

A COMPARATIVE STUDY ON ONLINE SHOPPING VS. OFFLINE SHOPPING

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Abstract

The Indian retailing industry has emerged as one of the most complex yet dynamic industry due to the undoubted development taken place in both organised as well as unorganised sector. India ranks 71 in UNCTAD B2C E-commerce Index 2020. The retail sector is one of the fastest growing sectors in India. It is one of the backbones of the economy and accounts for about 10% of the country's GDP. The growth of retail sector in India defines that consumer use both modes of shopping depending on their preferences at a particular moment.

When it comes to shopping, it is regarded as one of the oldest terms being used by humans from the time of barter system. But in today's scenario online shopping has become very popular method ever since the internet has come to the hands of the people. The increase in technology and the new inventions that have come up in the I.T world has given an opportunity to not only the sellers but also the buyers to come in contact for selling and buying goods and services respectively in

a much faster and economical way. At the same time, it is inevitable to ignore the fact when it comes to satisfaction of customers that is derived from the offline shopping. Like a coin has two sides, the online shopping and offline shopping both have their own advantages and disadvantages.

This research paper focuses on the significant differences between the online shopping and offline shopping consumer groups in terms of technology use, availability and attitude of the consumers towards both the shopping styles.

Keywords: Consumer Buying Behaviour, Online, Offline, Shopping, Products.

INTRODUCTION

In today's era every person is dependent on shopping for goods and services either online or offline. It is been seen that people shop not only for necessities but also for releasing stress. It gives a break from the monotonous routine of life.

In general, we have got two types of shopping ways: - Online shopping and Offline shopping (Traditional shopping). In current scenario we can observe that people are more inclined towards online shopping. Covid-19 has brought a great change in the retail market. And also, internet facilities have made it is easy for people to buy things online. Online shopping is a kind of electronic shopping which allows customers to purchase the goods over the internet facilities from the seller using a web browser. Online shopping is popular with many other names like e-shop, e-store, internet shop, web-shop, online store and virtual store. Nowadays internet holds a major part of shopping in retail markets. But at the same time traditional shopping has continued from years. This is because still customers prefer to examine the products and hold the possession of product before purchasing it. They believe that the penny spent on purchasing should not go waste. Just at a click of the mouse or by typing a word in the search engine in the handset, thousands of products pop up on the screen based on choice and the goods will be delivered at the door step. Online shopping has gained popularity because of the convenience that comes along with it. The increase in technology provides good opportunity to the seller to reach the consumers in much faster way all over the world. On the other hand, it also supports buyers by giving them a variety of choices to look up at before taking a final decision on purchasing.

Though online shopping is at the peak, still many of the consumers do opt for offline shopping. Consumers do believe in getting quality, value and satisfaction from their purchase. The focus of the study is on knowing the consumer's choice of shopping. The consumer should actually know the right medium of shopping for the products. Many products are such which require touch. Here comes the role of offline shopping where customers can touch, smell or try the product before purchase. On the contrary, many consumers have been seen switching back to offline shopping due to some past experience.

ONLINE SHOPPING

Online shopping or E-shopping is an economic activity where in buying and selling of goods or services take place online using the web technology. Due to the high technological upgradation, shopping has got a new pace in this fast-growing world. Because of internet any person sitting any where in the world can now buy or sell

goods just at a click of the mouse. Moreover, the customers need not worry about the exchange of monetary paper because there are wide options for online payment from online banking to UPI payments. Apart from this online shopping also goes far away to the logistic handling. Goods and services are now made to reach the door steps of the customers. In fact, there are plenty of advantages and benefits that online shopping is drawing upon the customers.

ADVANTAGES:

- Purchasing goods at a comfort.
- Easy to cancel a transaction.
- Easy payment facilities.
- Saves time.
- Comparison of products from a whole range of products with a comparison in price too.

OFFLINE SHOPPING / TADITIONAL SHOPPING

On the other hand, when it comes to physical check of the product, offline shopping comes into view. How the product looks like, the colour, the texture can be felt and seen are few of the benefits that offline shopping holds. That is why still many consumers prefer offline shopping over online shopping as it allows them to check a product themselves before purchasing. By visiting physically, the retail outlets they feel satisfied. Retailing is defined as all the activities involved in selling goods or services directly to final consumers for their personal non-business use. (Kotler,1998).

ADVANTAGES:

- No need to wait for the arrival of the products, instant reach to the product.
- Check and assurance of quality of product.
- After sell service is quicker and better as we can contact the seller personally.
- Exchange of products become easy.

FACTORS AFFECTING ONLINE SHOPPING:

1. **Young Generation:** Today's youngsters are so much engaged in to the techno-savvy world that they cannot imagine their life without internet. Though they may shop offline but they definitely research about the product on the online platforms.
2. **Smart Phones:** Since a decade phone have become so common. It not only helps us to connect with people but also guides us in online shopping making it easy and convenient.
3. **New online retailers:** With the onset of new retailers coming up in the market, the online shopping platform has grown to heights.
4. **Risk:** While purchasing products online the customers cannot feel or touch the product and hence a risk is involved while purchasing products online. Risk factors like on time delivery, online payment methods, product size and colour are always at the concern of the customer's mind.
5. **Discreet Shopping:** Shopping online is discreet at times where retailers provide a safe way in buying certain products that the customers are reluctant to purchase offline.
6. **Offers:** Apart from providing the products at a reasonable price on the online platform, online shopping also provides great offers and heavy discounts round the year. Offers are a very important factor that affects the psychology of the customers.

FACTORS AFFECTING OFFLINE SHOPPING:

1. **Bargaining:**The advantage that all Indians love to take while shopping is bargaining with the retailer. Offline shopping provides a platform to do so. Many people purchase products according to the bargaining amount.
2. **Authenticity:** While shopping offline the customers are sure about the product as they can feel the product and see how exactly it looks like. Customers know what exactly they are paying for.
3. **Information:** The information provided by the retailer is not always true to nature. Many times, it happens that the shopkeeper/ retailer himself is not aware about the products, which can mislead the customers while purchasing the products.
4. **Less choice:** The varieties of the product limits to certain number when it comes to offline shopping. At times it happens that the stock in the shop is either over or outdated. This highly influences the shopping done by customers in offline mode.

5. **Time Consuming:** Travelling to far off places to shop for necessities is a tough job for the people of today. Every person is running short of time and thus offline shopping which deals with moving from one place to another, one shop to another is time consuming.

REVIEW OF LITERATURE

Margo Poole and Aron O’Cass (2003) in their paper, ‘A Comparative Study Between Mall and Online Shoppers’ have defined that both personal values and thinking and external values affect the behaviour of every individual in selecting the mode of shopping. Moreover those who prefer offline shopping by visiting malls have a higher external and interpersonal values compared to those who choose to shop online.

Mohammad, Morad, Nitin and Mazhar (2010) in their research paper, ‘Evidence of Online Shopping: A Consumer Perspective’ portrays that much attention is not given on the effects of e-commerce web presentation on social platforms and the other websites. Researchers say that if attention is not given on quality promotion on electronic platform, it will definitely affect the consumer’s decision to purchase through internet.

Dr. E. B. Khedkar (2015) explicated in his paper entitled ‘Analysis of Customer Satisfaction during Online Purchase’ that there are various factors that affect customer satisfaction to shop online. He explained that online shopping is more comfortable than conventional as it helps them to overcome the hurdles faced in offline shopping. Insights have been developed in understanding the customer satisfaction during online shopping.

OBJECTIVES OF THE STUDY

- To compare online and offline shopping.
- To analyse the important differences between the online and offline consumers on the basis of their attitude and features.
- To study the factors affecting shopping process.
- To observe the factors that influence consumers to switch from offline to online and vice versa.

RESEARCH METHODOLOGY

It computes the description of the research instrument, sampling procedure which is used for the collection of data through questionnaire.

SCOPE: Scope is limited to the geographical boundary of South Gujarat cities.

SAMPLING DESIGN: Simple Random Sampling is been used in this study.

SAMPLE SIZE: 60 respondents.

METHOD OF DATA COLLECTION: The data was collected through primary and secondary sources. Primary data included development of questionnaire to collect relevant data regarding the research. Secondary data included collection of valuable information from different websites, journals, various research papers, etc.

QUESTIONNAIRE: A short questionnaire is been prepared to effectively gather information regarding the thoughts of customers towards online and offline shopping.

•Nature of Questions Asked

The questionnaire consists of closed ended questions.

•Presentation of Data

The data is presented through various tables and graphs.

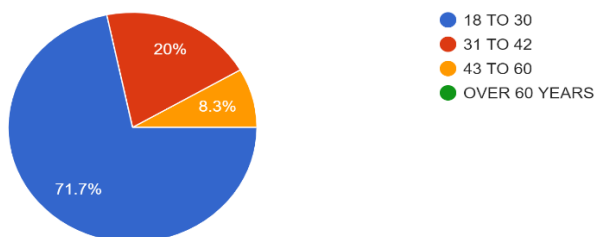
LIMITATIONS OF THE SURVEY:

- Due to time constraints the study was limited to few cities and 60 respondents only.
- As the sample size was just 60, so the findings are only suggestive and not conclusive.
- Language barrier as the questionnaire was prepared only in English.

DATA ANALYSIS AND INTERPRETATION:

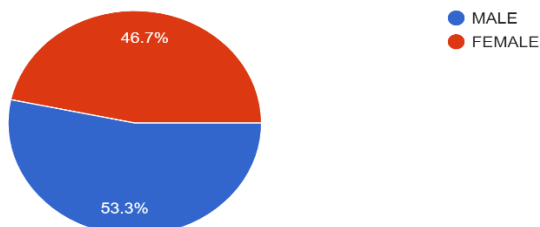
1.

AGE(IN YEARS)
60 responses



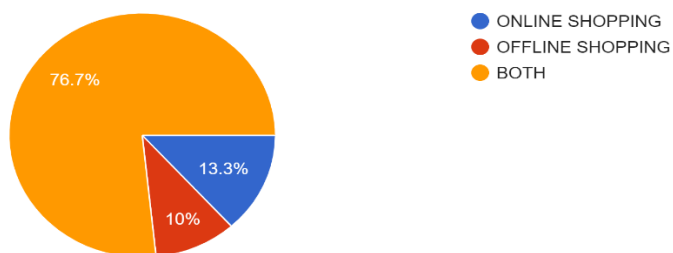
2.

GENDER
60 responses



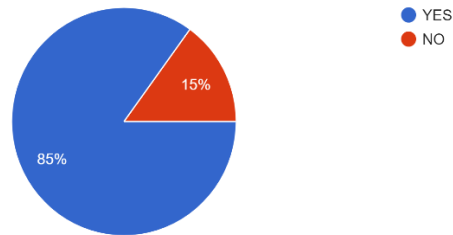
3.

WHICH OPTION DO YOU PREFER TO CHOOSE?
60 responses



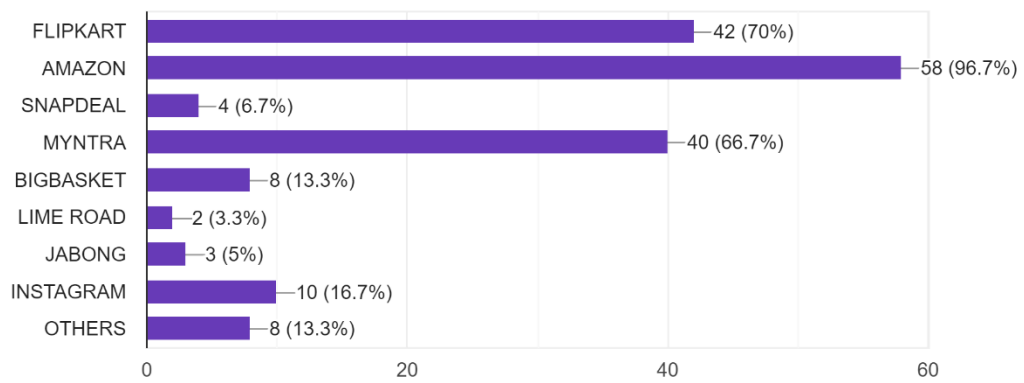
4.

DO YOU TRUST ONLINE SHOPPING?
60 responses



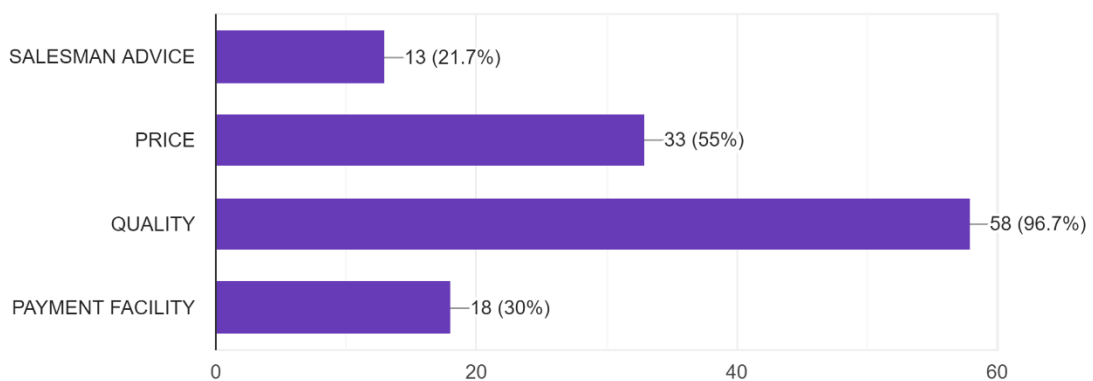
5.

IF YOU PREFER ONLINE SHOPPING, WHICH WEBSITES DO YOU SHOP AT?
60 responses



6.

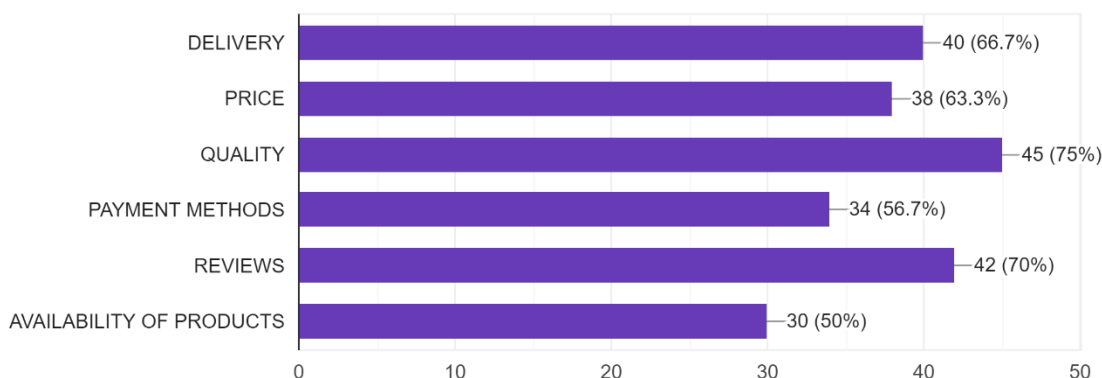
WHAT ARE THE MOST IMPORTANT CRITERIAS TAKEN INTO CONSIDERATION WHILE OFFLINE SHOPPING?
60 responses



7.

WHAT ARE THE MOST IMPORTANT CRITERIAS TAKEN INTO CONSIDERATION WHILE ONLINE SHOPPING?

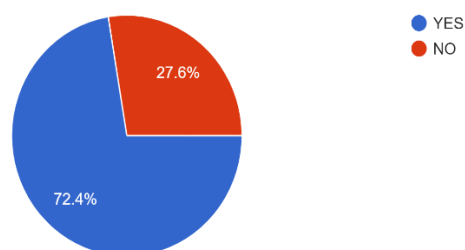
60 responses



8.

DO YOU LIKE BARGAINING IN OFFLINE SHOPPING?

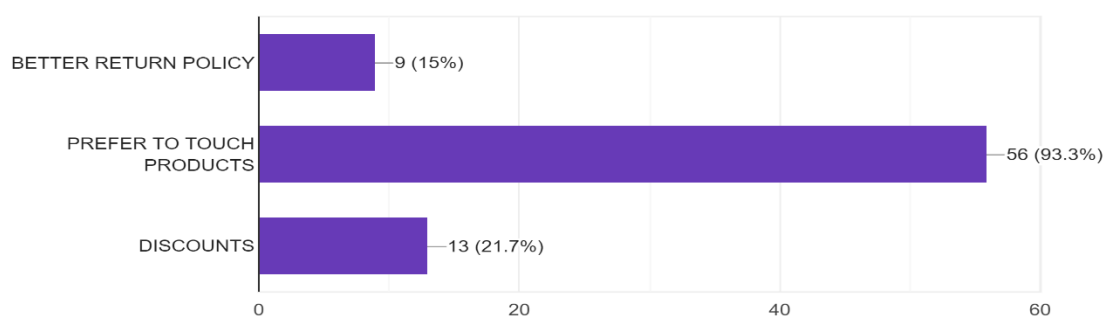
58 responses



9.

PLEASE TICK THE REASON WHY YOU CHOOSE OFFLINE SHOPPING

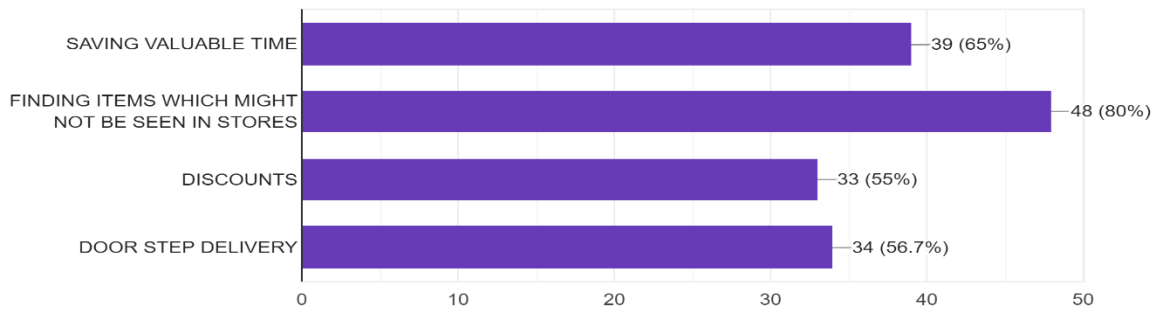
60 responses



10.

PLEASE TICK THE REASON WHY YOU CHOOSE ONLINE SHOPPING?

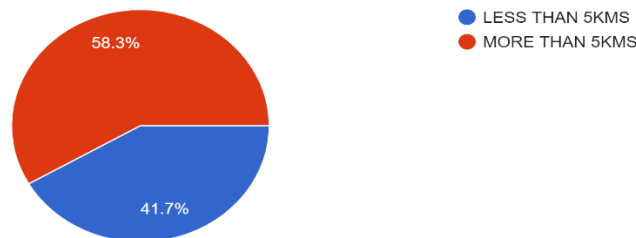
60 responses



11.

HOW FAR ARE YOU WILLING TO TRAVEL TO SHOP OFFLINE?

60 responses



FINDINGS

- According to the survey, 10% respondents choose to shop offline, 13% respondents choose to shop online, whereas majority (77%) of the respondents choose to shop both the ways online as well as offline.
- Out of the data surveyed, 85% customers trust online shopping whereas 15% do not trust online shopping.
- The survey shows that majority of online shopping customers prefer Amazon, Flipkart and Myntra apps for shopping online.
- It is been observed that while shopping offline there are some important criteria taken into consideration by respondents like salesman advice, price, quality and payment facility and maximum respondents are satisfied by the quality factor that is justified in offline shopping.
- Whereas when it comes to online shopping, the users are not only satisfied by the quality of product that is that is provided by online retailers but are also highly satisfied by the on-time delivery and payment methods.
- It can be observed in the survey that customers have a tendency of bargaining while shopping, which is possible in offline shopping and they are ready to do that.
- In the survey, when it comes to variety of options available to shop, online shopping stands ahead of offline shopping.
- Analysis shows that 58% of the respondents are willing to travel more than 5kms to shop offline though variety of products are available online, whereas 42% of the respondents are willing to travel less than 5kms to shop offline.

CONCLUSION

The study shows that online shopping experience has now deeply impacted the lives of consumers. Moreover, due to the great impact of Covid-19, online shopping has become more effective and efficient. It has not only brought businessman and retailers to a new height but has also driven consumers life to a great extent. The results of this study suggest that more and more business development is needed in the field of online

shopping. Rapid growth of E-Commerce has led to high demand of global retail infrastructure. Internet has now emerged as a cost-effective tool for business. The revolution in IT technology has made online shopping famous among the youths and a necessity for those who are working and trying to bring a balance between work and personal life. Offline shopping has always carried few bottlenecks which have been easily removed in the online shopping arena. From secured online payment – ‘making a cashless move’ to return policies to exciting discounts, online shopping has always remained the favourite preferable option of many consumers.

But at the same time offline shopping is still continuing at a constant level in the eyes of customers. Those customers who like spending time in the malls with friends and family are still inclined towards offline shopping. Still many consumers have a mentality that quality products and services can be bought only through offline shopping.

Another angle of this shopping methods is that many consumers use online shopping platform to just gain information through various choices, reviews, recommendations and after gathering all the information they prefer to purchase the product through offline shopping. The overall result proves that the respondents of this survey has taken up online shopping in a positive manner. This indicates that there is a growth of online shopping in India. But at the same time the frequency of online shopping is comparatively less in the country. The online retailers and those engaged in this business have to plan out more and more innovative techniques to indulge people into online shopping. The results can be used to identify the customer segments and revamping the existing strategies. Even consideration should be given to female customers in order to know their implicit and explicit requirements while shopping because females shop more than males.... “After all females love shopping!!!!”

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