

# “A STUDY ON CONSUMER SATISFACTION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO CHENNAI CITY”

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## ABSTRACT

Online shopping is favorable for both buyers and sellers as it provides a mutual web-mart regarding all goods and services that are available. Presently online shopping has a major contribution to global economic growth. Thus, the study aims to examine the customer satisfaction towards online shopping. The study is based on both primary and secondary data. Likert's four point scale and Convenient Sampling method were used in this study for selecting the samples and the sample size for the study was fifty. With a view of analyzing the data, percentage analysis and Pearson's chi-square test were used. A master table was prepared for entering the responses of each respondent and small cross tables were made from the master table for analysis. Hence the study concludes that the online customers in Chennai City are satisfied with the existing alternatives. Research findings from the paper will be useful to understand the customers' level of satisfaction on basis of the products as well as websites experienced by online customers.

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### INTRODUCTION AND NEED FOR THE STUDY

Online shopping was invented by Michael Aldrich in 1979 and provides gain ground in India also. It has added feather to the cap of economic growth of the nation. Online shopping is favorable for both buyers and sellers as it provides a mutual web-mart regarding all the goods and services that are available. Presently online shopping has a major contribution to global economic growth. Online customers are increasing at a faster rate with the use of various electronic web connected devices. It pave a platform for the businesses to endeavor increased inexpensive advantage via e-commerce to network with customers. (De mangeot et al.,2007). Budding number of customers shop online to buying goods and services, convenient to collect product information, or flush browse for enjoyment.

### CUSTOMER SATISFACTION:

Karl E. Case defines customer satisfaction as “equivalent to making sure that product and service performance meets customer expectations”. There are various factors that influence the customer satisfaction such as price, quality, after sales service and so on.

Online users are increasing frequently; online shoppers are not increasing as many as users increasing. Here might have some causes to research online shopping as being carried out for the last two decades. Thus, the study is aimed to examine the customer satisfaction towards online shopping. Research findings from the

paper will be useful to understand the customers' level of satisfaction on basis of the products as well as websites experienced by online customers.

Keywords: Online shopping, online customers, customers' satisfaction.

### REVIEW OF LITERATURE:

Post-purchase behavior will become more important after their online purchase. Consumers sometimes have a problem or concern about the product, or they might want to change or return the product that they have bought. Thus, return and exchange services become more important at this stage (Liang and Lai, 2002). The source risk comes in the stage of information search and evaluation because the information in the web sites might contain some mistakes. Some websites require customers to register before searching their website. As such, in addition to product risk, consumers also face the risk of information security (Comegys et al., 2009; Wang et al., 2005). The internet has made the data accessing easier (Wang et al., 2005).

This is true, especially in businesses where margins are thin. Consider fast moving consumer goods, the

FMCG sector. Says Devangshu Dutta, general manager of KSA Technopak: "In the Indian FMCG business, margins are as below as 18 per cent. Hence, e-tailing in such areas might not catch on.

### OBJECTIVES OF THE STUDY:

- To assess the satisfaction level of the online consumers on the basis of product features and web site features.
- To relate the demographic with the satisfaction level of the consumers.

### HYPOTHESES FRAMED:

The null hypotheses framed for the study are:

1. There is no significant relationship between the products purchased and the level of satisfaction of the online consumers.
2. There is no significant relationship between web site chosen and the level of satisfaction of the online consumers.
3. There is no significant relationship between the demographic variables and the level of satisfaction of the online consumers.

### METHODOLOGY:

1. **Collection of Data :**

The study is based on both primary and secondary data. The primary data were collected from the online customers using a structured questionnaire. The secondary data were from various books, journals and websites.

## 2. Construction of Questionnaire :

To assess the satisfaction of the customers using online shopping Likert's four point scale is used with scales ranging as "Highly Satisfied, Satisfied, Dissatisfied and Highly Dissatisfied". In order to collect the data regarding products' features and website features the researcher has used a four point Likert Scale with scales – "Strongly Agree, Agree, Disagree and Strongly Disagree".

## 3. Sample size:

Convenient Sampling method was used in the study for selecting the samples and the sample size for the study was fifty.

## 4. Framework analysis:

With a view of analyzing the data, percentage analysis and Pearson's chi-square test were used. A master table was prepared for entering the responses of each respondent and small cross tables were made from the master table for analysis.

## 5. Period of study:

The research was conducted during the period between July 2015 and August 2015.

## 6. Limitations of the study :

1. The selected sample size is too small when comparing to the population.
2. The respondents might be lethargic while responding to the questionnaire.

## ANALYSIS AND INTERPRETATION:

The analysis is carried out as follows.

1. Assessment of customers' view on product and website features.
2. Relating the level of satisfaction of the customers with the web sites chosen.
3. Relating the level of satisfaction of the customers with the types of goods.
4. Relating the level of satisfaction of the customers with the demographic factors

## 1. PERCENTAGE ANALYSIS OF SOCIO-DEMOGRAPHIC VARIABLES:

The demographic variables of the respondents' Viz., Gender, Age, Educational Qualification, and Occupation have been taken for analysis and simple average method has been adopted. From the table 1,

it is inferred that there is practically good majority of respondent between the age group of below-25 and 25-50 years of age. The maximum number of respondents (64%) is male who use online shopping. The online shopping is carried out by the UG and PG degree holders contributing

34% each. The study reveals that students are using online shopping in large manner.

**Table 1**  
**SOCIO-DEMOGRAPHIC PROFILE OF THE RESPONDENTS**

S.No	Particulars	No. of Respondents	Percentage
<b>a) Age</b>			
1	Below-25	22	44
2	25-50	22	44
3	50-75	6	12
4	Above-75	0	0
<b>Total</b>		<b>50</b>	<b>100</b>
<b>b) Gender</b>			
1	Male	32	64
2	Female	18	36
<b>Total</b>		<b>50</b>	<b>100</b>
<b>c) Educational qualification</b>			
1	Up to+2	6	12
2	UG	17	34
3	PG	17	34
4	Others	10	20
<b>Total</b>		<b>50</b>	<b>100</b>
<b>d) Occupation</b>			
1	Govt-employee	9	18
2	Private employee	11	22
3	Professional	8	16
4	Other	22	44
<b>Total</b>		<b>50</b>	<b>100</b>

## 2. ASSESSMENT OF CUSTOMERS' VIEW ON PRODUCT AND WEBSITE FEATURES:

PARTICULARS	RESPONSES				
	SA	A	DA	SDA	Total
<b>1) Product Features</b>					
(a) Price of Goods is cheaper	20	27	3	0	50
(b) Quality Goods are available	13	28	9	0	50
(c) Purchase return is possible	8	21	15	6	50
(d) After sales service is available	7	15	14	14	50
(e) Product usage Demo is present	4	15	21	10	50
<b>2) Web services &amp; provider features</b>	<b>SA</b>	<b>A</b>	<b>DA</b>	<b>SDA</b>	<b>Total</b>
(a) Comparison shopping is possible	11	25	13	1	50
(b) Wide variety of brand choices can be had	15	27	5	3	50
(c) 24-Hours accessibility is possible	18	25	7	0	50
(d) Online shopping is more Convenience	20	24	4	2	50
(e) Goods are delivery on time with good condition	11	22	12	5	50
(f) Latest product Information is available	13	22	14	1	50

(g) Payment Method is so easy	15	24	9	2	50
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Strongly agree (SA), Agree (A), Disagree (DA), and Strongly Disagree (SDA)

### 3. RELATING THE LEVEL OF SATISFACTION OF THE CUSTOMERS WITH THE WEB SITES CHOSEN:

For measuring the level of satisfaction of the respondents the scales used are "Highly Satisfied, Satisfied, Dissatisfied and Highly Dissatisfied". The respondents were asked to mention the websites they use for online shopping. There are eight websites given by the respondents namely Home Shop18, Jabang, E-Bay, Flip kart, Amazon, Snap deal, E-kart and 99.com. The results of the same are presented in the table 3 which accepts the hypothesis "There is no significant relationship between online shopping websites chosen and level of satisfaction".

**Table-3**

#### CHI – SQUARE TEST RESULTS – WEBSITE CHOSEN AND LEVEL OF SATISFACTION

	Table Value	d.f	Calculated Value	Level of Significance	Result
Pearson Chi-square	36.4	24	23.291	5 %	Not significant

### 4. Relating the level of satisfaction of the customers with the types of goods:

The different types of goods purchased by the online shopping customers are classified into six categories namely "Mobiles and Tablets, Books, Entertainment and Travel tickets, Cosmetics, Electronic gadgets and others". The results of the relationship between "the level of satisfaction of the respondents and different types of goods" are presented in the table 4 that reveals the rejection of the hypothesis "H<sub>0</sub>: There is no significant association between types of product vs. level of satisfaction".

**Table-4**

#### CHI – SQUARE TEST RESULTS - TYPE OF PRODUCT AND LEVEL OF SATISFACTION

	Table Value	d.f	Calculated Value	Level of Significance	Result
Pearson Chi-square	25.0	15	102.753	5 per cent	significant

### 5. RELATING THE DEMOGRAPHIC VARIABLES WITH THE SATISFACTION LEVEL OF CUSTOMERS:

In this part an attempt is made to identify the significant relationship of demographic variables and level of satisfaction variable with the online customers. The demographic variables taken for the study are age, gender, educational qualification, occupation, and annual income of the respondents. The hypothesis framed to find the

relationship is "There is no significant relationship between the level of satisfaction of the online customers and their demographic variables". Chi-square test is used to identify the relationship of demographic variables with satisfaction level of the online customers. The consolidated result of the chi-square test is shown in Table-5.

**Table-5**

#### CONSOLIDATED RESULTS OF CHI-SQUARE TEST

S. No.	Demographic Variables	Table value	d.f	Calculated Value	Level of Significance	Result
1	Age	12.6	6	29.16	5 per cent	Significant
2	Gender	7.81	3	19.19	5 per cent	Significant
3	Educational Qualification	16.9	9	18.71	5 per cent	Significant
4	Occupation	16.9	9	20.67	5 per cent	Significant
5	Annual Income	12.6	6	9.19	5 per cent	Not significant

Table 5 shows that the calculated values are greater than the table value at 5% level of significance for all the variables except for the demographic variables "Annual Income". Hence the null hypothesis is rejected and concluded that the demographic variables like age, gender, educational qualification and occupation are significantly related to the level of satisfaction of the customers.

On the contrary, the calculated value of the demographic variable annual income is less than the table value at 5% level of significance. Hence the null hypothesis is accepted and concluded that the demographic variable annual income is not significantly related to the level of satisfaction of the online customers.

#### SUGGESTIONS:

The researcher suggests the following:

- When the products usage demo is not presented in a proper way the customers feel disappointed with the particular product available in the online stores. In order to remove this hinder the websites / providers should take all necessary steps to enhance the repetitive purchase of the products.
- The online shopping lacks in after sales service that leads to less number of online shopping customers. The products that require after sales service should avail the facility to attract more number of online customers.
- When there is a delay in the delivery of goods it may lead to put an end to the online purchase. So in order to retain and increase the turnover through online prompt delivery with good condition should be ensured.
- In order to facilitate the online customers the latest information about the products should be updated periodically.

#### CONCLUSION:

The study assessed the level of satisfaction of the online customers relating to their various demographic variables, website chosen for online purchase, product features as well as website features. The analysis part of the study revealed the demographic variables are significantly related to the level of satisfaction except in case of the annual income where it is insignificant. With regard to the websites chosen and the level of satisfaction of the online customers the relationship is not significant. From the point of type of the products purchased, the level of satisfaction of the online customers is not significant. A number of suggestions were made on the basis of product features and website features in order to increase and retain the customers. A satisfied customer himself is an authenticated and consummate credential to promote the turnover. Thus the study concludes that the online customers in Chennai City are satisfied with the existing alternatives.

#### SCOPE FOR FURTHER RESEARCH:

The researcher delighted to proffer the following areas for further research by future researchers to undertake research under customer satisfaction. Topics like problems faced by online purchasers, implementation of cyber laws, business ethics and so on can be carried out.

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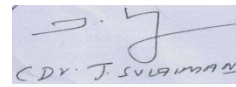
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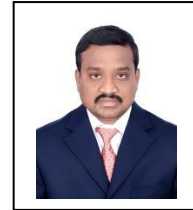
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Governance should take initiative to bring separate regulation for online shopping