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## PURCHASE DECISION AND SATISFACTION TOWARDS ONLINE SHOPPING

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#### **ABSTRACT**

Internet shopping (also known as online shopping) is the process where consumers purchase products/services over the Internet. It is a network of linked computers enabling millions of people to communicate and search for the information as well as to sell to buy products. This study was focused on purchase decision of consumers towards online purchasing. The major objectives were to analyse the demographic profile influencing on online purchase decision and examine the behavioural acceptance and non-acceptance characteristics of online consumers.

The data were distributed among 100 samples and it was drawn on the basis of convenience sampling under non-Probability sampling techniques. The data were collected through distribution of questionnaire and google forms. The collected data further analysed through ANOVA and Regression. Ultimately the study concluded factors that affect online consumers in making purchase decisions and relate it with behavioural and social factors.

**Keywords:** Online Buying Behavior, Consumer, Internet Shopping, Purchase Decision.

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#### INTRODUCTION

The revolutionary changes that have taken place in communication technology have reached their celestial point. All consumers whether paupers or multi-millionaires are customers of one issue or the opposite. The exposure of engineering has revolutionized even consumer and consumerism and has indirectly regenerated all the illiterates into literates. Online traders like Amazon, Flipkart, Alibaba have large number of merchandises created and made them accessible for everyone. The customers these days have a large selection in a brand, in quality, in value and therefore the delivery of products. Consumer behaviour is commonly called mental-call method. Individuals live not solely through bodies however additionally through the mind as a result of the mind is that the substance. The human mind is ready to shift the grains from the bryophyte and opt for a product that the mind tells them to shop for. In spite of everything feeling override the reasoning power of citizenry. We have got merchandise that attracts our mind through the guts, and thus it is quite straightforward for each soul to be a mix of emotional, mental and physical behaviour. To offer associate degree example, the taste buds within the tongue would be able to revive the individual style within the drink he chooses or the food he tastes by that he decides the manufacture through online shopping. This is often a beautiful expertise of the buyer and his behaviour towards the merchandise, he needs to shop for. Consumerism does not involve any planning to look and shopping for product. It is associate degree journey and knowledge gaining. It is, therefore, urged that the individuals whether or not from higher or lower economic zones be inspired to opt for and choose the merchandise, they want, instead of shopping for the merchandise that is accessible.

India may be an inhabited country; the customer's perspective and behaviour are changing in India. The little scale business is obtaining a fine condition and new unionized selling a unit coming back in with new dimension. Web shoppers are a unit exploring the market in India and plenty of unionized retailers conjointly extending their market through online. In India the subsequent necessary factors have an effect on the patron behaviour in future. The women of India are changing their roles from home makers to employees. Currently each unit is busy with its work, they realize terribly tough to spare time for physical shopping. Life-form of the folks is additionally dynamic to the fashionable world, the demand of the branded merchandise, particularly international whole is increasing.

#### SCOPE OF THE STUDY

The study on online shopping behaviour assumes singular significance in view of phenomenal increase in the number of online shoppers. Thanks to spectacular advancement in information technology and growing awareness and knowledge about internet technology. The outcome of the study is supposed to be useful to policy makers of online shoppers in reframing their market, policies and sales promotion strategies. Where the suggestion given in the study is implemented in true letter and spirit, the end consumer who shops online is sure to get quality service from online shoppers and the government will give importance in framing retail policy with respect to online shopping.

### **BACKGROUND OF THE STUDY**

According to Westbrook and Black (1985), once customer-search they are motivated by purchase-wants, experiential-wants or a mix of each. Many of us opt to search online as a result of which they will buy their desired things while not having to go away from the comfort of their homes. Kim and park (1991) declared that the customers found the web to be simply accessible and pay longer online for data search. Consumers' perspective toward net searching it depends on the direct effects of relevant online searching options (Davis, 1993).

Bellman et al. (1999) mentioned in their study that range of months online still as length of time spent online is a crucial predictor of online shopping for behaviour. Loshe et al. (2000) showed that 9 the longer the web usage, the bigger is that the intent to try and do online purchase in future and also the bigger the prospect of constructing an acquisition online. Kotler and Armstrong (2000) see that a personality's shopping for decisions is a unit influenced by five key psychological factors: motivation, perception, learning, belief, and perspective. Totally different customers have different personalities, which can influence their perception towards their online searching behaviours (Wolfinbarger and Gilly, 2001).

Net-buying is one among the upcoming trends within the technological world (Jahng and Ramamurthy, 2001) even though online buying is setting the trends within the world, and also the acceptance of online buying by the folks remains a limiting issue. David j. Reibstein (2002) has deliberate regarding factors drawing customers to the positioning and reasons having the skill to retain customers by primarily considering the role of value. However, the web shopper gives sensible service and delivery on-time can retain the purchasers. On account of range of hours spent per day on net, Korgaonkar and Wolin (2002) classified customers as serious, medium and light-weight internet users of the web. They explored a lot of positive perspective toward net advertising, that doubtless results in a lot of frequent net buying. Ramirez Nicolas (2010) states that "the net has modified several aspects of our daily lives - the approach we tend to relate and communicate with each other, how we tend to move with a bank, scan newspapers or watch television and even the approach we tend to get and sell. These changes have occurred thanks to the constant flow of corporations giving new business models and innovative formulae. Discount coupons have forever been a strong selling tool whether or not inserted in written media or announce through letter boxes, they attracted new customers and were conjointly offered at the time of purchase and for encouraging repeat purchases. Omar, Bathgate, and &Nwankwo, (2011) examined factors which might cause success or failure within the online venue. These factors would produce price for corporations participating in net selling. Since India's bourgeoisie is chop-chop increasing, more customers are ready to afford net access. This growth is projected to double net users in Asian nation by 230 million in 2015.

#### **OBJECTIVES OF THE STUDY**

The following are the major objectives of this study are as follows:

- i) To identify the organizational factors influencing on the customers of online shopping
- ii) To analyse the demographic profile influencing on online purchase decision
- iii) To analyse the awareness and purchase pattern of online consumers
- iv) To identify the organizational factors influencing on the customers of online shopping
- v) To examine the behavioural acceptance and Non- acceptance characteristics of online consumers.

#### REVIEW OF LITERATURE

Tafhima Khanam (2017) has analysed the customers' loyalty towards online shopping in Bangladesh. The author has found that prior online shoppers' experience, product quality, price, trust, security and web functionality determine the degree of customers' loyalty. So, the author has suggested that online seller shall work on these grounds effectively to create loyal customers.

Khushboo Makwana, Dr. Anuradha Pathak and Dr. Pragya Sharma (2017), have analysed the attributes that driving customers to go for online purchase. The authors have found out that attributes, such as, time saving, competitive prices, safe delivery, regular offers, cash on delivery and anytime-buying, shapes the purchasing behaviour of online customers.

The authors have found that low trust, delayed delivery and the risk of information hacking were some of the difficulties, experienced by online customers.

Mohammad Anisur. Rahman, Md Aminul Islam et.al (2018), have analysed the impact of online marketing on consumer behaviour in Bangladesh. The authors found that consumers prefer to shop online for saving their purchasing time and availability of various options for their needed products and services. They have suggested that online sellers must have the robust payments security and refunds systems to make consumers feel secured.

Hemanti Richa, Shaili Vadera (2019), have identified determinants of online buying behaviour of customers in India, by applying factor analysis. The authors identify factors, such as, utility, post purchase issues, hedonic motives, intrusion and convenience. The authors suggested that e-marketers need to upgrade their refund mechanism, after-sales-service and turnaround time, in order to enjoy customers' patronage and confidence.

#### METHODOLOGY OF THE STUDY

The study is based on both primary and secondary data. However, as the study is primarily evaluative in nature and mainly deals with shopping attitude and behaviour of the consumers, primary data provides foundation for the present study. The relevant secondary data were gathered from the reports, books, journals, periodicals, dailies, magazines, and websites. The consumers, who shop online in the area of Chennai, were taken as the population for this study. Data were collected from the people who use internet for various reasons in Chennai city. The target population for this study consisted of active Netizens and online shoppers. A convenient sample (non-probability sampling method) of 100 consumers was pooled up for the current study in which respondents of this study were requested to complete the questionnaire on voluntary basis. The sample size was considered as adequate, since the minimum sample to determine sample size from a given population is 64 for every one million population. The study area taken up by the researcher is Chennai city, considering north Chennai, south Chennai and central Chennai. The researcher has chosen Chennai city for undertaking the present study in view of its distinct and unique historical importance. Moreover, it is the work place as well as the domicile place of the researcher. The features of Chennai city are as under. Chennai, formerly known as Madras is a city on the east coast of Southern India, situated on the shores of Bay of Bengal.

The metropolitan region of Chennai covers many suburbs that are part of Kanchipuram and Thiruvallur Districts. Chennai has a diversified industrial base. It is the base for over 40% of India's automotive industry. Moreover, Chennai service sector is traditionally dominated by Finance and Banking. Furthermore, Chennai is now an important hub for Software and Information Technology companies. In this city, a maximum number of people is employed in public and private sector organizations and a fair number of them are good online shoppers.

#### ANALYSIS AND INTERPRETATION

Influence of Gender on perception towards online purchase decision the perceptual difference that exists between the gender groups – male and female customers is obtained using one-way-analysis of variance as shown in the table.

**Table 1:** Influence of Demographic Profile – Gender on perception towards online purchase decision – Cross Tabs

		Sum of Squares	DF	Mean Square	F	Sig.
	Between Groups	8.111	4	2.028	1.252	.288
	Within Groups	813.076	502	1.620		
Low price	Total	821.187	506			
	Between Groups	13.150	4	3.287	1.815	.125
Quality of	Within Groups	909.150	502	1.811		
products	Total	922.300	506			
	Between Groups	11.234	4	2.808	1.919	.106
Discount and	Within Groups	734.530	502	1.463		
offer	Total	745.763	506			
	Between Groups	17.088	4	4.272	2.662	.032
Delivery in time	Within Groups	805.503	502	1.605		
Denvery in time	Total	822.592	506			
	Between Groups	28.619	4	7.155	4.976	.001
Not available in the	Within Groups	721.759	502	1.438		
local market	Total	750.379	506			
	Between Groups	38.234	4	9.558	6.530	.000
Reputation of the	Within Groups	733.331	501	1.464		
company/Brand	Total	771.565	505			
	Between Groups	26.927	4	6.732	4.113	.003
Guarantees and	Within Groups	821.594	502	1.637		
Warrantees	Total	848.521	506			
	Between Groups	31.998	4	7.999	5.129	.000
Privacy of the	Within Groups	776.770	498	1.560		
information	Total	808.767	502			
	Between Groups	15.797	4	3.949	2.617	.034
Good description of goods.	Within Groups	757.402	502	1.509		
	Total	773.199	506			
Security	Between Groups	29.746	4	7.436	4.667	.001
	Within Groups	799.816	502	1.593		
	Total	829.562	506			
	Between Groups	33.294	4	8.323	4.880	.001
Detum outles	Within Groups	856.201	502	1.706		
Return option	Total	889.495	506			

**Source:** Primary Data

From the above table it is found that Delivery-in-time (F=2.662, p = .032), non-availability-in-the-local-market (F=4.976, p=.001), Reputation-of-the-company/ brand (F=6.530, p=.000), Guarantees and warrantees (F=4.113, p = .003), Privacy- of- the-information (F=5.129, P=.000), Good-description-of-the goods (F=2.617, p=.034), security (F=4.667, p = .001) and Return-option (F=4.880, p = .001) are statistically significant at 5% level.

Therefore, it can be concluded from the above ONE-WAY- analysis of variance that male and female respondents differ significantly in their opinion in deciding towards purchase of goods through online in relation to Delivery-in-time, non-availability-in-the-market, reputation of the company/Brands, Guarantees and Warranty, privacy of the information, good description of goods, security and return option offered through online. The descriptive statistics test reveals that female respondent value Delivery in time (M=4.2250) Not-available-in-the-local-market (M = 3.7415), Reputation of the company/Brand (M = 3.9068), guarantees-and-warrantees (M = 3.9153) Privacy-of- the-information (M = 3.9310), Good-description-of-goods-(M=38729), Security (M=.4.1186) and Return option (M=3.9746) more relating to online purchasing. However, the male respondents also consider the factors of guarantees and warranties (M=3.9486) and return-option (M = 4.0324) relating to online purchasing

# Influence of Customer's Total-Family-Income on Online-Purchasing Dissatisfaction Factor

The perceptual difference that exists between customers' total family-income ranging between Rs. 20000/- and less and Rs. 60000/- and more and online- purchasing dissatisfaction factors is obtained using one way analysis of variance as shown in the table.

Table 2 Influence of total-family-income of customers on online-purchasing dissatisfaction-factors

	ANOVA					
		Sum of Squares	DF	Mean Square	F	Sig.
	Between Groups	7.125	3	2.375	1.821	.142
Michelle accordenced	Within Groups	658.788	505	1.305		
Might be overcharged	Total	665.914	508			
	Between Groups	2.230	3	.743	.655	.580
Improper details of	Within Groups	572.792	505	1.134		
the Company	Total	575.022	508			
	Between Groups	3.211	3	1.070	.880	.451
Too complicated to	Within Groups	614.231	505	1.216		
place order	Total	617.442	508			
Unacceptable delivery fees and methods	Between Groups	2.660	3	.887	.645	.586
	Within Groups	693.934	505	1.374		
rees and methods	Total	696.593	508			
The site has	Between Groups	6.782	3	2.261	1.816	.143
disorganized and	Within Groups	628.700	505	1.245		
confusing	Total	635.481	508			
Page too slow to load\technology problem	Between Groups	3.061	3	1.020	.762	.515
	Within Groups	675.796	505	1.338		
	Total	678.857	508			
	Between Groups	.377	3	.126	.096	.962
Poor after sales services	Within Groups	660.672	505	1.308		
	Total	661.049	508			
	Between Groups	5.688	3	1.896	1.598	.189
Poor packaging	Within Groups	599.322	505	1.187		
Product	Total	605.010	508			
	Between Groups	5.116	3	1.705	1.115	.343

	ANOVA					
		Sum of Squares	DF	Mean Square	F	Sig.
Missing out the whole	Within Groups	772.758	505	1.530		
experience of shopping	Total	777.874	508			
	Between Groups	1.834	3	.611	.480	.696
Delay in delivery of	Within Groups	643.081	505	1.273		
goods	Total	644.916	508			
	Between Groups	3.216	3	1.072	.769	.512
Undergone a bad	Within Groups	704.257	505	1.395		
Experience	Total	707.473	508			
More expensive than	Between Groups	4.468	3	1.489	1.234	.297
those sold in retails stores	Within Groups	609.300	505	1.207		
	Total	613.768	508			
Do not have enough payment option	Between Groups	7.249	3	2.416	1.580	.193
	Within Groups	772.456	505	1.530		
	Total	779.705	508			

**Source:** Primary Data

From the above table, it is found that all dissatisfaction-factors are statistically insignificant at 5% level confirming that respondents of different total- family-income and dissatisfaction-factors in online-shopping have no relationship with each other and hence one does not influence the other

### **Influence of Organisational Factors Over Dissatisfaction Variables**

The organisational factors that are likely to influence online customers towards online purchases are identified to be decision-making, satisfaction and risk- bearing. Similarly with an intention to determine the behavioural characteristics of online customers their perception towards acceptance and non-acceptance is encountered. For this purpose, the researcher considered thirteen dissatisfaction variables which shall help to identify whether customers have an experience of satisfaction or dissatisfaction. In this context, organisational factors — decision-making, satisfaction and risk-bearing are considered as independent variables while the dissatisfaction variables are considered as dependent variables. In order to measure the influence of independent variables over dependent variables linear multiple regression analysis is used to obtain the following results.

# INFLUENCE OF PRICE MIGHT-BE-OVERCHARGED ON ONLINE CUSTOMERS' ONLINE PURCHASES

The impact of price-overcharge influencing on online customers' online purchases is estimated in the following regression table.

**Table – 3:** Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.292a	.085	.078	1.09930

**Source:** Primary Data

From the above table it is found that R = 0.292, R-squared = 0.085 and adjusted R-squared = 0.078. The standard error of the estimate = 1.099. This implies that the organisational factors create 8.5 % variance over the price-overcharged leading to the verification of regression-fit as shown in the ANOVA table.

Table - 4: ANOVA

Model		Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	56.853	4	14.213	11.762	.000b
	Residual	609.061	504	1.208		
	Total	665.914	508			

**Source:** Primary Data

From the above table, it is found that F value = 11.762, p = 0.000 are statistically significant at 5% level. This shows that there is a deep relationship between the organisational factors (decision-making, satisfaction and risk involved) and price-overcharged. The individual influence of the three factors of organisation is estimated in the following coefficient table.

**Table – 5:** CO-EFFICIENT

Model		Un standardized <b>Coefficients</b>		Standardized Coefficients		g:_
		В	Std. Error	Beta	ં	Sig.
	(Constant)	1.902	.271		7.024	.000
Might be	Organisational Factors	032	.065	021	489	.625
overcha	Decision making	.009	.045	.009	.208	.835
rged	Satisfaction	.014	.052	.012	.273	.785
	Risk	.330	.049	.288	6.694	.000

**Source:** Primary Data

From the above table, it is found that organisational factor — risk-involved (beta = 0.288, t = 6.694 and p = 0.000) is statistically significant at 5% level. This shows that risk involved (t = 6.694 and p = 0.000) is significant in influencing the price-overcharged leading to the conclusion that risk-involved plays a key role in explaining the price-overcharged. Therefore, the customer feels that significant risk involved in buying online and has a feeling that products sold online are overcharged than that of off line purchasing.

#### **CONCLUSION**

When a consumer buys a product online, he/she is affected by various factors. The main influencing factors influencing purchase decision are decision making, satisfaction and risk-bearing. The decision-making factor exists because online shoppers have to decide upon buying a product online only after giving due weightage to all satisfaction (acceptance) factors, all dissatisfaction factors social and behavioural factors.

In order to assess how these factors, impact online shoppers in their purchasing decision-making, a study was organised in Chennai city. The demographic profile of the sample respondents was reported by the researcher. Data for analysing the awareness of online shoppers in relation to online purchasing system were collected. The researcher examined the online purchase pattern. After analysing the factors, the researcher carried out an analysis to examine and understand the factors that affect online consumers in making purchase decisions and relate it with behavioural and social factors. The study also focussed on reviewing behavioural, social, accepting dissatisfaction and risk factors to measure the influence of such factors on the demographic profile to assess consumer behaviour towards online shopping.

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