



A STUDY OF COMMON PROBLEMS FACED BY CUSTOMERS IN ONLINE SHOPPING WITH SPECIAL REFERENCE TO COIMBATORE CITY

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Abstract:

Today the amount of trade that is conducted electronically using online shopping has increased with a wide spread usage of internet and technology. Online shopping includes transferring of funds online, marketing over internet, buying and selling of goods and services etc. The online shopping has become more popular among the customers. For online shopping the customers should have knowledge about usage of internet and computer. Internet has become the centre of not only our personal and social lives, but also our business and professional lives.

Key Words: Online Shopping, Internet & Modern Shopping

Online Shopping:

The online shopping involves buying and selling of goods and services through online. Online shopping means buying and selling of the goods and services online; internet is the best source to use this tool.

The invention of the internet has created a new pattern of the traditional way people shop. Customers are no longer tied to the opening hours or specific locations; it may become active virtually at any time and any place to purchase products and services. The Internet is relatively new medium for the communication and the exchange of information which has become present in our daily lives. The number of Internet users is constantly increasing, which is also significance that online purchasing is increasing rapidly.

Objectives:

- ✓ To study the consumer's various problems faced towards online shopping.
- ✓ To study the reasons for the problems.
- ✓ To know which is the common problems faced by customers and how to overcome those problems.
- ✓ To study about the customer's opinion towards the problems in online shopping.

Scope of the Study:

- ✓ To know why customers delay or hesitate to make decision for shopping online.
- ✓ To gain familiarity on various problems faced by the customers on online shopping.
- ✓ To determine the reasons and suggestions for the problems faced by the customers.
- ✓ To know the ways to overcome the problems faced by customers.
- ✓ To know about, what are the fraud activities done on online shopping.

Limitations of the Study:

The study has got certain limitation of which a few are listed below:

- ✓ The results and findings are confined to a limited area.
- ✓ The opinions of the respondents may be biased.
- ✓ Time and resource constraint.

Review of Literature:

✓ **“The factors that affect buying behaviour of customers”**

Smith and Rupp (2003) have examined and identify the factors in their work that affects the behaviour of consumers. These issues have been identified as for the marketing effort, socio-cultural influence, emotional factor, the psychological factors and privacy factors, to the experience, the purchase and post -purchase decisions. They also show that consumers are affected by various psychological factors, such as perception, motivation, personality, attitudes and emotions.

✓ **“Consumer buying and shopping behaviour on online shopping sites”**

This study finds more differences between the behaviour of frequent and occasional online shoppers, and greater similarities between occasional shoppers and non-online shoppers. Those consumers who shop online frequently are more confident, spend more money when they shop online in their home country, and also shop more cross-border. While they do worry about issues such as delivery and returning goods, they also tend to be savvier on how to solve problems when they do occur. Therefore encouraging and developing online shopping at national level is likely to increase cross-border shopping as well. The key findings of the consumer survey are that:

Methodology of the Study:

Research Design:

Research design is the detailed plan of conducting a research study. Descriptive research design has been used in the study.

Descriptive Research Design:

Descriptive analysis attempts to explain systematically a trend, and provides data concerning attitudes and preferences towards a problem.

Sample Area:

The data has been collected from Coimbatore city as it has a high residential density with people from all over Tamil Nadu due to the high migration influx in recent years.

Sample Technique:

Sampling technique is the choice of a subset of people from among a huge population to estimate characteristics of the 100 respondents. The simple random technique has been chosen for this study.

Simple Random Sampling:

Simple random sampling method, assumes that each and every unit in the population has equal chance of occurrence or equal probability of occurrence and the sampling units are selected randomly. An unbiased random selection of individuals is important to represent the population. The researchers have taken 100 samples randomly from the total population. Primary sources of data collected through questionnaire & secondary source from magazines, journals and website.

Tools and Techniques Used For Analysis:

Tools used for the study were

- ✓ Simple percentage analysis
- ✓ Chi-square test
- ✓ Weighted average method

Percentage Analysis:

GENDER	RESPONDENTS	PERCENTAGE
MALE	67	67%
FEMALE	33	33%
EDUCATIONAL LEVEL	RESPONDENTS	PERCENTAGE
BELOW 20	14	14%
20 - 30	53	53%
30 - 40	28	28%
ABOVE 40	5	5%
EDUCATIONAL LEVEL	RESPONDENTS	PERCENTAGE
SCHOOL LEVEL	15	15%
COLLEGE - UG	39	39%
COLLEDGE - PG	32	32%
OTHERS	14	14%
MARITAL STATUS	RESPONDENTS	PERCENTAGE
MARRIED	35	35%
UNMARRIED	65	65%
OCCUPATION	RESPONDENTS	PERCENTAGE
EMPLOYEE	28	28%
PROFESSOR	17	17%
SELF EMPLOYED	24	24%
AGRICULTURIST	11	11%
OTHERS	20	20%
MONTHLY INCOME	RESPONDENTS	PERCENTAGE
LESS THAN 10000	16	16%
10000 - 25000	45	45%
25000 - 40000	31	31%
MORE THAN 40000	8	8%
HOURS	RESPONDENTS	PERCENTAGE
LESS THAN 1HOUR	22	2%
1 - 2 HOURS	32	32%
2 - 3 HOURS	22	22%
MORE THAN 4 HOURS	24	24%

From the above table shows that, 67 % of respondents are male and 33% of the respondents were female. It is clear that 53% of the respondents are age group of between 20-30 years, 28% of the respondents are age group of between 30-40 years , 14% of the respondents are age group of below 20 years , and the rest 5% are above age group of 40 years. It is clear that 39% of the respondents are under-graduates, 32% of the respondents are post-graduates, 15% of the respondents are at school level, and the rest 14% are others. It is clear that most of the respondents (65%) are unmarried and only 35% of respondents are married. It is clear that 28% of the respondents are employees, 24% of the respondents are self-employed, 17% of the respondents are professors, 20% of respondents are others and rest 11% are agriculturist. It is clear that most of the respondents (45%) are earning between 10000 to 25000, 31% of respondents are earning between 25000-40000, 16% of respondents are earning less than 10000 per month and 8% of respondents are earning more than 40000. It is clear that most of the respondents (32%) are using internet between 1-2 hours everyday,

24% of respondents are using internet for more than 4hours and some of the respondents (22%) are using internet less than 1hours as well as between 2-3hours.

Chi-Square Test: Table showing the relationship between monthly income and frequency of shopping

MONTHLY INCOME \ FREQUENCY OF SHOPPING	MONTHLY INCOME				TOTAL
	LESS THAN 10000	10000 - 25000	25000 - 40000	MORE THAN 40000	
1-3 TIMES	6	16	9	2	33
4-6 TIMES	7	13	13	3	36
6-10 TIMES	1	11	6	2	20
MORE THAN 10 TIMES	2	5	3	1	11
TOTAL	16	45	31	8	100

Table showing the calculation for the purpose of CHI-SQUARE analysis

O	E	(O-E)	(O-E) ²
6	5.28	0.72	0.5184
7	5.76	1.24	1.5376
1	3.20	-2.20	4.84
2	1.76	0.24	0.0576
16	14.85	1.15	1.3225
13	16.20	-3.20	10.24
11	9	2	4
5	4.95	0.05	0.0025
9	10.23	-1.23	1.5129
13	11.16	1.84	3.3856
6	6.20	-0.20	0.04
3	3.41	-0.41	0.1681
2	2.64	-0.64	0.4096
3	2.88	0.12	0.0144
2	1.60	0.40	0.16
1	0.88	0.12	0.0144
	Σ(E) = 100		Σ(O-E)² = 28.2236

$$x^2 = \frac{\sum (O-E)^2}{E}$$

$$x^2 = 28.2236 / 100$$

$$x^2 = 0.2822$$

Hypothesis:

H₀ - There is no significant relationship between monthly income and frequency of shopping.

H₁ - There is significant relationship between monthly income and frequency of shopping.

Factor	Degree of Freedom	Calculated Value	Table Value	Accepted / Rejected	Significant/ Insignificant
Family Monthly Income	9	0.2822	3.48	Rejected	Insignificant

Source: Primary Data

Level of Significance = 5%.

Degree of Freedom = $(r-1) (c-1) = (4-1) (4-1) = (3) (3) = 9$.

Table Value = 3.48

Calculated Value = 0.2822

THUS, H_0 Is Accepted.

Interpretation:

From the above analysis, the calculated value (0.2822) is less than the table value (3.48) at 5% level of significance. Hence, the null hypothesis (H_0) is accepted. Thus, it can be inferred that there is no significant relationship between the monthly income and the frequency of online shopping.

Percentage Analysis:

- ✓ Majority of the respondents (67%) are male.
- ✓ Majority of the respondents (53%) are between age group of 20-30 years.
- ✓ Most of the respondents (39%) are under-graduates.
- ✓ Majority of respondents (65%) were unmarried.
- ✓ Most of the respondents (28%) are working as employees.
- ✓ Most of the respondents (45%) are earning between 10000 – 25000.
- ✓ Most of the respondents (32%) are using internet between 1-2 hours.
- ✓ Most of the respondents (48%) are intermediate in case of usage of internet.
- ✓ Majority of the respondents (65%) have done online shopping.
- ✓ Most of the respondents (32%) have not done online shopping because of internet illiteracy.
- ✓ Most of the respondents (45%) favourite online shopping site was flipkart.
- ✓ Most of the respondents (32%) have feel that there is problem in ebay shopping site.
- ✓ Most of the respondents (36%) had done online shopping between 4-6 times during last one year.
- ✓ Majority of the respondents (64%) had felt problem while conducting online purchase.
- ✓ Most of the respondents (29%) have felt problem in case of delay in delivery.
- ✓ Majority of the respondents (66%) had felt that there are many fake products in website.
- ✓ Most of the respondents (35%) have been victim of fake products.
- ✓ Majority of the respondents (77%) felt that the security risk is more in case of online shopping.
- ✓ Most of the respondents (38%) have felt problem in case of non-availability of online shopping in case of rural areas.
- ✓ Most of the respondents (38%) have felt problem in case of non-availability of online shopping in case of rural areas.

Chi Square Analysis:

- ✓ There is no significant relationship between the monthly income and the frequency of online shopping.
- ✓ There is no significant relationship between the age of the respondents and the type of fraud they have been victim of.

- ✓ There is no significant relationship between the marital status and type of fraud they have been victim of.

Suggestions:

- ✓ The fake products are more in case of online shopping sites and the products should be verified before delivery.
- ✓ The problems in case of online shopping should be avoided and better service should be provided.
- ✓ The risk of security theft should be reduced and it should be made secure while making online transactions.
- ✓ The internet illiteracy should be reduced in case of online shopping.
- ✓ Proper awareness should be created about online shopping and trust should be created among the online buyers or customers.

Conclusion:

The main intention of the project is identify the various problems faced by the customers and to know the reasons for the problems while conducting online shopping. To create awareness among online shopping and to know about the customer opinions regarding online shopping. The response collected through questionnaire helped a lot in finding the problems and to know about customer opinion regarding online shopping. The products should be verified before delivery and the delivery of fake product should be reduced.

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