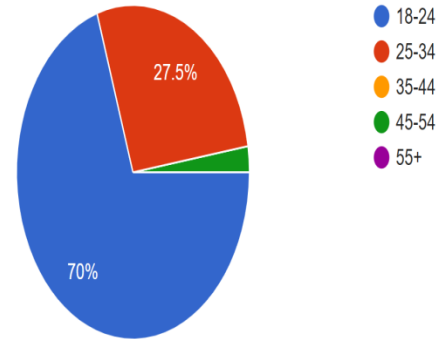
Gender:

40 responses



Age:

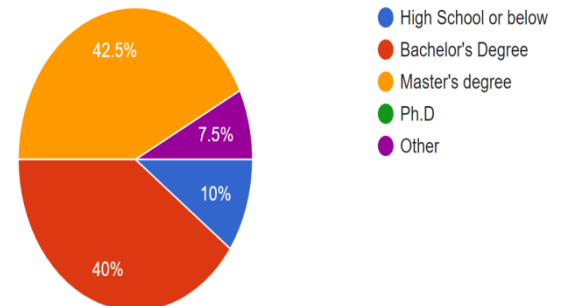
40 responses



The age grouping of the population is depicted in this visual representation. Seventy percent of buyers fall into the 18–24 age bracket, and this is largely attributable to the fact that young people in this demographic are more likely to be part of the technological revolution and to have the means to put this revolution to good use for their own benefit. The second largest demographic of internet shoppers, with 27.5% of the total, resides in the 25–34 age bracket. A significant consideration for this age group while employing this stream as a means of shopping is the passage of time. Customers older than 35 make up the remaining demographic. The majority of the 35+ age bracket does not possess sufficient understanding of the technologies utilised, which results in a low population percentage.

Education:

40 responses



The respondent's qualifications are shown in the above graphic depiction; the highest level of qualification is "others," which accounts for around 42.5% of the total. After that, there is a group of people who have a Bachelor's degree, making up about 40% of the total. The 10% group from high school, and the 7.5% group from somewhere else. A



person's ability to access the internet is a crucial qualification for both online and offline buying. They are unable to purchase online.

## LIMITATIONS

- ✓ Attempts to verify the reliability and efficacy of the research results have not been without their flaws.
- ✓ At first, just a small number of people participated in this survey. Plus, the research only included a little portion of the Uttar Pradesh state—specifically, the Greater Noida area.
- ✓ You can't apply it to the entire district or, by extension, the entire nation. It is not possible to generalize from the opinions of forty people to those of the entire district or state.
- ✓ The respondents' attitudes shift periodically.
- ✓ Completely careless response to the survey.
- ✓ Time was also a major constraint. The people's economic prosperity is a reflection of their technological advancement.
- ✓ Therefore, a less developed region is less likely to use the internet than a more developed one.

## CONCLUSION

The purpose of this study is to compare and contrast online and offline consumers with respect to demographics, availability, attitude, and technology usage. Despite its relative youth, online shopping has already had a profound effect on customers' daily lives. Online shopping has revolutionised the way consumers shop, making them more efficient and effective. As a result, businesses have had to adapt and alter to cater to this new generation of well-informed consumers. This survey's findings highlight how important it is for companies to pay attention to the internet market. Online shopping is still well-received, even by those who prefer brick-and-mortar establishments, according to the report. The majority of these buyers fall into the low and high age brackets. Those types of shoppers have the leisure to visit brick-and-mortar establishments and appreciate the social benefits of offline shopping experiences, like meeting up with friends. These shoppers make an effort to look more informed by researching products online before making in-store purchases. The worldwide retail infrastructure has undergone an E-transformation due to the rapid expansion of e-commerce. The Internet has become a popular and economical way to conduct business. Despite facing many obstacles, the increasing internet, higher finances, and more tech-savvy people have made it possible. The Perceptions of



Shopping Benefits could be enhanced with improved electronic store security, return policies, and thrilling discounts, as well as with safer online payment options. There is a strong correlation between gender, age, and education level when it comes to online buying in India right now, according to demographic profiles of internet users. The majority of respondents had a favourable impression of internet shopping, according to the data. The projected expansion of e-commerce in the nation is thus well justified. Having said that, online purchasing is not very common in the nation. The study's identified characteristics and determinants can be used by online shopping organisations to develop strategies and plans in the country. When customers shop online, businesses can give more weight to their implicit and explicit needs. As an additional purpose, the results might help businesses zero in on specific types of customers. Practitioners might reevaluate or rework their strategy for online buying based on the study's results. Websites catering to online shoppers should focus more on women's needs, since research shows that women are more likely to purchase online than men. on behalf of the buyer.

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