

COMPARATIVE STUDY ON ONLINE VS. OFFLINE SHOPPING

Ms. Sukhwinder Kaur
Assistant Professor

Sant Baba Bhag Singh Memo. Girls College Sukhanand
(Moga) India.

Dr. Vikramjit Kaur
Associate Professor

Rayat Institute of Management,
SBS Nagar (Pb.) India.

Abstract: Shopping is probably one of the oldest terms used to talk about what we have all been doing over the years. Online shopping has become a popular shopping method ever since the internet has declared a takeover. The increase in technology provides good opportunities to the seller to reach the customer in much faster, easier and in economic way. Online shopping is emerging very fast in recent years. Many studies have focused that the high touch products that the consumer feels when they need to touch, smell or try the product. It requires the offline shopping at the purchasing stage because it cannot be done in the online shopping. This research paper focused to analyze the significant difference between the online and offline consumer groups in terms of demographic, technology use, availability and attitude of the consumer.

Keyword: online, offline, products, shopping.

Introduction

Shopping is part of every day's life. Some get the necessities from shopping, others get something more. It is viewed as a way to release the stress, a way to complete some desire in the mind, or a way to add some flavor to the mechanical way of life. Shopping is probably one of the oldest terms used to talk about what we have all been doing over the years. Then again, in ancient times, the terms that would have been used would be 'trading' or 'bartering' and probably even 'market.' So what has traditional shopping have to offer now that the internet has opened up a wider and more enticing market to the current consumers. In general, there are two types of shopping: traditional shopping and On-line shopping. Nowadays, more and more people would 'go shopping 'via Internet, thanks to the prevalence of the computer. Clicking in one word, thousands of items will pump out on the screen based on choice. No need to wade across a long road and nudge through hustling crowds to get a pair of fancy shoes. Just a click on the key board, make the choice and the goods will be delivered, right on the spot. Online shopping has become an increasingly common staple of life in the 21st century. Its popularity can be credited to the fact that convenience is highly valued in our world today. Shopping online offers the opportunity to buy anything and everything you need while on a flight or getting ready for bed. Online shopping has become a popular shopping method ever since the internet has declared a takeover. The increase in technology provides good opportunities to the seller to reach the customer in much faster, easier and in economic way. Online shopping is emerging very fast in recent years. Now a day the internet holds the attention of retail market. On the other hand the purchasing of product from traditional market is continuing since years. Many customers go for purchasing offline so as to examine the product and hold the possession of the product just after the payment for the product. In this contemporary world customer's loyalty depends upon the consistent ability to deliver quality, value and satisfaction. Some go for offline shopping, some for online and many go for both kind of shopping. The focus of the study is on the consumer's choice to shop on internet and at the traditional stores at the information gaining period. However online shopping is easier for the people and less price than the offline shopping. While making any purchase decision consumer should know the medium to purchase whether online shopping or the offline shopping. Consumer should decide the channel for them which can best suit to their need and wants and which can satisfy them. In this competitive world how

consumer can decide the particular medium for their purchase of goods is very important to understand in a managerial point of view. The internet shopping is the third best and most popular activity over internet after online shopping next comes the e-mail using, instant messaging and web browsing. These are even more important than watching or getting entertain by the internet or getting any information or news, this are the two very common thought which comes to the people's mind when considering the internet users do when they are online. The behavior of online shopping is also known as online buying behavior and internet shopping. Buying behavior means the purchase of good over internet using web browser. Online shopping attitude and behavior are related to the consumer. Previous studied have focused on why the products of the online shopping is different from other products. Many studies have focused that the high touch products that the consumer feels when they need to touch, smell or try the product. It requires the offline shopping at the purchasing stage because it cannot be done in the online shopping. Even with the increase in the online shopping and the recognition that online shopping is more likely to impose the pressure on offline shopping or traditional shopping. The research is very limited in this area or field. Online or e-shopping is a kind of electronic shopping which allow the consumer to purchase goods over the internet directly from the seller using a web browser. There are some alternative names of online shopping those are as follow- e-web store, e-shop, e-store, internet shop, web-shop, web-store, online store, online store front and virtual store. Mobile commerce or m-commerce is described as purchasing from the online retailer by the mobile optimized online sites or application g, where the online channel is used to perform research and the offline channel is used to perform purchase. The terms "online" and "offline" have specific meanings in regard to computer technology and telecommunication in which "online" indicates a state of connectivity, while "offline" indicates a disconnected state.

What is Online Shopping?

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser. Alternative names are e-web-store, e-shop, e-store, internet shop, web-shop, web-store, online sort, virtual store etc. Simply put, it is any form of sale that is done over the internet. Shopping has certainly gotten a new definition since the arrival of the internet. Because of what the internet has to offer, that is, any person or company from any part of the world who is able to post and sell goods on the internet via a website is able to sell. What's more, any consumer does not have to worry about having to find means to exchange monetary paper because not just online banking is made available; the consumer is given the option to pay through different payment methods. These days, it is even easier to find the most difficult of all products, by easily typing in the product or item that a customer is looking for. No worry about the location because logistic companies are also joining the bandwagon, so to speak, and helps in making sure that their products would be available to any and all destinations in the world. In fact, there are more and more advantages and benefits to online shopping and why people choose to do this type of shopping over traditional shopping.

What is Traditional Shopping?

Having the ability to physically choose and check out what an item or product is like, would look like, and its features are the benefits of traditional shopping. This is why some consumers still prefer the traditional type of shopping over online shopping because for one, it allows them to meticulously check out an item. E-shopping is the place where buyers and sellers don not meet each other which result to lack of awareness about the product. Though the customer visit the online shopping site, does not show any interest for purchasing the product some of the reasons are lack of trust, lack of physical touch and feel, security issues etc.

Literature review:

- **1979** – It all began when Micheal Aldrich 'invented' online shopping. Using videotext, a two way message service, it revolutionized businesses. We now know this as e-commerce.

- **1982** – Mintel, a videotext online service accessible by telephone lines, could be used to make online purchases, train reservations, check stock prices, chat and search a telephone directory. It is considered the most successful pre WWW online service.
- **1984** – The first ever shopper buys online at a Tesco store.
- **1985** – Nissan carriers out the first online credit check.
- **1987** – SWREG was founded. This offered businesses a chance to sell products online. As it is today, SWREG offers many payment options, as well as customization and distribution into international markets. Users can purchase items with their currency of preference using all major debit and credit cards.
- **1989** – In the USA the first online grocery store starts trading.peapod.com.
- **1991** – The internet is commercialized and we saw the birth of E-commerce.
- **1994** – Netscape launches the first commercial browser, which was once the dominant browser in terms of ‘visitors’. It lost out in the first browser war.
- **1997** – Began the era of comparison sites.
- **1998** – PayPal is founded. This enabled transactions of money without sharing financial information and gave customers the flexibility to pay using their PayPal account balances, bank accounts, PayPal credit and other credit cards. Today, people can now pay across their favorite apps in a single touch (one touch) on any platform, eliminating the need for usernames and passwords each time you pay.
- **1999** – The first online only shop began, ‘Zippos’ although it was later bought by Amazon for \$1.2 billion.
- **2001** – Amazon launches mobile services.
- **2003** – US online shopping hit \$50 billion, in the same year Amazon posted their first yearly profit of \$35.3million.
- **2005** – Social commerce emerges. Consumers begin to recommend items to friends via Face book and twitter.
- **2007** – A pew Internet research study found that 81% of the Americans they surveyed had searched online for a product they intended to buy, with 15% doing so almost every single day. 66% of online users said they had actually bought something online.
- **2008** – Increase in growth of online shopping by 17% from the last year in the US, with ecommerce sales figures around \$204 billion. In the same year Group on is launched as is Magneto – so anyone could have a go at creating their own online store.
- **2013** – UK shoppers spent a whopping £91 billion online.
- **2014** – In 2014, 198 million U.S. consumers bought something online in the first quarter alone, (com Score) which is 78% of the U.S. population age 15 and above.
- **2015** – Today’s shoppers combine online shopping with real life shopping, using access to Wi-Fi and the show rooming trend. They often make purchases in a retail stores at the same time as using mobile devices to buy something online. In fact, this Forbes report tells us that 74 per cent of people use their mobile.

Advantages of Online Shopping

- ⊕ **Convenience of online shopping:** Customers can purchase items from the comfort of their own homes or workplace. It is also easy to cancel the transactions.
- ⊕ **No pressure shopping:** Generally, in physical stores, the sales representatives try to influence the buyers to buy the product. There can be some kind of pressure, whereas the customers are not pressurized in any way in online stores.
- ⊕ **Online shopping saves time:** Customers do not have to stand in queues in cash counters to pay for the products that have been purchased by them. They can shop from their home or work place and do not

have to spend time travelling. The customers can also look for the products that are required by them by entering the key words or using search engines.

- ⊕ **Comparisons:** Companies display the whole range of products offered by them to attract customers with different tastes and needs. This enables the buyers to choose from a variety of models after comparing the finish, features and price of the products on display, sometimes, price comparisons are also available online.
- ⊕ **Availability of online shop:** The mall is open on all time. So, time does not act as a barrier, wherever the vendor and buyers are.
- ⊕ **Online shopping saves time:** To attract customers to shop online, e-tailor's and marketers offer discounts to the customers. Due to elimination of maintenance, real-estate cost, the retailers are able to sell the products with attractive discounts to online. Sometimes, large online shopping sites offer store comparison.

Factors affecting Online Shopping

- ⊕ **Delay in delivery:** Long duration and lack of proper inventory management results in delays in shipment. Though the duration of selecting, buying and paying for an online product may not take more than 50 minutes, the delivery of the product to customers doorstep takes about 1-3 weeks. This frustrates the customers and prevents them from shopping online.
- ⊕ **Lack of significant discounts in online shops:** Physical stores offer discounts to customers and attract them so this makes it difficult for e-tailors to compete with the offline platforms.
- ⊕ **Lack of touch and feel of merchandise in online shopping:** Lack of touch-feel-try creates concerns over the quality of the product on offer. Online shopping is not quite suitable for clothes as the customers cannot try them on.
- ⊕ **Lack of interactivity in online shopping:** Physical stores allow price negotiations between buyers and the seller. The showroom sales attendants the representatives provide personal attention to customers and help them in purchasing goods. Certain online shopping mart offers service to talk to a sales representative.
- ⊕ **Lack of shopping experience:** The traditional shopping exercise provides lot of fun in the form of show-room atmosphere, smart sales attendants, scent and sounds that cannot be experienced through a website. Indian generally enjoy shopping. Consumers look forward to it as an opportunity to go out and shop.
- ⊕ **Lack of close examination in online shopping:** A customer has to buy a product without seeing actually how it looks like. Customers may click and buy some product that is not really required by them. The electronic images of a product are sometimes misleading. The colour, appearance in real may not match with the electronic image. People like to visit physical stores and prefer to have close examination of good, though it consumes time. The electronic images vary from physical appearance when people buy goods based on electronic image.

Advantage of Offline Shopping

You have not to wait for the services or products which you buy. Since you buy it directly from a seller, you find your services or products in your reach instantly. No need to wait for arrival of your bought services and things. Since you find the products in your hands instantly in offline shopping, you can check the quality instantly and give your feedback at the time of buying. You can access after sale service part better and quicker as you can contact the seller whenever you feel a need of that. Talk to face to face and show your cause to contact them like the faulty parts of your bought products etc. so you get quicker reaction from seller directly either it's a matter of returning the product or an exchanging the same.

Factors Affecting Offline Shopping

You find less variety or options for the products or services, you're buying offline. Since there are limitations of availability of offline shops and each shop has a limitation of space so you have not such huge choice to choose as you find in an online shopping. You can access an endless shopping website and find huge options for a single item you want to buy. Since you have physical limitations to go shop to shop at once, you may end with empty hands after a shopping session if you do not find the product of your choice. And for the same product, you need to go outside frequently and make a lot of effort to find the products of your choice. It is a tiring process to find a product of your own choice. As far as money concerned, the price of same product may be costlier in an offline shopping and even you find a discount and others similar offer, the price in online shopping will be lower one in an online shopping. Also you find fewer freebies as compared to an online shopping. In a brief, if you are more concerned about the money, you should go for online shopping mode and for those who are more concerned for the service after sale or similar services; you should opt for offline shopping.

Difference Between Online and Offline Shopping

There are some differences between online and offline shopping:

- ⊕ Online shopping as the name suggest is done over internet and therefore you do not have stand in line or go anywhere from your home to purchase the stuff you like whereas in offline shopping if you want to buy you have to go nearby mall or shop and then purchase the item you like from there.
- ⊕ In online shopping one can look many products and that too multiple times without buying them and therefore it offers lot of flexibility whereas in case of offline shopping one does not have too much of choices as one has to buy the product which is available at shop and if that product is not available then either you buy the product which is your second choice or wait for that product to come and then buy.
- ⊕ In online shopping if one is buying products like shoes or clothes then one cannot try the product before placing the order and therefore the chances of actual product being different from perceived product is high whereas in case of offline shopping there is no such risk because consumer try it first and then buy and therefore there is no scope of difference between actual and perceived product.
- ⊕ Online shopping is transparent in the since that one can compare the price of product over different websites to ensure that he or she buys the product at cheapest price, however in case of offline shopping one does not have this luxury because the buyer has to purchase the product at a price which is quoted by seller as there is no way of finding whether the price quoted by seller is fair or not.
- ⊕ In case of online shopping thousands of different products are available at one place or website where as in case of offline shopping this is not possible and hence if you want to buy mobile and trousers then you have to go to different shops as these products are different and hence it leads to time wastage. Hence one can say that when it comes to time saving online shopping definitely scores over offline shopping.

Objectives of Study

The present study broadly compares the online and offline shopping, specifically the objectives are:

- (a) To analyses the significant difference between the online and offline consumer groups in terms of demographic, technology use, availability and attitude of the consumer.
- (b) To examine the factors influencing the consumer to switch from the offline shopping to online shopping and online to offline shopping.
- (c) The factor influencing the consumer to shop solely online and solely offline.
- (d) To analyses whether the qualification of the consumer affect the online shopping and offline purchasing.

Research Methodology

It enumerates the description of the sampling plan, research instruments used for the collection of data pre-testing of questionnaire, the use of statistical tools and techniques for the analysis of the collected data.

- **Scope:**

Scope was limited to the geographical boundary of the Moga district of Punjab.

- **Need of Study:**

It is very difficult task to know the consumer behavior about online shopping and offline shopping. So, I conduct a survey to compare online and offline shopping modes..

- **Research Design**

It is an arrangement of plan, which guides the collection of data and analysis of data. The purpose of research design is to ensure that the data collected is accurate and relevant. Any research work requires clarity of objective to be achieved effectively research. The descriptive design used for this survey.

- **Selection of Population**

The study has been conducted in the Moga area. The population for this research is student, job consumers and home consumers.

- **Research Instruments**

For the purpose of research, questionnaire was used to interview the respondents. The questionnaire was developed so as to obtain responses relevant to objects of the research. While designing the questionnaires every attempt was made to make it precise so that the purpose of filling up the responses does not consume time. To find the general attitude, perception, beliefs and intention of people towards their perception, a questionnaire was developed. The questionnaire, which was administrated to the respondents for the purpose of collection primary data, was a structured one.

- **Data Collection Method**

Primary Data: Questionnaire development is the critical part of primary data collection method. For this I will prepare a questionnaire in such a way that it will be able to collect all relevant information regarding the project.

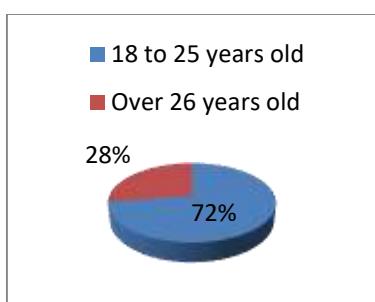
Secondary Data: It will be collected to add the value to the primary data. This may be used to collect necessary data and records by different websites, magazines, annual reports, journals, reference books, and newspapers etc.

- **Limitations of the survey**

Due to resources and time constraints the study was limited to the only Moga area. Since the sample size was 40. So finding and concluding of the study are only suggestive not conclusive in spite of the best and honest efforts. Lack of customer support, while asking the consumer they were behaving rudely and not responding to the questions. Basically based on primary data, hence we cannot argue that the research is applicable in each condition, time and place.

Data Analysis and Interpretation

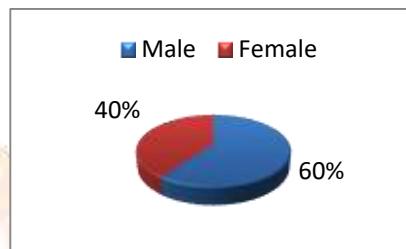
1) Age



Options	Respondents	Percentage
18 to 25 years old	29	72%
Over 26 years	11	28%
Total	40	100%

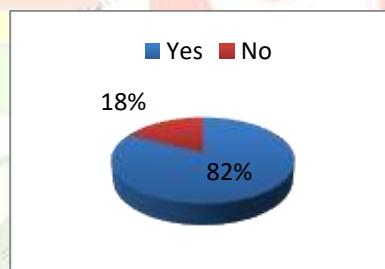
2) Gender

Options	Respondents	Percentage
Male	24	60%
Female	16	40%
Total	40	100%



3) Do you trust on Online Shopping?

Options	Respondents	Percentage
Yes	33	82%
No	7	18%
Total	40	100%



4) Which option do you prefer to choose?

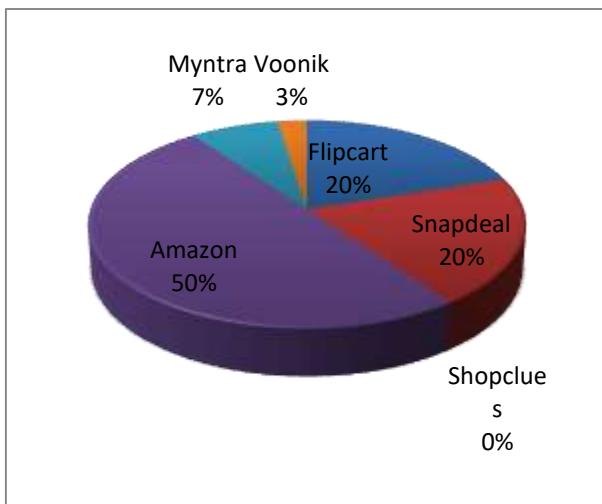
Options	Respondents	Percentage
Online shopping	40	100%
Offline shopping	00	0
Total	40	100%



5) If you prefer Online Shopping on which Website did you shop ?

Options	Respondents	Percentage
Flipcart	8	20%
Snapdeal	8	20%
Shopclues	0	0%

Amazon	20	50%
Mynta	3	7%
Voonik	1	3%
Total	40	100%



6) What are the most important criterion when you buy in Offline Shopping ?

Options	Respondents	Percentage
Salesman advice	6	15%
Price	9	22%
Quality	18	45%
Payment facility	7	18%
Total	40	100%



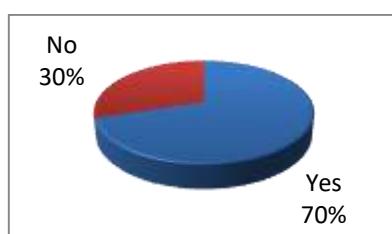
7) What are the most important criterion when you buy in Online Shopping ?

Options	Respondents	Percentage
Delivery	17	42%
Price	6	15%
Quality	9	23%
Payment security	8	20%
Total	40	100%



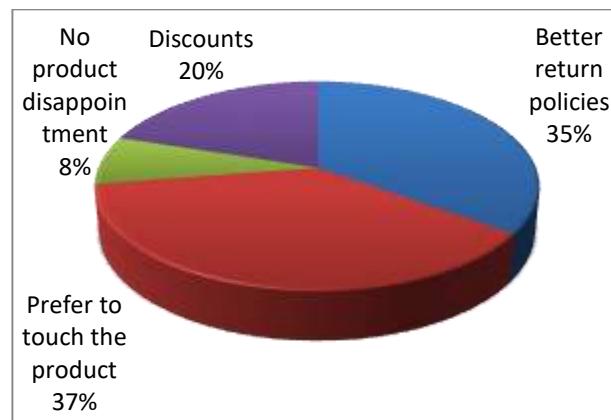
8) Do you like Bargaining ?

Options	Respondents	Percentage
Yes	28	70%
No	12	30%
Total	40	100%



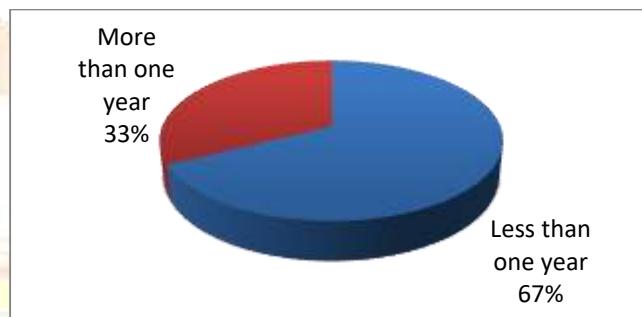
9) Please tick the reason why you choose Offline Shopping ?

Options	Respondents	Percentage
Better return policies	14	35%
Prefer to touch product	15	37%
No product disappointment	3	8%
Discounts	8	20%
Total	40	100%



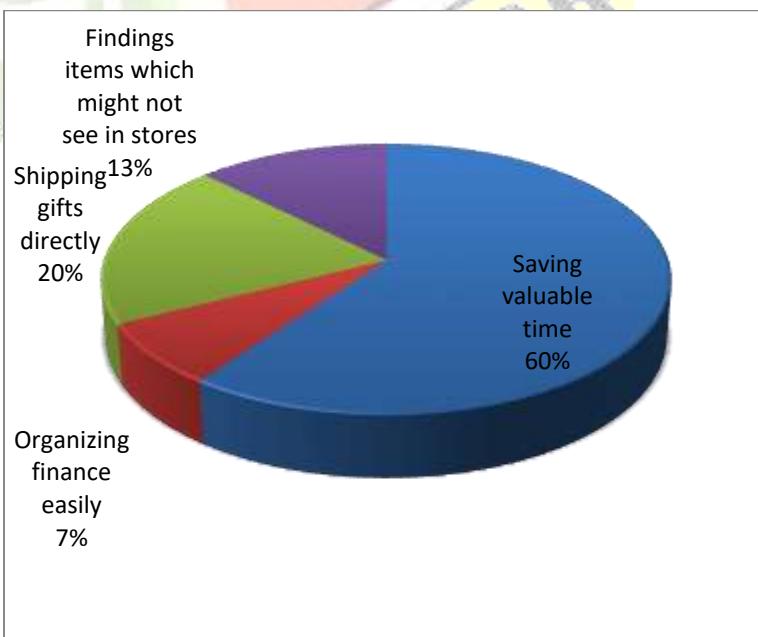
10) How long have you been using internet Services ?

Options	Respondents	Percentage
Less than one year	27	67%
More than one year	13	33%
Total	40	100%



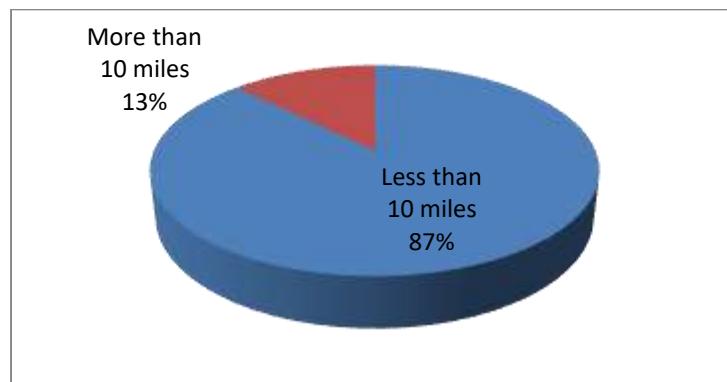
11) Please tick the reason why you choose Online Shopping ?

Options	Respondents	Percentage
Saving valuable time	24	60%
Organizing finance	3	7%
Shipping gifts directly	8	20%
Finding items which might not see in stores	5	13%
Total	40	100%



12) How far are you willing to travel to shop in Offline Shopping ?

Options	Respondents	Options
Less than 10 miles	35	87%
More than 10 miles	5	13%
Total	40	100%



Findings of Study

The primary object of this study was to compare online and offline shopping modes. The findings are:

- ❖ The survey showed, 72% consumers are 18 to 25 years old and 28% consumers over 26 years.
- ❖ The survey showed, 60% consumers of online and offline shopping are male and 40% consumers are female.
- ❖ Out of data surveyed, 82% consumers trust on online shopping and 18% consumers are not trusted on online shopping.
- ❖ The maximum consumers are satisfied with online shopping and 100% consumers prefer to online shopping.
- ❖ The survey shows that, 50% of online shopping consumers use Amazon, 20% of online shopping consumers use Flipcart , 20% of online shopping consumers use Snapdeal , 7% of online shopping consumers use Myntra , 3% of online shopping consumers use Voonik for shopping.
- ❖ Analysis showed 45% consumers think that quality,22% consumers think that price,18% consumers think that payment facility and 15% consumers think that salesman advice is the most important criterion when they buy in offline shopping.
- ❖ Analysis showed 42% consumers think that delivery,23% consumers think that quality, 20% consumers think that payment security and 15% consumers think that price is the most important criterion when they buy in online shopping.
- ❖ Out of data surveyed 70% consumers like bargaining while 30% consumers do not.
- ❖ The surveyed showed 37% consumers think that they can touch the product,35% consumers think that there are better return policies,20% consumers think that there are discounts on their shopping and 8% consumers think that there is no disappointment about the product in offline shopping.
- ❖ The surveyed showed 60% consumers think that they can save their valuable time,20% consumers think that there is the facility of shipping gifts directly,13% consumers think that they can see those items that might not see by them in stores and 7% consumers think that they can organize their finance easily in online shopping.
- ❖ Analysis showed 67% consumers are using internet from less than 1 year while 33% consumers are using internet from more than one year.
- ❖ Analysis showed 87% consumers are willing that they can travel less than 10 miles and 13% consumers are willing that they can travel more than 10 miles for offline shopping.

Conclusion

Online shopping is a new experience and has greatly impacted the lives of consumers in its short time of existence. Online shopping has made consumers more effective and efficient in their shopping behavior and has driven businesses to a new level, forcing many to make the necessary adjustments and changes to reach the new market of knowledgeable consumers. The results of this survey underscore the need for businesses to take the online market seriously. The survey conducted revealed a positive attitude and behavior toward online shopping even by those consumers who still like traditional stores. These consumers are mostly in low and high age groups. Those consumer groups have time to spend in traditional stores and malls and value the offline shopping experience for social reasons, such as meeting with friends. These consumers appear to be more knowledgeable by gathering information online and then purchase it from traditional stores. Rapid growth of e-commerce has resulted in a E-transformation in the global retail infrastructure. Internet has emerged as a cost effective means of doing business. Despite being faced with numerous bottlenecks, Thanks to rising internet and higher incomes and more savvy population. Secured online payments, better to Electronic Stores, return policies and exciting discounts could help the Perceptions of Shopping Benefits. Considering the demographic profiles of online users; gender, age and education have significant association to web shopping in the current Indian scenario.

The overall results prove that the respondents have perceived online shopping in a positive manner. This clearly justifies the project growth of online shopping in the country. However, the frequency of online shopping is relatively less in the country. Online shopping organizations can use the relevant variables and factors, identified from the study, to formulate their strategies and plans in the country. The organizations can prioritize the consumer implicit and explicit requirements in online shopping environment. The results can also be used by various organizations to identify their target customer segments. The results of the study can be utilized by practitioners in relooking or revamping their strategies for online shopping. Online websites should pay more attention to the female segments as results prove that females shop more in online shopping as compared to men.

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