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CUSTOMER PREFERENCE TOWARDS ONLINE GROCERY SHOPPING

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ABSTRACT

An online grocery store permits a customer to submit online orders for items and/or services from a store that serves both walk-in customers and online customers. The online store system presents an online display of all the items they want to sell. This web based application helps customers to choose their daily needs and add products to their shopping cart. Customers provide their complete detail of address and contact and they get their chosen products in their home.

Key words - grocery, online shopping, customer, e-grocery, purchase

INTRODUCTION

Online grocery shopping is one example of an e-business idea. Online grocery shopping is not only about technology and making sales, nor is it of interest only to industries and businesses, but it is also about transforming the economy, within and across geographic areas, and changing old markets and creating new ones.

The objective of this study is to help the consumer of Savemore to make their ordering more convenient and easier. For the customer, it can minimize the workload and effort of roaming around the grocery store. They can search the grocery items that they're looking for. Theoretically, we provide a deeper understanding of the online customer experience, while gaining insight into two shopper segments identified as being important to grocery e-retailers. For managers, this study tests an online customer behavioural model with actual purchasing behaviour and identifies the continued presence of perceived risk in grocery e-retailing, regardless of purchase frequency or experience.

STATEMENT OF THE PROBLEM

An increasing number and variety of firms and organizations are exploiting and creating business opportunities on the Internet. Statistics indicate the rapid growth in the field of virtual shopping. With this emerging field of shopping the interest of marketers is also increasing in studying what actually motivates consumers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping. As online shopping is a new medium so the consumer behavior in the field of online shopping. In order to gain competitive edge in the market, marketers need to know the consumer behavior in the field of online shopping.

SCOPE OF THE STUDY

E-grocery is happening in India in a big way. The E-shopping will replace traditional in-store shopping in the near future. Though the traditional shopping is still to stay but the online buying could change the way people experience shopping grocery. The study is to identify whether people are changing the way they shop their food and grocery from the next door Kirana store to online web stores. The study is conducted to reveal the consumer's attitude on e-grocery and their preference towards the same.

RESEARCH METHODOLOGY

Research methodology simply refers to the practical “how” of any given piece of research. More specifically, it's about how a researcher systematically designs a study to ensure valid and reliable results that address the research aims and objectives.

REVIEW OF LITERATURE

Amol Ranadive (2015) has made a study which looks into the levels of acceptance among consumers in Vadodara city. It focuses the factors that affect the consumers buying intentions and shopping preferences. The results of the study conducted have reaffirmed that the framework of Theory of Planned Behaviour (TPB) is applicable to the measurement of consumer's behavioral intentions while shopping for groceries online. This study presents substantial empirical support for the sufficiency of Ajzen's TPB model in online shopping behavior. Thus with all the other three variables of the TPB, the study demonstrates the predictive utility of the TPB to determine online shopping behavior, specifically for grocery shopping in the city of Vadodara.

Vijayasathya (2004), in his research, used a sample of 281 consumers to test a model of consumer intention to use online shopping. The study found compatibility, usefulness, ease of use, and security to be significant predictors of attitude towards online shopping, but privacy was not. Another finding showed that intention to use online shopping was strongly influenced by attitude toward online shopping, normative beliefs, and self-efficacy.

S Sathya (2015), identified how the consumers of Chennai perceive online grocery shopping. The findings also revealed that demographic variables such as age, gender do not have an influence on the factors of consumer satisfaction.

ONLINE GROCERY SHOPPING AN OVERVIEW

Groceries have been traditionally bought in stores, where consumers have an opportunity to touch and inspect products before the purchase and also control the transportation of fragile products. E-grocery retailing is still at the infancy stage and the volume of internet groceries buying leaves much to be desired for e-grocers in India to sustain profitable growth in the long run. The thought of purchasing perishable products including fish over the internet provokes some skepticism among most customers as the reliability and accountability of the service comes into question. E-grocery retailers can build brand equity, generating repeat business and this will result in market penetration in this industry. The real benefit of online grocery shopping is convenience. By ordering online, one can quickly search for the products one needs and order them without having to physically walk through those long aisles.

HISTORY OF ONLINE GROCERY SHOPPING

Early pioneers

The late 1990s was a time of great optimism for internet retailers. Consumers had just started ordering products online, and there was a widely held view that this new method of shopping would completely revolutionize the industry. As the largest single retail sector, grocery was an early area of focus. It potentially offered the lucrative reward of high-spending consumers who shopped regularly. It also had the benefit of being something that many people did not particularly enjoy shopping for and so was crying out for a change that increased convenience and saved consumers time. Significantly, the early movers in the industry were not supermarkets or food manufacturers, but technology companies keen to use their knowledge of coding and systems to shake up a sector they believed to be ripe for change. They were encouraged and supported by investors who, at this time, were throwing money at any company with a .com suffix.

Early failures

Despite the exuberance of early pure-play grocery retailers, their fate was not a happy one. When the dot.com bubble burst, investment quickly dried up and starved companies of much-needed cash. HomeGrocer.com, which was losing money, sold up to Webvan in September 2000. In turn, Webvan filed

for bankruptcy in July 2001 (the brand was later bought by Amazon). While the dot.com crash quickened the demise of the early online grocers, it was a symptom rather than the primary cause of failure. In short, the market had been too quick to invest in online business models that were unproven and based on hype rather than reality. In the case of Webvan, HomeGrocer.com and several other grocery tech startups, there were several shortcomings.

DATA ANALYSIS AND INTERPRETATION


The term analysis refers to the computation of certain measures along with searching of patterns or relationship that exist among data groups. After collection of data, the data has to be processed and analyzed in accordance with the outline laid down for the purpose at the time of developing the research plan. Interpretation refers to the task drawing INTERPRETATIONS from the collected facts after an analytical and or experimental meaning of research findings.

The analysis and interpretation of the Factors Influencing the customer preference towards online grocery shopping is based on the information supplied by a sample of 125 respondents selected from Coimbatore city.

- Simple Percentage Analysis of collected data.
- Weighted Average Analysis.
- Average Ranking Analysis.

SIMPLE PERCENTAGE ANALYSIS

Simple percentage analysis is one of the basic statistical tools which is widely used in the analysis and interpretation of primary data. It deals with the number of respondents response to a particular question in percentage arrived from the total population selected for the study.



GENDER

S.NO	GENDER	NO.OF RESPONDENTS	PERCENTAGE
1	Male	65	52
2	Female	60	48
	TOTAL	125	100

INTERPRETATION

The above table shows 52% of respondents are male and 48% of respondents are female.

BENEFITS OF ONLINE GROCERY SHOPPING

S.NO	BENEFITS	NO.OF RESPONDENTS	PERCENTAGE
1	Easy to order	58	46.4
2	Variety at one shop	32	25.6
3	Discount and offer	18	14.4
4	Saves time	17	13.6
	TOTAL	125	100

INTERPRETATION

The above 4.10 shows that the 46.4% of the respondents are beneficial in easy to order, 25.6% of the respondents are beneficial in variety at one shop, 14.4% of the respondents are beneficial in discount and offer, 13.6% of the respondents are beneficial in saving their time.

WEIGHTED AVERAGE ANALYSIS REASON FOR ONLINE GROCERY SHOPPING

REASON	PERCENTAGE	NO. OF RESPONDENT	TOTAL NO. OF RESPONDENTS	MEAN SCORE
Price	54.4	68	125	0.4352
Delivery time	37.6	47	125	0.3008
Customer service	23.2	29	125	0.1856
freshness	17.6	22	125	0.1408

INTERPRETATION

The above table justifies that the price plays the major reason for the online grocery shopping.

AVERAGE RANKING ANALYSIS RANKING OF FACTORS IN ONLINE GROCERY SHOPPING

S.NO	FACTORS	EXCELLENT	AVERAGE	GOOD	BAD
1	Experience	33	19	65	8
2	Pricing	9	94	21	1
3	Quality	30	22	66	7
4	Offers	9	91	21	4
5	Service	36	21	64	4

Rank weighted average score

Rank	Weighted average	Factors
1	2.888	Pricing
2	2.84	Offers
3	2.712	Service
4	2.616	Experience
5	2.6	Quality

INTERPRETATION

From the above table, the first rank goes to pricing, the second rank goes to offers, third rank goes to service, fourth rank goes to experience and the fifth rank goes to quality.

FINDINGS, SUGGESTIONS AND CONCLUSIONS

FINDINGS:

SIMPLE PERCENTAGE ANALYSIS

- Majority (52%) of the respondents are male.
- Majority (68.8%) of the respondents are beneficial to customers.

WEIGHTED AVERAGE ANALYSIS

It is concluded from the analysis the majority of the respondents reason for online grocery shopping is pricing of the product.

AVERAGE RANKING ANALYSIS

It can be inferred that most of the respondent's have preferred that the pricing has the high satisfaction in online grocery shopping.

SUGGESTIONS

- Consumers should be educated on online shopping procedures with proper steps to be following while online shopping.
- Transactions should be safe and proper security should be assured to the people making online purchases.
- Government should play a pivotal role in encouraging online shopping.
- E-marketers must give a thought to secure, time saving, information about product
- and services factors when they design their online product strategy.
- The study highlights that convenience, accessibility, scope, attraction, reliability,

CONCLUSIONS

Web based shopping is another experience and has incredibly affected the lives of buyers in its brief timeframe of presence. It is required to develop continually in years to accompany progressions in innovation. Internet shopping has made customers more successful and effective in their shopping conduct and has driven organizations to another level, compelling numerous to roll out the essential changes and improvements to come to the new market of educated customers. The consequences of this overview underscore the need for organizations to consider the online market important. The review led uncovered a uplifting state of mind and conduct toward internet shopping even by those customers who still like conventional stores. These customers are for the most part in low and high age gatherings. Those purchaser bunches have room schedule-wise to spend in customary stores and shopping centers and esteem the disconnected shopping background for social reasons, for example, meeting with companions.

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