

# A Study On Factors Influencing Online Consumer Buying Behavior

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**Abstract:** Online buying is a form of electronic commerce which allows consumers to directly buy goods and services from a seller over the Internet. The empirical study is attempted to focus on the online buying behavior of Salem district consumers. The major objectives of the research were to know the online consumers demographic profile and to study the factors influencing their buying behavior with special reference to Salem district; with the help of structured questionnaire for primary data with the sample size of 55 respondents. The statistical tools used for this research study were the following: Percentage Analysis, One sample t-Test, Ranking Analysis and Factor Analysis; which are used to evaluate the factors influencing the online consumer behavior.

**Key Words:** Online shopping, e-commerce, Influencing, Consumer behavior, Satisfaction

## 1 INTRODUCTION

Online shopping emerges the physical resemblance of buying product or services at a bricks and mortar trader or shopping Centre called business to consumer market (B2C) whereas a business buys from another business, the process is called business-to-business (B2B) online shopping (pratiksinh vaghela 2017). Online shopping can also be termed as e-shop, e-store, Internet shop, web-shop, web-store, online store, virtual store and digital store etc. Internet is the rapidest growing media during the past decade and it has changed the look of new epoch. Especially, online shopping is a rapidly increasing e-commerce area. Online provisions are usually available 24x7 in a day, and many consumers have internet access both at work and at home (Meenalkhandake & NaziyaMaldar(2017). India will rank first in terms of B2C e-commerce development with a compound annual growth rate of 17.8% in the period of 2019-2023 (statista.com). Online shopping is enormously different shopping experience of people in developing nations like India likewise Tamil Nadu getting very vast development in online shopping. Previous research studies have examined the process of buying goods and services from merchants who sell on the internet (pratiksinh vaghela 2014). Levels of consumer acceptance in e-commerce are likely to be improved by providing level of information (Nagender Singh, Manisha Yadav and Omprakash sahu (2016). Online shopping is increased in India but acceleration of online shopping is not as hasty as compared to other developed countries like USA and UK according to the data (Mohan kumar and Shiva Shanthi 2016). Online shopping is now becoming a considerable part of the consumer's daily life to meet their never ending requirements in a suitable way (Meenalkhandake & NaziyaMaldar (2017). E-tailors have been facilitated to the consumers by providing most excellent product within the range of budget through saving their time and money (M Nishad Nawaz and Wafa Yaqoob Ali Alajmi BS (2014). It is a convenient method of shopping and allows for a vast array of products to be at your fingertips (Saravanan and Brindhadevi (2015). With increasing popularity of online shopping, the competition is getting escalated it has become imperative for e-retailers to understand the motives of consumers to shop online. Recently done surveys also indicated the huge growth expected from developing and rural district in near future. As the online buying trend in gaining popularity in India, many companies aimed to capitalize on it especially in Tamil Nadu. Therefore, the study focuses on the consumer buying behavior towards online shopping at Salem

district. Consumer's satisfaction has become a crucial point of differentiation in online shopping where the shopping made is convenient for the consumers. The consumers are not ready to spend more time for offline shopping because of its inconvenient timing, as time management is more important for work-engaged consumers. Therefore the online shopping is giving more comfortable and convenient shopping experience for online buyers. There are many factors are influencing online consumers buying behavior. It is essential to identify the most influencing factors such as, customer service, affordability, promotion and advertisement, privacy, brand reputation, product quality, etc.

## 2 THE OBJECTIVES OF THE STUDY ARE AS FOLLOWS:

- To know the demographic profile of the online consumers.
- To study on factors influencing towards online consumer buying behavior in Salem district of Tamil Nadu.

The geographical area for the study is restrained to Salem district and this study is mainly based on both the primary and secondary data. The primary data were collected from online shopping consumers at Salem district by well-structured interview schedule which contains personal information and various influencing factors of online shopping in Salem district. The Percentage analysis, one sample t-test, Ranking Analysis and Factor Analysis test are conducted to evaluate the factors influencing of online consumers buying behavior.

## 3 DESCRIPTION OF THE RESPONDENTS

The following table is shows that percentage analysis of the demographic factors of the online buyers.

**Table-1**  
Percentage Analysis for Demographic Factors

Demographic Variables	Groups	Frequency	Percentage (%)
Gender	Male	27	49.1
	Female	28	50.9
Age	Below 30	34	61.8
	31 to 40	20	36.4
	41 to 50	1	1.8
	Married	34	61.7

<i>Marital Status</i>	<i>Unmarried</i>	21	38.3
<i>Educational Qualification</i>	<i>School Level</i>	5	9.1
	<i>Under Graduate</i>	5	9.1
	<i>Post Graduate</i>	24	43.6
	<i>Professional</i>	18	32.7
	<i>Others</i>	3	5.5
<i>Occupational Status</i>	<i>Business</i>	3	5.5
	<i>Govt. Employee</i>	7	12.6
	<i>Private Employee</i>	20	36.4
	<i>Professional</i>	6	10.9
	<i>House wife</i>	5	9.1
	<i>Others</i>	14	25.5
<i>Family Income</i>	<i>Less than Rs.20000</i>	21	38.2
	<i>20001 to 25000</i>	17	30.9
	<i>25001 to 30000</i>	9	16.4
	<i>30001 to 35000</i>	2	3.6
	<i>Above 35001</i>	6	10.9
<i>Family Type</i>	<i>Nuclear Family</i>	33	60
	<i>Joint Family</i>	22	40
	<i>Total</i>	55	100.0

(Source: Primary data)

From the above table it is understood that maximum 50.9% of the respondents are male and minimum 49.1% of the respondents are female. The age group of respondents is maximum of below 30 years is 61.8% and minimum of 41 to 50 years is 1.8%. The maximum 61.7% of the respondents are married and 38.3% of the respondents are unmarried. Maximum 43.6% of the respondents are under the educational qualification of post graduates and minimum 5.5% of the respondents are under the category of others. Among the respondents maximum 36.4% of the respondents are private employees and minimum 5.5% of the respondents are business peoples, most of the respondent's monthly income is less than 20000 that is 38.2% and minimum 3.6% of the respondents family income is 30001 to 35000. The family type of respondents are maximum under 60% are of nuclear family and 40% of the respondents are joint family.

**Table-2**

*Online Shopping Wise Classification of the Respondents*

S.No	Online shopping	Frequency	Percentage (%)
1	Television advertisement	19	34.5
2	News paper advertisement	2	3.6
3	Online advertisement	30	54.5
4	Others specify	4	7.4
	<i>Total</i>	55	100.0

(Source: Primary data)

The above frequency table stated that majority of 54.5% of the

respondents are shopping through online advertisement and 3.6% of the respondents are shopping through news paper advertisement.

**Table-3**

*Influence Wise Classification of the Respondents*

S.No	Influence	Frequency	Percentage (%)
1	Work place	6	10.9
2	Friends	21	38.2
3	Relatives	4	7.3
4	Colleagues	5	9.1
5	Own interest	19	34.5
	<i>Total</i>	55	100.0

(Source: Primary data)

The above frequency table stated that majority of 38.2% of the respondents are influenced by their friends and minimum 7.3% of the respondents are influenced by their relatives.

**Table-4**

*Online Purchase Wise Classification of the Respondent*

S.No	Online purchase	Frequency	Percentage (%)
1	Very often	3	5.5
2	Often	14	25.5
3	Sometimes	27	49.0
4	Rarely	8	14.5
5	Very rarely	3	5.5
	<i>Total</i>	55	100.0

(Source: Primary data)

It is clear from the above table that majority of 49.0% of the respondents are preferred sometimes for online shopping and minimum of 5.5% of the respondents are preferred for buying the product for very often and very rarely. The following table will show the t-test analysis of the types of goods purchase through online.

**Table-5**

*Types of goods purchase through online*

Particulars	N	Mean	SD	Std. Error	t	Sig. (2tailed)
Books	55	.38	.490	.066	5.775	.000
Electronic items	55	1.56	.834	.112	13.910	.000
Apparels	55	1.75	1.493	.201	8.668	.000
Groceries	55	.00	.000a	.000	4.707	.000
House hold appliances	55	1.45	2.292	.309	2.058	.044
Food & Drink	55	.44	1.572	.212	4.500	.000

Cosmetic and body care	55	1.91	3.146	.424	1.000	.322
Others specifically	55	.15	1.079	.145	5.775	.000

(Source: Primary data)

The variables that were used to measure the satisfaction level of the customers are related which is suggested by the p-values. The results revealed that out of the eight variables only two variables are found unsatisfactory for measuring the type of goods purchased through online. The variables and their p-values that are statistically significant at 5% level are Books (P=.000), Electronic items (P=.000), Apparels (P=.000), Groceries (P=.000), Food & Drink (P=.000) and others (P=.000) are the P value is less than 5% significant level. The variables and p-values that are not statistically significant at 5% level at Household appliances (P=.044) and Cosmetic and Body care (P=.322). These variables have no significant relationship between the types of goods purchased through online. The following table will show the t-test analysis of satisfaction level on influencing factors of online buying behavior.

**Table-6**

Satisfaction level on influencing factors of online buying behavior

Particulars	N	Mean	SD	Std. Error	t	Sig. (2tailed)
Saving time and transportation cost	55	1.67	.579	.078	21.422	.000
Less Effort	55	1.84	.631	.085	21.570	.000
Comfortable Shopping	55	1.85	.780	.105	17.638	.000
Perception of safety	55	2.25	.615	.083	27.179	.000
Flexible prices of product	55	2.25	.844	.114	19.818	.000
Trust in online retailer	55	2.58	.956	.129	20.023	.000
Full information about goods and services	55	1.95	.650	.088	22.186	.000
After sales services	55	2.64	.988	.133	19.786	.000
Personal internet	55	2.22	.686	.092	23.995	.000
Easy to Access	55	2.13	.747	.101	21.128	.000
Download time	55	2.31	.791	.107	21.663	.000

Web trust	55	2.60	.894	.121	21.558	.000
Representativeness of picture and color	55	2.60	.915	.123	21.076	.000
Privacy of information	55	2.36	.847	.114	20.699	.000

(Source: Primary data)

The variables that were used to measure the satisfaction level of the customers are related which is suggested by the p-values. The results reveal that there are fourteen variables for measuring the satisfaction level of the consumers. The variables and their p-values that are statistically significant at 5% level are Saving time and Transportation cost (P=.000), Less effort (P=.000), Comfortable shopping (P=.000), Perception of safety (P=.000), Flexible prices of product (P=.000) Trust in online retailer (P=.000) Full information about goods and services (P=.000), After sales services (P=.000), Personal internet (P=.000), Easy to access (P=.000), Download time (P=.000), Web trust (P=.000), Representativeness of picture and color (P=.000) and Privacy of information (P=.000) are the P value is less than 5% significant level. The following table will show the ranking test of the selected companies of online consumer buying behavior.

**Table-7**

Ranking Method

Companies	Rank										
	1	2	3	4	5	6	7	8	9	10	11
Flipkart	25	27	2								
Amazon	27	26	1								
Snapdeal	2	1	23								
Jabong	-	-	1	2	5	1	1				
Myntra	-	-	-	4	2	2	2	2			
Localbanya	-	-	-	1	1	4	2	2			
Homeshop18	-	-	-	-	-	2	3	4	1		
Infibeam	-	-	-	1	-	-	2	3	2	2	
Shopclues	-	-	-	3	-	1	-	-	2	3	-
Firstcry	-	-	-	-	1	-	1	-	3	4	-
Others	-	-	-	-	-	-	-	-	-	-	4

(Source: Primary data)

From the above table revealed that the rank given by the respondents on the basis of above sources of online shopping, according to the consumers perception the first place of the online

website is Flipkart and the second place is Amazon.

**Influencing Factors of Online Buying Behavior**

Factor analysis is applied to the 16 variables, there are 6 variables are extracted from the influencing factors of online buying behavior.

**Table-8**  
*KMO and Bartlett's Test of Influencing*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.551
Bartlett's Test of Sphericity	Approx. Chi-Square	264.754
	Df	120
	Sig.	.000

(Source: Primary data)

The above table, it is found that the KMO measure of sampling adequacy is .551 and Bartlett's test of Sphericity with approximate Chi-Square value 264.754 are statistically significant at five percent level. This shows that sample is adequate to group the variables into pre-dominant factors. It also designates the sampling distribution to conclude that the factors derived represent the population parameters. The following communality table denotes the range of variance of influencing.

**Table-9**  
*Influencing Factors*

Factors	Initial	Extraction
Privacy is good in online shopping	1.000	.698
Online shopping is secured and trustable	1.000	.768
Online shopping saves time	1.000	.472
Easy to use	1.000	.570
Convenient type of shopping	1.000	.720
Brand reputation	1.000	.661
Affordable cost	1.000	.767
Promotion and advertisement efficiency	1.000	.669
Product quality	1.000	.810
Free or low cost delivery charges	1.000	.576
More number of buyers for a single product	1.000	.665
Easier for finding products	1.000	.760
Attractable promotional activities	1.000	.832
Product is trendy	1.000	.743
Customer service	1.000	.725
Guarantee and warranty of goods	1.000	.794

(Source: Primary data)

From the above table, it is found that the range value is Minimum of .472 and the Maximum is .832. This shows that the range of variance significantly varies from 47.2 percent and 83.2 percent. This shows that the variables adequately represent the influencing factors. The following total variance table denotes the number of factors extracted out of the variables considered for the study

**Table-10**  
*Total Variance Explained of Influencing*

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.338	20.863	20.863	2.698	16.863	16.863
2	2.177	13.605	34.468	2.030	12.689	29.552
3	1.662	10.386	44.855	1.705	10.659	40.211
4	1.557	9.732	54.587	1.622	10.136	50.347
5	1.350	8.438	63.025	1.605	10.030	60.377
6	1.146	7.160	70.185	1.569	9.808	70.185
7	.953	5.958	76.143			
8	.892	5.577	81.720			
9	.644	4.027	85.746			
10	.512	3.200	88.946			
11	.425	2.654	91.600			
12	.356	2.223	93.823			
13	.345	2.155	95.978			
14	.273	1.708	97.686			
15	.202	1.261	98.947			
16	.168	1.053	100.00			

Extraction Method: Principal Component Analysis.

From the above table, it is found that the 16 variables are reduced to six pre-dominant factors with Eigen values 2.698, 2.030, 1.705, 1.622, 1.605 and 1.569 along with the individual variances of 16.863, 29.552, 40.211, 50.347, 60.377 and 70.185 percent respectively. The cumulative variance for all these 16 variables is found to be 70.185 percent. This shows that the six derived factors possessed with considerable quantity of variance to represent the 16 underlying variables. The following variables loadings derived newly emerged factors.

**Table-11**  
*Rotated Component Matrix of Influence*

Factors	Component					
	1	2	3	4	5	6
Free or low cost delivery charges	.679					
More number of buyers for a single product	.513					
	.801					

Customer service	.749	.583				
Guarantee and warrantee of goods		.845				
Online shopping saves time		.607	.675			
Affordable cost			.823			
Promotion and advertisement efficiency			.566	.824		
Privacy is good in online shopping				.644		
Online shopping is secured and trustable					.893	.629
Brand reputation						.813
Easier to finding products						
Attractable promotional activities						
Product quality						
Easy to use						
Convenient type of shopping						

**Extraction Method:** Principal Component Analysis

**Rotation Method:** Varimax with Kaiser Normalization

The factor one consist of 16 variables such as free or low cost delivery charges (.679), more number of buyers for a single product (.513), customer service (.801) and guarantee and warrantee of goods (.749). Therefore, this factor is known as "Customer Affluence". The second factor such as online shopping saves time (.583), affordable cost (.845) and promotion and advertisement efficiency. Hence, this is known as "Conveniences". The third factor such as privacy is good secured and trustable (.675), online shopping is secured and trustable (.823), and brand reputation (.566). Therefore, this factor is known as "Trust Worthiness". The fourth factor such as attractable promotional activities (.824) and product quality (.644). Hence, this is known as "Affordability". The fifth factor consists of unique of variable such as Product quality (.893). Hence, it is known as "Quality Orientation". The final sixth factor consists of two variables such as easy to use (.629) and convenient type of shopping (.813). Hence, this is known as "User Friendliness".

#### 4 FINDINGS OF THE STUDY

- Most of 50.9% respondents are under the category of female
- Most of the online shoppers are under the age group of below 30 years

- Most 61.7% of online shoppers are married
- Majority of 43.6% of respondents educational qualification is post graduate
- Most of the respondents occupational status is private employees
- The shoppers having average annual family income is less than Rs.20000
- Majority of 60% online shoppers family type is nuclear family
- Majority of 54.5% of the respondents are shopping through online advertisement
- Most of the online shoppers are influenced by their friends
- Among the types of goods purchased through online shopping is significantly accepted.
- Among the variables most of the consumers are significantly influenced
- Flipkart is placed the first rank in online shopping
- In terms of free or low cost of delivery charges, more number of buyers for a single product, customer service and guarantee and warrantee of goods are comes under the factor of "Customer Affluence".
- In terms of online shopping saves time, affordable cost and promotion and advertisement efficiency are comes under the factor of "Convenience".
- In terms of privacy is good in online shopping, online shopping is secured and trustable and brand reputation are comes under the factor of "Trust Worthiness"
- In terms of Easier to finding products and attractable promotional activities are comes under the factor of "Affordability".
- In terms of Product quality is comes under the factor of "Quality Orientation".
- In terms Easy to use and convenient type of shopping are comes under the factor of "User Friendliness".

#### 5 CONCLUSION

Nowadays we say that customers are mind blowing while go for an online buying for the reason that the broad range of internet facilities in the digital era. So, the study is tried to understand the antecedents behind the online shopping and that too in India the precedence of spend money among the Indian population has changed the recent years. People are most preferred product of online buying are books, Electronic items and Apparels; remains the least preferred choice of online shoppers. Online shoppers seek for clear information about product and services, convenience, time saving, security and delivery on time are the entire important factor for online shopping. It is concluded that saving time and transportation cost are the most influencing factor in online shopping of Salem district. And also now a day's online buyers are increasing day by day in the world because they are receiving influence by the digital technology.

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