

Consumer Preferences and Purchase Decisions towards e-Retailing



B.Sarath Simha

Abstract: E-Retailing is the process of selling goods and services through internet. In simple words Sale of retail goods and services online is called as E-Retailing or Internet retailing. It follows Business to Consumer (B2C) transaction model, where the business directly contacts the consumers without involvement of intermediaries. The modern world has become a global village. The Internet revolution is going on. Through Online every minute the consumers purchase products. Because of globalization, Industrial goods as well as consumer goods Increasing in the importance of brand name, product quality and service in a greater extent than price of the product. Finally, the consumers are confused which is the applicable factor for satisfaction in terms of product attributes, price and quality.to offer them This study aims at finding out what are the attributes the consumers wil purchase the purchase the products towards E- Retailing.

Key Words: E-Retailing, Purchase behavior, Consumers

I. INTRODUCTION

E-Retailing is the process of selling goods and services through internet. In simple words Sale of retail goods and services online is called as E-Retailing or Internet retailing. It follows Business to Consumer (B2C) transaction model, where the business directly contacts the consumers without involvement of intermediaries. The internet of technology is used to get the information about the E-Retailing products. The communication between consumers in today's world is faster than ever before. In the modern era more and more information is distributed through the internet and other channels, it is inevitable that buyers are more informed and demanding than in the past. The information in online capture is in-detailed and frequent; through online shopping it will be beneficial to the consumers to compare the products, its prices & its features promptly. In the current scenario, the main trends is E-Retailing as a desired channel of the customer to take decisions related to the purchase of products and services and the ultimate reason for any consumer behavior is customer satisfaction.

Types of E-Retailers:

Pure Play E-Retailers such as Flip kart, Amazon, presents only online and do not have any physical outlets to the customers.

Brick & Click E-Retailers such as Dell, sells the computers through internet as well as physical store for the customers.

II. OBJECTIVES OF THE STUDY

- ❖ To study the socio-economic profile of the consumers of E-Retailing channels.
- ❖ To analyse the influence of product characteristics and consumer preferences on decision making of E-Retailing channels.
- ❖ To analyse the information process and product awareness of consumers of E-Retailing channels.

III. HYPOTHESIS OF THE STUDY

- There is impact of Influencing factors such as family members, friends and relatives, company sales person and dealers on the purchase decision of products towards E-Retailing is different among the Technology Oriented consumers Appearance Oriented consumers price Oriented consumers.
- There is no significant difference between consumers of E-Retailing channels with respect to their satisfaction.

IV. STATEMENT OF PROBLEM

Every living being is a potential consumer of goods and services. Through the world the consumer needs are similar. When the socio - environmental forces may vary from place to place and it leads to multi-dimensional changes in the buying behavior and consumption pattern of the consumers. The modern world has become a global village. The Internet revolution is going on. Through Online every minute the consumers purchase products. Because of globalization, Industrial goods as well as consumer goods Increasing in the importance of brand name, product quality and service in a greater extent than price of the product. Finally, the consumers are confused which is the applicable factor for satisfaction in terms of product attributes, price and quality.to offer them This study aims at finding out what are the attributes the consumers wil purchase the purchase the products towards E- Retailing.

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* Correspondence Author

B.Sarath Simha*, Research Scholar Department Of Management Studies
Acharya Nagarjuna UniversityGuntur- 522510 – Andhra Pradesh.

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V. LITERATURE REVIEW

1. Lei-Yu Wu, Kuan-Yang Chen, Po-Yuan Chen, Shu-Ling Cheng (2014) Studies the predominant factors such as value of e-shopping, moral hazard cost, search information cost, and investment on specific asset towards customers repurchase intention. The study determines value of e-shopping and , search information cost are playing a important role to attract the customers for repurchase intention.

2. LifangPeng,Shuyi, Liang (2013) studies the customers' purchase intention in e – commerce with the factors of perceived value and time pressure and concludes both of the factors plays an important role in attracting the customers repurchase intention in E-Commerce.

3. Huaiqin Li &Jinhwan Hong (2013) studies the factors such as perceived value of customer, switching barriers, customer satisfaction, repurchase intention towards customers online repurchase behavior. The study concludes the customer satisfaction and perceived value of customer are considered as important factors towards customers online repurchase behavior.

4. George N. LodoRfos, Tom A. Trosterud, Chris Whit Worth(2010) studies the variables such as concludes price, trust and security, experience and convenience towards e-consumers' attitude and behavior.

The study concludes that the trust and security and convenience are considered as an important factor towards e-consumers' attitude and behavior.

5. Ravichandran, Tamilmami and Arunkumar(2010) explores the quality services of the banks towards customers satisfaction.

The study concludes for retaining customers increasing in the quality of services in banks and then increasing in the satisfaction level of customer.

6. Paul Simonet (2009) determines the new way of measuring brand value such as Google and Amazon and the study concludes the brand allows understanding its experience in the competitive world.

IV. RESEARCH METHODOLOGY

- ❖ Sampling size: 420 respondents from the Hyderabad City
- ❖ Sampling method: Stratified Random Sampling
- ❖ Data Collection Instrument: Structured Questionnaires.
- ❖ Statistical Tools: Microsoft Excel, Mean, Median, Mode, Standard Deviation, IBM SPSS 26 version.

V.LIMITATIONS OF THE STUDY

- Due to limited time and cost constraints, the study is confined to Hyderabad City only.
- The study is limited to the 420 responses of consumers in Hyderabad City.

VI. DATA ANALYSIS AND INTERPRETATION

Table 6.1

Cluster	Price Oriented consumers	50	25%
	Appearance Oriented consumers	120	60%
	Technology Oriented consumers	30	15%
Valid		200	100

Source: Computed Data

The table 6.1 shows E- Retailing consumers are divided into three categories. The first group contains 25% of the consumers have moderate opinion about E- Retailing and purchasing decisions through price, Quality and Mode of Payment. These groups of consumers are called as '**Price oriented Consumers**'. The second group contains 60% of consumers have strong perception about the E- Retailing and purchase decisions. These groups of consumers are called as "**Appearance Oriented Consumers**". The third group contains 15% of consumers purchasing products for satisfy their wants, which is proportionate to price. This group of consumers is known as '**Technology oriented Consumers**'. Overall, the essence of consumers of E-Retailing in Hyderabad city is getting best products for money spent on retailing.

The consumers purchase decision of E-Retailing is influenced by various factors such as family, the peer group, the aspiration group, friends, co-workers, company salespersons, dealers, neighbours and relatives. The purchasing decision of the consumer can be determined on the basis of changes in the purchase behavior of the consumer.

The factors used in the study: a) FamilyMembers
b) Friends and Relatives c) Dealers d) Company Sales Person

The impact of selected factors such as family, friends & relatives, company sales person and dealers influences on the purchasing decision of the products towards consumers of E-Retailing.

Factors Influencing Purchase Decisions:

Table6:2

Factors	Sources	Sum of Squares	Df	Mean Square	F	Sig..
Family Members	Between Groups	0.297	5	0.136	0.612	0.495
	Within Groups	166.21	194	0.21		
	Total	166.507	199			
Friends & Relatives	Between Groups	0.029	5	0.0652	0.821	0.901
	Within Groups	135.23	194	0.234		
	Total	135.259	199			
Company Sales Person	Between Groups	0.217	5	0.192	5.729	0.029*
	Within Groups	22.356	195	0.029		
	Total	22.573	199			
Dealers	Between Groups	0.451	5	0.231	7.851	0.004*
	Within Groups	25.238	195	0.026		
	Total	25.689	199			

Source: Computed Data

Table: 6:3 Impact of Company Salespersons and Dealers on purchasing of products towards E-Retailing

Cluster	Number of Consumers	Company Sales Persons		Dealers	
		Mean	S.D	Mean	S.D
Price Oriented consumers	50	0.04	0.021	0.01	0.161
Appearance Oriented consumers	120	0.02	0.134	0.03	0.189
Technology Oriented consumers	30	0.07	0.261	0.15	0.295

From the above table 6.3 : In case of company sales person – The Technology Oriented consumers are highest influence and Appearance Oriented consumers are lowest influence .

In case of dealers - The Technology Oriented consumers are highest influence and price Oriented consumers are lowest influence. The Technology Oriented consumers are interested on new fashions and products. They are looking for new products continuously and they have influenced by the Salesperson and dealers. Before making purchase decisions, the appearance oriented consumers are looking for information about the product, compares the product with other product and takes the advices from the friends. Hence these groups are having lowest influences in company sales person and dealers.

VII. FINDINGS AND SUGGESSTIONS

1. There is no significant difference between the factors such as family members, friends and relatives on the purchase decision of the products towards E-Retailing among the Technology Oriented consumers, Appearance Oriented consumers, Price Oriented consumers.

2. There is significant difference between company salesperson, dealers and purchase decision towards E-Retailing among the Technology Oriented consumers, Appearance Oriented consumers, Price Oriented consumers.

3. In case of company sales person, consumers of technology group have highest influence and lowest influence from consumers of price group.

3. Technology Oriented consumers are interested in new products & fashions. The Price Oriented consumers are highly price conscious.

4. E-Retailing is considered as most comfortable for purchasing products among the consumers of technology, price and appearance groups.

B. Suggestions

1. The consumers must be very careful about the by the promotional offers such as exchange offers, seasonal offer, Yearend sales, cash back offer and prize schemes assured gifts advertised by the marketers while purchasing the products.



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2. While purchasing the products, consumers might have to avoid use of credit cards because of credit card increases price of the product.
3. While purchasing the products towards E-Retailing the consumers may avoid sticking to one brand and consumer may have to take sufficient time for E-retailing and avoids carelessness while purchasing the products.
4. In the era of globalization, changes in the economic scenario, Advancements in the science & technology new products coming to the market.
Significant changes in the E-Retailing because of Globalization, Privatization, and Liberalization. Prominent & Giant companies have entered into the E-Retailing. The government allows foreign direct investment in the E-Retailing business.
They should provide quality products at least price and they may provide car parking, children's play area etc., to the customers.
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VIII CONCLUSION

It can be concluded that purchase behavior of the consumers of technology, appearance, price groups towards E-Retailing have great impact from the attributes of the products and projects maximum possibility of the description of his life style identity. Because of Globalization, privatization, liberalization and modernization markets are bursting with the numerous varieties and models and brands of global products that can reach the customers through E-Retailing from one place to another place.

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AUTHOURS PROFILE

B.SARATH SIMHA, MBA (Ph.D)

Research Scholar, Department of Management Studies
Acharya Nagarjuna University
Guntur- 522510 – Andhra Pradesh