

Consumer Satisfaction in Online Shopping

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ABSTRACT

The Internet world can practically be considered as an infinite market, where a consumer living in any country of the world can enter into a contractual relationship with a merchant operating in any other country of the world. From this perspective, a cross-border purchase is when a consumer buys goods from any online retailer established anywhere in the world outside their country of residence. Due to differences in language and legal environment and sometimes business traditions, it is particularly important to consider whether to buy the selected product from the online shop of a foreign merchant. With online shopping, the consumer can quickly buy the product of his choice with a few clicks from home or work, saving time and energy, despite the greater distance that the Internet provides with infinite and unlimited markets. Online offers are easy to compare, allowing the consumer to buy the product under the most favourable conditions (price, quality, other discounts) according to the needs of the individual.

INTRODUCTION

An increasing number and variety of firms and organizations are exploiting and creating business opportunities on the Internet; statistics indicate rapid growth in the field of virtual shopping. With this emerging field of shopping, the interest of marketers is also increasing in studying what actually motivates consumers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping. As Online Shopping is a new medium, so the consumer behavior in the field of Online Shopping. In order to gain competitive edge in the market, marketers need to know the consumer behavior in the field of online shopping. So it is important to analyze and identify the factors which influence consumers to shop online in order to capture the demands of consumers. Other than the factors which influence consumers to shop online, online shopper's demography in terms of Age, gender, income and education is equally important to define their strategies accordingly. Internet and Information technology have made tremendous contributions for business transformation witnessed now a days all over the world. This has given birth to E-commerce which encompasses several pre-purchase and post-purchase activities leading to exchange of products or service or information over electronic systems such as the internet and the other Telecommunication networks. Analyzing the competitive advantage of E-Commerce, it is observed that E-Commerce enables simpler, faster and efficient business transactions. For developing country like India, E-Commerce offers considerable opportunity for growth. E-commerce leads to a boon for the current economic downturn. As India's e-commerce market is worth about Rs 50,000 crores in 2012. About 80% of this is travel related (airline tickets, railway tickets, hotel bookings, online mobile recharge etc.).

Online retailing comprises about 15% of India's retail sales and is growing at an estimated 40-45% per annum. The rapid growth of e-commerce in India is being driven by greater customer choice and improved convenience. The company has proposed a plan to launch an online grocery store in the Indian market for which the project was undertaken to determine whether online grocery shopping will be beneficial to the user with respect to a questionnaire which will be analyzed in three parts. The project will first study the attitude of customers towards online shopping, also determining the factors which influence the consumer to purchase goods and service. The second half of the project will depict the attributes of Online Shopping influencing the purchase decision by the respondent. It will also determine the issues regarding the

online shopping. The third part of the project determines the purchase decision with respect to grocery. It will determine the place preference of grocery shopping with respect to price, quality, variety, proximity and offers/ discounts.

Categories of e-commerce

As with traditional commerce, there are four principal categories of e-commerce: B2B, B2C, C2B and C2C.

B2B (Business to Business) - this involves companies doing business with each other. One example is manufacturers selling to distributors and wholesalers selling to retailers.

B2C (Business to Consumer) - B2C consists of businesses selling to the general public through shopping cart software, without needing any human interaction. This is what most people think of when they hear "e-commerce." An example of this would be Amazon.

C2B (Consumer to Business) - In C2B e-commerce, consumers post a project with a set budget online, and companies bid on the project. The consumer reviews the bids and selects the company. Enlace is an example of this.

C2C (Consumer to Consumer) - this takes place within online classified ads, forums or marketplace where individuals can buy and sell their goods. Examples of this include Craigslist, eBay and Betsy. Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Companies also use the Internet to convey communication and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business. In addition to the tremendous potential of the E-commerce market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers. Although most of the revenue of online transactions comes from business-to-business commerce, the practitioners of business-to-consumer commerce should not lose confidence. It has been more than a decade since business-to-consumer E-commerce first evolved. Scholars and practitioners of electronic commerce constantly strive to gain and improved insight into consumer behavior in cyberspace. Along with the development of E-retailing, researchers continue to explain E-consumers behavior from different perspectives. Many of their studies have posited new emergent factors or assumptions which are based on the traditional models of consumer behavior, and then examine their validity in the Internet context.

OBJECTIVE OF THE STUDY

The objective of consumer satisfaction towards online shopping is multifaceted and encompasses several key aspects:

Customer Experience Enhancement: Ensuring that consumers have a seamless, convenient, and enjoyable shopping experience on online platforms. This includes user-friendly website or app interfaces, easy navigation, and efficient checkout processes.

Product Quality and Variety: Offering high-quality products that meet or exceed customer expectations. Providing a wide range of products to cater to diverse consumer preferences and needs.

Transparency and Trust: Building trust with consumers by providing accurate product descriptions, transparent pricing, secure payment options, and clear policies regarding shipping, returns, and refunds.

Customer Service Excellence: Providing responsive and helpful customer service to address any queries, concerns, or issues that customers may have before, during, or after their purchase. This can include timely responses to inquiries, effective problem resolution, and personalized assistance.

Convenience and Flexibility: Offering convenient features such as flexible payment options, multiple delivery methods, and hassle-free returns or exchanges. Ensuring that the online shopping experience aligns with the busy lifestyles and preferences of modern consumers.

Value for Money: Delivering value for money through competitive pricing, promotions, discounts, loyalty programs, and rewards that incentivize repeat purchases and foster long-term customer loyalty.

Feedback and Continuous Improvement: Actively soliciting feedback from customers to understand their needs, preferences, and areas for improvement. Using this feedback to continuously enhance the online shopping experience, refine product offerings, and optimize business processes.

Accessibility and Inclusivity: Ensuring that the online shopping experience is accessible to all consumers, including those with disabilities, by implementing inclusive design practices and providing alternative formats for content where necessary.

LITERATURE REVIEW

According to Monsuwe, Delleart and Ruyter (2005) there are five external factors to understand consumer's intention to purchase in the internet which is the consumer personality, situational factors, product characteristics, previous Online Shopping experiences and the trust in online shopping. Consumer's trait includes their demographic factors such as age, income, gender and educational level will lead them to have the intention to shop online. Situational factors will also lead a consumer to have the intention to shop in the internet such as time pressure, lack of mobility, geographical distance, need for special items and attractiveness of alternatives.

Ekeldo and Sivakumar (2007) This research has two major purposes: developing and testing a resource-based framework for entry mode choice and ascertaining the extent to which the determinants of foreign market entry mode choice in the manufacturing sector apply to foreign market entry mode choice in the non-separable service sector. The managerial and research implications of the findings are delineated and directions for future research are offered.

RESEARCH METHODOLOGY

When conducting research on consumer satisfaction towards online shopping, it's essential to employ a robust research methodology to gather reliable data and draw meaningful conclusions. Here's a suggested research methodology for studying consumer satisfaction in this context:

Research Design:

Descriptive Research: Begin with descriptive research to understand the current state of consumer satisfaction

towards online shopping. This could involve surveys, interviews, or observations to gather data on consumer perceptions, behaviours, and experiences.

Explanatory Research: Once you have an understanding of the current state, delve deeper into the factors influencing consumer satisfaction. Use explanatory research methods such as regression analysis or structural equation modelling to identify relationships between variables and uncover underlying mechanisms driving satisfaction.

Sampling:

Sampling Frame: Define the population of interest, such as online shoppers in a specific geographic region or demographic group.

Sampling Method: Select an appropriate sampling method, such as random sampling, stratified sampling, or convenience sampling, based on the research objectives and available resources.

Sample Size: Determine the sample size needed to achieve statistical significance while considering factors like variability in the population and desired confidence level.

LIMITATIONS

Sampling Bias: The sample may not accurately represent the broader population of online shoppers due to factors such as non-response bias, sample self-selection, or sampling from a specific demographic or geographic group.

Self-Report Bias: Participants' responses to survey questions may be influenced by social desirability bias, recall bias, or response bias, leading to overestimation or underestimation of satisfaction levels.

Generalizability: Findings from a specific study may not be generalizable to all online shoppers or across different contexts (e.g., cultural differences, product categories) due to variations in consumer preferences, behaviours, and market conditions.

Measurement Error: Errors in measurement instruments, such as survey questions or scales used to assess satisfaction, could introduce inaccuracies or inconsistencies in the data.

Cross-Sectional Nature: Cross-sectional studies provide a snapshot of consumer satisfaction at a single point in time and may not capture changes or trends over time. Longitudinal studies or repeated measures designs could address this limitation.

Causality: Correlational research designs may identify relationships between variables but cannot establish causality. Confounding variables or reverse causation may influence the observed associations between factors and satisfaction.

Contextual Factors: Consumer satisfaction towards online shopping may be influenced by various contextual factors, such as the specific website or platform used, the type of products purchased, or the timing of the study, which may not be fully accounted for in the research design.

Response Rate and Non-Response Bias: Low response rates or high rates of non-response may limit the representativeness of the sample and introduce bias if respondents differ systematically from non-respondents.

Limited Control over External Variables: Researchers may have limited control over external variables that could influence consumer satisfaction, such as changes in market conditions, competitor actions, or technological advancements.

Ethical Considerations: Ethical considerations, such as privacy concerns, informed consent, and data security, must be addressed to ensure the ethical conduct of the research and protect the rights of participants.

CONCLUSION

Online shopping (AMAZON) is becoming more popular day by day with the increase in the usage of World Wide Web known as www. Understanding customer's need for online selling has become challenge for marketers. Specially understanding the consumer's satisfaction towards online shopping making improvement in the factors that influence consumers to shoponline and working on factors that affect consumers to shop online will help marketers to gain the competitive edge over others.

Having access to online shopping has truly revolutionized and influenced our society as a whole. This use of technology has opened new doors and opportunities that enable for a more convenient lifestyle today. Variety, quick service and reduced prices were three significant ways in which online shopping influenced people from all over the world. However, this concept of online shopping led to the possibilities of fraud and privacy conflicts. Unfortunately, it has shown that it is possible for criminals to manipulate the system and access personal information. Luckily, today with the latest features of technology, measures are being taken in order to stop hackers and criminals from inappropriately accessing privatedatabases.

This study concluded online shopping is a highly best one, when compared to other shopping. The study about the various aspects of customer satisfaction on Amazon online shopping is satisfied with price, speed of delivery, loyalty or this online, variety of product, customer support, quality of delivery products, recurring purchase in same store, offers & discounts and advertisements. If the suggestion given by the customers implemented successfully, the growth of the company and the level of satisfaction of the customer will be improved