

Analysing and Determining Consumer Behaviour for Online Shopping at Virtu retail Pvt. Ltd.

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Abstract – This paper has been attempted to understand and analyse the key factors which influence consumer behaviour for online shopping. The study of consumer behaviour towards online shopping provides various information such as: what motive prompt consumer to make purchase so that same are utilised in promotional campaigns to awaken desire to purchase in the mind of consumer and knowledge of consumer behaviour will be useful to the marketers. Thus study of consumer behaviour is important to understand the changes in taste, preferences and attitude of consumer while doing online shopping. For achieving the objectives of the study primary data has been taken by the researcher.

Keywords: Marketing Strategies, Education and Factor Analysis

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INTRODUCTION

The activity of buying or selling of products online over the Internet is called E-commerce. It gets the technologies like as Electronic Funds Transfer, Supply Chain Management, Online Transaction Processing, EDI, Mobile Commerce and Automated data Collection Systems. Electronic commerce has transformed the way business in India. The ongoing digital transformation in the country is increased India's total internet user base to 829 million by 2021 from 445.96 million in 2017. India's internet economy is expected to double from US\$125 billion as of April 2017 to US\$ 250 billion by 2020, majorly backed by e-commerce. India's E-commerce revenue is expected to jump from US\$ 39 billion in 2017 to US\$ 120 billion in 2020, growing at an annual rate of 51 per cent, the highest in the world.

INTRODUCTION TO VIRTU RETAIL PRIVATE LIMITED

Virtu Retail Private Limited is established on 30 June 2015. It is known as Non-government Company and is registered at Registrar of Companies, Delhi. Virtu Retail Private Limited's Annual General Meeting (AGM) was last held on 30 September 2017 and as per records from Ministry of Corporate Affairs (MCA). Virtu retail has come to the front with unique of helping manufactures transform their avatar into successful online retailer by reaching their target audience directly.

OBJECTIVES OF THE STUDY

The objectives for study the consumer behaviour for online shopping are:

- To study consumer buying behaviour and various online marketing strategies
- Determine the frequency of online shopping in present scenario.
- To understand the factors which influence consumer behaviour for online shopping
- To understand the problems which arises when consumers do online shopping

RESEARCH METHODOLOGY

The paper is carried out to study the consumer behaviour towards online shopping in Virtu Retail Pvt. Ltd. This will help to know the taste and preferences of consumer. For carrying out the research, the market survey was taken in Panipat, Karnal and Kurukshetra, by taking the responses of consumer with the help of well-structured questionnaire. There are 100 participants who have completed the questionnaire and to analysis the data pie diagram and simple percentage method were used.

RESEARCH DESIGN

The present study entitled "analyzing and determining the consumer behaviour for online shopping" is

descriptive in nature because it would just study the general attitude of people towards online shopping without having any control over it. It is a preliminary study based on primary data and findings are consolidated after analyzed the responses of 100 respondents.

- **Sample size:** The sampling size of the study is 100 respondents.
- **Sampling method:** 'convenience sampling is done because any probability sampling procedure would require detailed information about universe.

Method of data collection

For analyzing and determining the consumer behaviour for online shopping primary data is collected in this study and the data has been collected through structured questionnaire.

Technique of data analysis:

The study entitled 'analyzing and determining the consumer behaviour for online shopping' which is conducted in Virtu Retail Pvt. Ltd. The tools which are used for analysis the data containing information about consumer behaviour for online shopping are:

- Simple percentage method
- Pie diagram

SCOPE OF THE STUDY

The scope of the study was limited to Panipat, Karnal and Kurukshetra area of State of Haryana to study Consumer Behaviour towards online shopping, and the study was conducted in year 2017.

LIMITATIONS OF THE STUDY

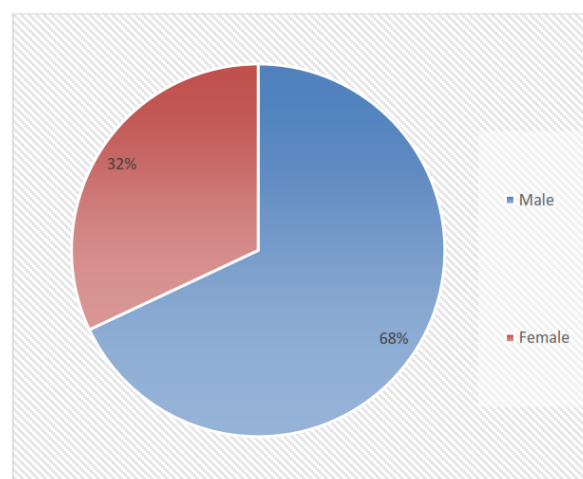
Many consumers do not show their interests in filling the questionnaire and due to shortage of time the chances of supplying of wrong information from the side of consumer is increases.

DATA ANALYSIS AND INTERPRETATION

Table No 5.1 Gender Analysis

Gender	Frequency	Percentage
Female	32	32%
Male	68	68%
Grand Total	100	100%

Figure no. 5.1



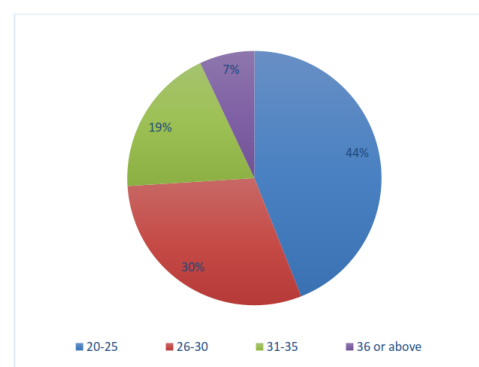
INTERPRETATIONS

It has been found from the above table and figure that we can easily analyse that majority of the males are respondents of the survey as compared to females, we have 68% of males and 32% percentage of females have participated in this survey.

TABLE NO 5.2 Age analysis

Age Distribution	Frequency	Percentage
20-25	44	44%
26-30	30	30%
31-35	19	19%
36 or above	7	7%
Grand Total	100	100%

Figure no. 5.2



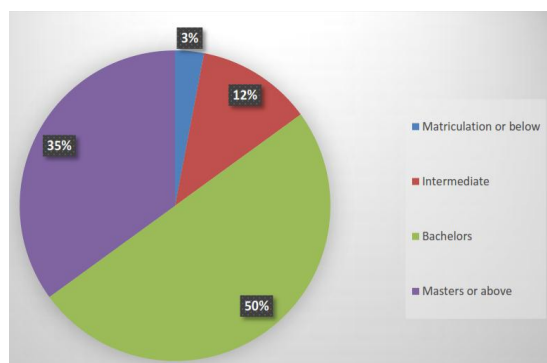
INTERPRETATIONS

It is depicted from the table and figure that in this survey we have 44 frequencies in the age of 20-25 with percentage 44% which is the highest percentage among other age distribution. In age distribution of 26-30 we have 30% and 19% fall in 31-35 age and rest 7% fall in more than 36 years old respondents. The questionnaire responses mainly show the young generation which is actively part of the research.

Table no 5.3 Education Analysis

Education Background	Frequency	Percentage
Matriculation or below	3	3%
Intermediate	12	12%
Bachelors	50	50%
Masters or above	35	35%
Grand Total	100	100%

Figure no. 5.3

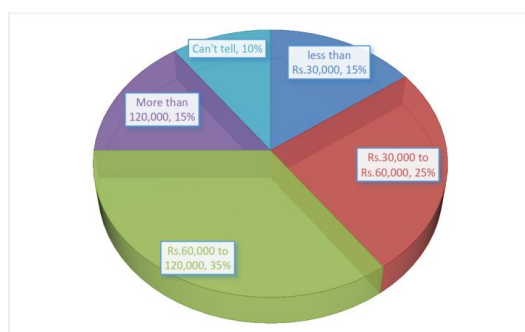


The highest frequency 50 % among the respondents falls under the category of bachelor's level of studies followed by the 35 % who has the Master's degree.

Table no 5.4 Income distributions among respondents

Family Income	Frequency	Percentage
Less than Rs.30,000	15	15%
RS.30,000 to Rs.60,000	25	25%
Rs.60,000 to Rs.120,000	35	35%
More than Rs.120,000	15	15%
Can't tell	10	10%
Grand Total	100	100%

Figure no. 5.4



INTERPRETATIONS

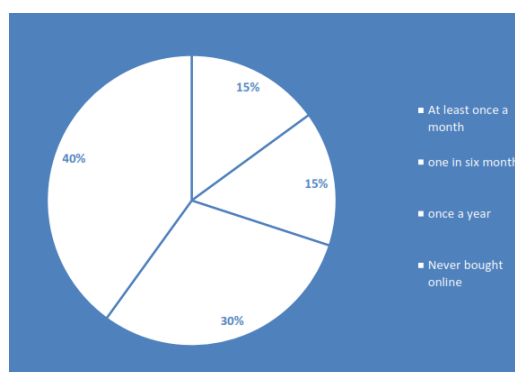
From the survey it was analysed that the 10% frequency in income distribution fall under can't tell which very strange thing is but from the survey it is

happening, may be males are reluctant to tell their income while we have majority of respondents.

Table no 5.5 Frequently buy online

How frequently do you buy online?	No. Of Respondents	Percentage
At least once a month	15	15%
One in six month	15	15%
Once a year	30	30%
Never bought online	40	40%
Grand Total	100	100%

Figure no. 5.5



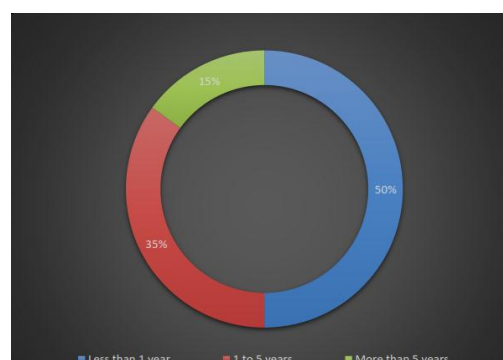
INTERPRETATIONS

Majority of the respondents had never bought online anything. 30% of respondents have bought things online once a year, 15% respondents bought online things once in a month and same percentage lies under the category of respondents who buy at least once in six months.

Table no 5.6 Analysis of duration of online shopping

How long have you been doing online shopping	Frequency	Percentage
Less than 1 year	50	50%
1 to 5 years	35	35%
More than 5 years	15	15%
Grand Total	100	100%

Figure no. 5.6



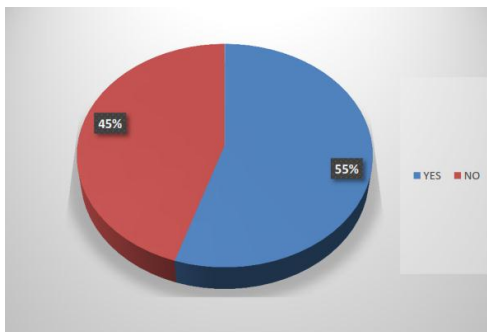
INTERPRETATIONS

From the above question, it is clear that from 50% of respondents have been doing online shopping for less than a year While 35% respondents have been doing online shopping since 1 to 5 years and 15% have been doing online shopping more than 5 years.

Table no 5.7 Visit retail shop before purchasing

Do you go to retail shop before making your final purchase online?	Frequency	Percentage
Yes	55	55%
No	45	45%
Grand Total	100	100%

Figure no. 5.7



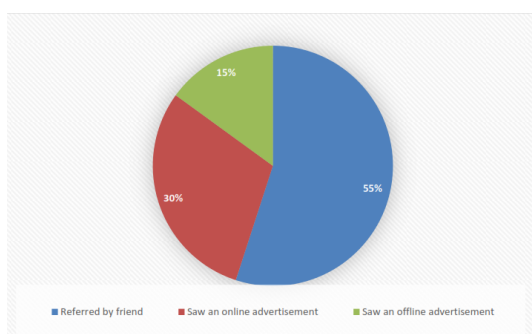
INTERPRETATIONS

This question was asked to judge the consciousness of consumer and approach regarding the selection of product about offered online products. It is analysed that 55 % of respondents do visit the retail store to see and check the actual product before actually buying from an online store while 45 % of them don't bother to see the actual product in offline store.

Table no 5.8 idea of purchasing online products

How did you get the idea of online purchasing of products	Frequency	Percentage
Referred by friends/family	55	55%
Saw an online advertisement	30	30%
Saw an offline advertisement	15	15%
Grand Total	100	100%

Figure no. 5.8



INTERPRETATIONS

It has been found from the above table and chart that 55 out of 100 respondents are influenced and referred by family and friends followed by 35 respondents.

Table No 5.9 Crucial factor affecting consumer minds

What are the crucial factors which affect your decision making in final selection of products	Frequency	Percentage
The best prices	55	55%
Time saving	30	30%
Not available in local stores	9	9%
Reviews available	6	6%
Grand total	100	100%

Figure no. 5.9



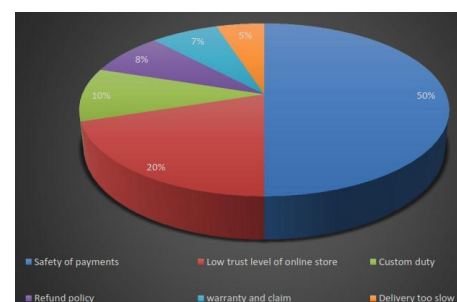
INTERPRETATIONS

From the above table and chart it is analysed that from the result, 55 % of respondents consider price as the most important factor. The remaining percentage of 15 % falls under the category of those respondents for whom the particular product is not available in local stores, product reviews available.

Table No 5.10 Main barriers in online shopping

Barriers	Frequency	Percentage
Safety of payments	50	50%
Low trust level of online store	20	20%
Custom duty	10	10%
Refund policy	8	8%
Warranty and claim	7	7%
Delivery too slow	5	5%
Grand Total	100	100%

Figure no. 5.10



INTERPRETATIONS

From the survey it is revealed that safety of payment is the biggest barrier in online shopping. 50% of the respondents ranked safety of payment as the main concern and 20% do not trust much on online stores.

This particular question was asked from seller's point of view so that they will consider this point and try to reduce this barrier for consumers and increase the mind set of consumer for online purchasing.

FINDINGS

- ▶ Majority of the online shoppers are male who between 20 years to 25 years
- ▶ Online shopping is mostly preferred by students of bachelors and masters who are powerful internet users of the country
- ▶ Online shopping is mostly preferred by those customers whose family income lies in between Rs. 60,000 to Rs.120, 000 per month.
- ▶ Mostly consumers consider prices while doing online shopping
- ▶ Safety of payments and low trust level of consumer are the main barrier which makes hurdles in online shopping
- ▶ Mostly consumer prefer to visit local retail shops and on an average 3 online store while making purchase decision.
- ▶ Consumer mostly discussed with friends/family while making purchase decision and after receiving the product

CONCLUSION

This research shows that online shopping is having very good future in India. Consumers can do comparison shopping between products, as well as, online stores. Online shopping even after gaining popularity won't completely eliminate traditional shopping. There are still areas where we prefer to go into a shop and select items. All the factors need to be carefully concerned by the online retailers, who can utilize the appropriate marketing communications to support the consumers purchase decision making process and improve their performance.

SUGGESTIONS

- Internet environment has to be improved in the area of art and interactive techniques.
- Consumers should be guided in a proper way to return the product.

- The price of product should not include hidden charges in the total price charged by vendor or service provider.
- To gain consumer confidence, online vendors should start and direct the service centres nearest to the consumers.
- 360 degree method should be implemented for displaying the products which help to create confidence about the product
- Implementing precautionary steps to solve the problems related to theft of credit card information and lack of security on online payments.
- To enhance the knowledge of consumers and online purchases of product regional language oriented websites must be developed.
- Vendor can concentrate on offering more of durable products with guarantee.
- Vendor should target the consumers of middle and lower income groups by developing more and more innovative ideas.

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