

Empirical Study of Factors Affecting Online Shopping Amongst Youths

Achal Hardia¹ and Kapil Sharma²

*¹Institute of Management Studies, Khandwa Road,
Devi Ahliya University, Indore (M.P.)*

*²Institute of Management Studies, Khandwa Road,
Devi Ahliya University, Indore (M.P.)*

Abstract

On line shopping has given a new dimension to the shopping habits of customers. Use of internet amongst youth has increased over the period of time and this has provided new prospect for online retailers. In order to en cash these prospectus it is essential for the retailers / manufacturers to know about the factors that affect the youths and motivate them to shop through online way. The present research paper makes an attempt to study the impact of demographic factors of online buying behaviour of youths.

Keywords: Online, Demographic factors, Youths.

1. Introduction

Internet has changed the way of businesses, consumers communication, interact and consumer transactions in worldwide. On-line shopping is a recent phenomenon in the field of E-Business and is definitely going to be the future of shopping in the world. Consumers especially youths are playing an important role in online shopping. The increasing use of Internet by the younger generation in India provides an emerging prospect for online retailers. Most of the companies are running their on-line portals to sell their products/services on-line. Though online shopping is very common outside India, its growth in Indian Market, which is a large and strategic consumer market, is still not in line with the global market. If online retailers know the factors affecting Indian youths' buying behaviour, and the associations between these factors and type of online buyers, then they can further develop their marketing strategies to convert

potential customers into active ones. The present research paper makes an attempt to study the impact of demographic factors of online buying behaviour of youths.

2. Review of Literature

Solomon, 1998 in his study “Consumer behavior is the study of the processes involved when an individual selects, purchases, uses or disposes of products, services, ideas, or experiences to satisfy needs and desires”. In view for the Internet to spread out as a retail channel, it is imperative to realize the consumer’s mind-set, intention and conduct in light of the online buying practice: i.e., why they employ or falter to use it for purchasing? Consumer attitudes seem to have a significant influence on this decision.

(Schiffman, Scherman, & Long, 2003 in his study researched that “yet individual attitudes do not, by themselves, influence one’s intention and/or behavior. Instead that intention or behavior is a result of a variety of attitudes that the consumer has about a variety of issues relevant to the situation at hand, in this case online buying. Over time the Internet buyer, once considered the innovator or early adopter, has changed. While once young, professional males with higher educational levels, incomes, tolerance for risk, social status and a lower dependence on the mass media or the need to patronize established retail channels **(Ernst & Young, 2001; Mahajan, Muller & Bass, 1990).**

Sultan and Henrichs (2000) in his study concluded that the consumer’s willingness to and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness. **Vijay, Sai. T. & Balaji, M. S. (May 2009)**, revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so.

3. Objectives of the Study

1. To identify the factors affecting online shopping amongst youths.
2. The study the effect of demographics on the factors affecting online shopping amongst youths.

4. Data Collection

For the purpose of collecting data a questionnaire was prepared by the researchers. This questionnaire was pretested amongst a group of respondents. The scale labels

were designed as “strongly agree (5)”, “agree (4)”, “slightly disagree (3)”, “disagree (2)”, “neutral (1)” so as to suggest roughly equal intervals between scale pointers. Reliability was computed using Cronbach’s Coefficient Alpha for the entire set of 22 questions and found to be **0.614**. The questionnaire was distributed amongst youths of Indore and nearby city. A total of 350 questionnaires were distributed. Since the max age for the study was restricted to 26 years the total number of usable responses after removing incomplete responses were 281.

5. Demographic Variables

The demographic variables considered for the analysis are gender, age, Educational Background and pocket money.

6. Factor Analysis

For the purpose of determining the factors affecting the online shopping amongst youths Factor analysis was conducted on the survey data using SPSS. The analysis resulted into following factors 1) Internet Facility, 2) Ease of Process, 3) Security of Website, 4) Timely Delivery.

7. Hypothesis for the Study

1. Age and internet facility does not significantly affect the online shopping amongst youths.
2. Age and ease of process does not significantly affect the online shopping amongst youths.
3. Age and security of website does not significantly affect the online shopping amongst youths.
4. Age and timely delivery does not significantly affect the online shopping amongst youths.
5. Gender and internet facility does not significantly affect the online shopping amongst youths.
6. Gender and ease of process does not significantly affect the online shopping amongst youths.
7. Gender and security of website does not significantly affect the online shopping amongst youths.
8. Gender and timely delivery does not significantly affect the online shopping amongst youths.
9. Educational Background and internet facility does not significantly affect the online shopping amongst youths.
10. Educational Background and ease of process does not significantly affect the online shopping amongst youths.

11. Educational Background and security of website does not significantly affect the online shopping amongst youths.
12. Educational Background and timely delivery does not significantly affect the online shopping amongst youths
13. Pocket Money and internet facility does not significantly affect the online shopping amongst youths.
14. Pocket Money and ease of process does not significantly affect the online shopping amongst youths.
15. Pocket Money and security of website does not significantly affect the online shopping amongst youths.
16. Pocket Money and timely delivery does not significantly affect the online shopping amongst youths.

8. Hypothesis

Analysis 1: Since the p value is 0.618 and is more than 0.05, we can conclude that age and internet facility does not significantly affect the online shopping amongst youths . Hence we can accept the null hypothesis.

Analysis 2: Since the p value is 0.597 and is more than 0.05, we can conclude that age and ease of process does not significantly affect the online shopping amongst youths . Hence we can accept the null hypothesis.

Analysis 3: Since the p value is 0.031 and is less than 0.05, we can conclude that age and security of website does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 4: Since the p value is 0.017 and is less than 0.05, we can conclude that age and timely delivery does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 5: Since the p value is 0.024 and is less than 0.05, we can conclude that gender and internet facility does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 6: Since the p value is 0.837 and is more than 0.05, we can conclude that gender and ease of process does not significantly affect the online shopping amongst youths. Hence we can accept the null hypothesis.

Analysis 7: Since the p value is 0.655 and is more than 0.05, we can conclude that gender and security of website does not significantly affect the online shopping amongst youths. Hence we can accept the null hypothesis.

Analysis 8: Since the p value is 0.031 and is less than 0.05, we can conclude that gender and timely delivery does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 9: Since the p value is 0.041 and is less than 0.05, we can conclude that educational background and internet facility does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 10: Since the p value is 0.011 and is less than 0.05, we can conclude that educational background and ease of process does significantly affect the online shopping amongst youths. Hence the null hypothesis is rejected.

Analysis 11: Since the p value is 0.038 and is less than 0.05, we can conclude that educational background and security of website does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 12: Since the p value is 0.029 and is less than 0.05, we can conclude that educational background and timely delivery does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 13: Since the p value is 0.512 and is more than 0.05, we can conclude that pocket money and internet facility does not significantly affect the online shopping amongst youths. Hence we can accept the null hypothesis.

Analysis 14: Since the p value is 0.022 and is less than 0.05, we can conclude that pocket money and ease of process does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

Analysis 15: Since the p value is 0.661 and is more than 0.05, we can conclude that pocket money and security of website does not significantly affect the online shopping amongst youths. Hence we can accept the null hypothesis.

Analysis 16: Since the p value is 0.002 and is less than 0.05, we can conclude that pocket money and timely delivery does significantly affect the online shopping amongst youths. Hence null hypothesis is rejected.

9. Conclusion

Although the frequency of online shopping is relatively less in the country but the research shows that it is gaining momentum. Online shopping organizations can apply the relevant variables and factors, identified from the research, to create their strategies and tactics. The organizations can prioritize the consumer inherent and unequivocal requirements in online shopping environment. The results of this research can be used to identify target customer segments. They can also revamp their strategies for online shopping. It has been observed that female shop more from online method hence online shopping organizations should focus more on female customer. Online retailers should also look into the prospect of call centres which could guarantee that the customer get a chance to officially interact with the other party before the actual purchase.

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