PROBLEMS FACED BY ONLINE CONSUMERS

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Abstract:

Online shopping is a kind of electronic commerce, which allows consumers to directly buy goods or services from a person who sells over the Internet using a web search engine. Almost anything and everything can be purchased with the help of online shopping from our home or work environment. Online shopping is convenient, faster and cheaper. Online shopping is still not very big in India, but the numbers are growing every year. The trend of online shopping is increasing day by day. Online shopping is more popular among youths. During holiday and festival season online shopping getting a very warm welcome among the buyers. Online shopping sales in India totaled 17 billion US dollars in 2014 and are expected to surpass 100 billion U.S. dollars by 2019. Amazon, Flipkart, Jabong, Snapdeal, Myntra are some popular online stores offering products with attractive discounts to the online consumers. Most of the people avoid doing online shopping due to fear of online theft and they think online stores are not reliable. In this paper an attempt is made to know the products purchased by consumers from online stores and to identify the types of problems faced by consumers while buying goods from online stores. This study is based on both primary and secondary data. The primary data were obtained through interview schedule and secondary data were collected from various books and journals. The convenient sampling technique was adopted for collecting data from respondents. In this paper the suggestions also given to overcome the problems faced by online store consumers.

Key Words: Online Shopping, Electronic Commerce, Consumers & Online Stores

Introduction:

Online shopping is a kind of electronic commerce, which allows consumers to directly buy goods or services from a person who sells over the Internet using a web search engine. Globally, large number of people are buying through online because it is more convenient to them. Online shopping has become popular in 1999-2000. Amazon.com, instituted a history by becoming the pioneer bookstore with a presence only on the internet. Later, Yahoo.com and MSN.com also instituted online shopping channels where people could buy more than just books. Consumers mentality and shopping models are changing very fast. Online shopping is going to become mainstream in the coming years.

Online Shopping in India:

According to a study, in India overall 72% of young people access internet on regular basis. While online shopping is still not popular in India, but the numbers are growing every year. Flipkart, says that India's e-commerce business bounced by more than 80% in 2013 and the trend is likely to continue for at least the next five – six years. Flipkart Co-founder Sachin Bansal said that the e-commerce business in India is expected to reach around $50-70 billion by 2020 on the back of fast developing internet connected population and development in related infrastructure like amount payment and delivery systems. It is expected that, over half billion Indians will switch to smartphones in the next five to six years. This will be a big driver of e-commerce business in India.

Advantages of Shopping Online:

The following are the main advantages of shopping online:

➢ Convenient
➢ Faster
➢ Cheaper

Products available for online purchasing

Almost anything and everything can be purchased with the help of online shopping from our home or work environment. Some of the products are listed below:

➢ Electronic items
➢ Books
➢ Clothing & accessories
➢ Travel
➢ Computer
➢ Stationery
➢ Others

Objectives of the Study:

The following are the main objectives of the present study.

1. To know what are the products purchased by consumers from online stores
2. To identify the types of problems faced by consumers while buying goods from online stores.
3. To offer suggestions for solving the problems faced by online consumers.

Methodology:

The study is based on both primary and secondary source of data. The primary data were obtained through structured interview schedule and secondary data were collected from various books, journals and magazines. By adopting Conveninet Sampling technique, 100 respondents have been selected from Mayiladuthurai town. The data has been analyzed using percentages and interpreted for meaningful inferences.

Results and Discussion:

The following table shows the profile of the online buyers in the study area.

Table – 1 Profile of the online buyers

Personal Factors	Classification	Number of Respondents	Percentage
Sex	Male	35	70
	Female	15	30
Age	Below 18 years	6	12
	19-30 years	22	44
	31-45 years	14	28
	Above 45 years	8	16
Occupation	Housewife	5	10
	Employee	24	48
	Business	10	20
	Students	7	14
	Others	4	8
Monthly Family Income	Below Rs.10,000	10	20
	Rs.10,001 to 20,000	23	46
	Rs.20,001 to 30,000	11	22
	Above Rs.30,000	6	12

Source : Primary Data

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Online Consumers Buying Behaviour:

Table 2 shows the reasons for choosing online shopping by the sample respondents.

Table: 2 Reasons for Choosing Online Shopping

Reasons	Number of Respondents	Percentage
Wide variety of products	10	20
Easy buying Procedures	12	24
Lower prices	21	42
Easy payment	5	10
Others	2	4

Source : Primary Data

The above table clearly reveals that, 42% of the respondents are choosing online shopping for the low price of the products, 24% are choosing it for easy buying procedures, 20% are choosing it for buying a wide variety of products, 10% are choosing it for easy payment and the remaining are choosing it for some other reasons in the study area.

Table 3 shows the frequency of online buying by the sample respondents.

Table: 3 Frequency of Online Buying

Frequency of buying (annually)	Number of Respondents	Percentage
1 time	8	16
2-5 times	26	52
6 – 10 times	12	24
Above 11 times	4	8

Source : Primary Data

It is evident from the table that 52% of the respondents purchase the products 2-5 times annually, 24% purchase the products 6-10 times annually, 16% purchase the products only one time in a year and 8% of the respondents purchase the products more than 11 times in a year.

The Table 4 shows the number of respondents faced problems at the time of online buying.

Table: 4 Problems Faced at the time of Online Buying

Facing problem	Number of Respondents	Percentage
Yes	22	44
No	28	56

Source : Primary Data

The above table highlights that, 44% of the respondents are facing problems at the time of online buying and 56% of the respondents said that they are not facing any problem at the time of online buying in the study area.

Table: 5 Type of Problems Faced at the time of Online Buying

Problems	Number of Respondents	Percentage
Delivery problems	10	45.45
Defective products	5	22.73
Replacement/ Refund issue	3	13.64
Poor response of customer care	4	18.18

Source : Primary Data

It is understood from the table that 45.45% of the respondents had faced delivery problems (delay in delivery & non delivery), 22.73% of the respondents had faced the problem of supplying defective products, 18.18% of the respondents said that

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the response of the customer care is very poor and 13.64% of the respondents had faced the problem of replacement of products or refund issue.

Findings of the Study:

From the above analysis the following findings were extracted:

➢ 42% of the respondents are choosing online shopping for the low price of the products and 24% are choosing it for easy buying procedures.

➢ 52% of the respondents purchase the products 2-5 times annually.

➢ 44% of the respondents are facing problems at the time of online buying.

➢ The problems faced by the online buyers are: Delivery problems, supply of defective products, return/ refund issues and poor response of customer care.

Suggestions:

In order to improve the satisfaction level of the consumers the following suggestions have been offered.

➢ The online stores should give more importance to their marketing strategies for increasing the number of online consumers, because Over half billion Indians will change over to smartphones in the next six to seven years. That is going to be a big driver of e-commerce in India.

➢ The online stores should pay an attention to solve the problems faced by the online consumers. If they fail to solve the problem, it is very difficult to attract new consumers and retain existing customers.

Conclusion:

This research clearly highlights that online shopping is having a vast scope in the study area. With the help of the internet, consumers can shop anywhere, anything and anytime easily. The trend of buying through online shopping is increasing day by day. Online shopping is more popular among youths. Therefore the online stores should take necessary steps to popularize the trend of online shopping and develop appropriate strategies to solve the problems of the online consumers.

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