

## A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING

Dr.G.Latha\* & Dr.Y.Suneetha\*\*

### ABSTRACT

Now-a-days, consumers have changed their way of shopping from physical store to online store. Online shopping has become an innovative way to sell their product via online by this the modern market is take over from the traditional market. The customers are playing vital role in the marketing. This Paper is focused on the satisfaction of the customers through online shopping. Based on literature review it was identified that consumer satisfaction towards online shopping is mainly dependent on a number of factors like product, price, payment, delivery, refund and timeliness. Data was collected through questionnaires from 60 respondents to analyze the factors that influence customer satisfaction. Statistical tools used in this research are percentages, t-test and ANOVA were used to analyze the data. The results also indicated that there is significant relationship between characteristics of the respondents and various dimensions.

**Keywords:** Online shopping; Customer satisfaction; Security; Information availability; Shipping; Quality; Pricing; Time

### INTRODUCTION

Nowadays, online shopping is a fastest phenomenon in world wide. Online shopping is a convenient way of shopping. Consumers feel convenient to shop online instead of visiting shops personally. Online shopping offers a broad range of products and services where consumer can compare the price, quality, reviews from different websites and can choose best product. Selection of products can be made from home by looking at different choices and can be compared with competitors product before taking decision. Online shopping has experienced an explosive growth due to the fact that it represents a more economic and appropriate approach to shop in comparison to traditional shopping. Consumers can buy anything at any time without actually going to the store consumers can trip on the same product at a lower price by comparing different websites simultaneously.

---

\*Assistant Professor, Department of Business Management, Sri Padmavathi Mahila Visvavidyalayam, Tirupati.

Customer satisfaction is key for any businesses for well being and growth. It has been argued that online commerce offers more satisfaction to modern consumers who seek convenience, easy payment option, refund policy etc., Before deciding for purchase, the customer may seek additional information through reviews and ratings given by earlier customers. If there is not enough information, they will browse for them through online channels, e.g. using online catalogs, websites or search engines. Businesses have to ensure that that the customer is satisfied on

## **A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING**

completion of his requirement. Firms need to develop professional behavior to keep their customer satisfied.

The present study has enabled us to collect the views of online customers with respect to what they expect from online shopping and what factors that customers are giving importance that leads to their satisfaction .

### **REVIEW OF LITERATURE**

A study was conducted by K. Jayaprakash, B.Mythili & K.Ganesh kumar on “Customer satisfaction towards online shopping in Pollachi Taluk” to find out satisfaction of customers towards online shopping with a sample size of 150 using convenience sampling method. Structured questionnaire was used to collect responses. Techniques like chi-square and simple percentages were used to analyze socio economic factors of respondents from Pollachi taluk. It was found from the study that only 15-35 age group having awareness on online shopping. It is concluded from the study that there is close relationship between monthly income and category of product purchased in online shopping.

A study on the Impact of Customer satisfaction on Online Purchasing: A case study Analysis in Thailand was conducted by Taweerat Jiradilok, Settapong Malisuwan, Navneet Madan and Jesada Sivaraks with an objective to investigate the relationship of the factors in online shopping between experienced and non-experienced online buyers. By using convenience sampling method, 400 sample were selected and distributed Survey questionnaire. Multiple regression technique was used for analysis. Among all nine sections viz., Assurance and empathy, tangibility, reliability, responsibility, website system quality, pricing, variety etc., tangibility is the only factor which gives high level of satisfaction. It was found that variety, tangibility and website system quality have no influence on purchasing intention in customer decision.

To explore the factors influencing customer satisfaction with respect to online shopping in Jalandhar city, a study was conducted by Dr.Pratima Merugu and Dr.Vaddadi Krishna Mohan on Customer satisfaction towards online shopping with a sample of 200 by using convenience sampling. Factor analysis technique was used to cross tabulate and to interpret data. It was observed from the study that ease of use, service reliability, responsiveness, assurance are the major determinants of customer satisfaction.

A study was conducted by Pervaiz Ali, Sudha Sankaran on ‘Online shopping’ customer satisfaction and Loyalty in Norway to study and analyze academic and empirical research in the area of online customer satisfaction. Out of 11 groups, 104 respondents were responded for the study. It was observed that the online business in Norway is to be improved a great extent by focusing more on dimensions like availability, responsiveness, timeliness, completeness and convenience.

To determine the impact of certain online purchase determinants on the consumer satisfaction, a study was conducted by Nebojsa Vasic, Milorad Kilibarda, Tanja Kaurin on the Influence of Online Shopping Determinants on Customer Satisfaction in the Serbian Market. The validity of the developed model was verified over the Confirmatory Factor Analysis and the Partial Least Squares. The obtained result analysis confirmed the basic research hypotheses that customer satisfaction in online shopping, on the Serbian market, directly depends on the following determinants: security, information availability, shipping, quality, pricing and time.

A study on factors limiting online shopping behaviour of consumers was conducted by Bindia Daroch, Gitika Nagrath, Ashutossh Gupta with an objective to find out the problems that consumers face during their shopping through online stores. As per the results total six factors came out from the study that restrains consumers to buy from online sites – fear of bank transaction and faith, traditional shopping more convenient than online shopping, reputation and services provided, experience, insecurity and insufficient product information and lack of trust.

## **RESEARCH METHODOLOGY**

The study has adopted the following procedure to carry out the work.

### **Need and significance of the study**

There is a persistent dilemma in the market related to the question which online shopping factors affect the customer satisfaction. The results from this research work will help the firms and organizations to perform better by measuring the customer satisfaction towards online shopping, and also the perception of the customer towards online product/service can be analyzed. It will also help them identify the what factors leads to customer satisfaction and take corrective measures on the areas of improvement. The outcomes of this study will also serve as a source for new firms that are looking forward to enter into online business.

### **Objectives**

The prominent objectives of the study can be specified as:

1. To analyze the demographic profile of the respondents that influence consumer online shopping
2. To examine various factors that influence customer satisfaction towards online shopping.

### **Hypothesis**

Ho: There is no significant relationship between characteristics of respondents and factors that influence customer satisfaction

H1: There is significant relationship between characteristics of respondents and factors that influence customer satisfaction

### **Research design**

From the survey of literature, it was found that Product, Price, Delivery, Payment method, refund, and timeliness are the major dimensions that leads to customer satisfaction. According to Hays (2008) designing the questionnaire is important in a survey. By considering all the prominent factors, the survey questions have been planned based on reliable and valid literature in a simple, unambiguous and easy language. Customers were asked to provide their rating in order to understand factors that leads to customer satisfaction in online shopping.

Descriptive research design was used for the study. Descriptive research studies are those that are concerned with describing the characteristics of a particular individual or group. This study targets the population drawn from customers who have purchased from online stores. The total population size was indefinite and the sample size used for the study was 60. A total of 75 questionnaires were distributed among various online users, out of which 15 questionnaires were

## A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING

received with incomplete responses and were excluded from the analysis. The respondents were selected based on the convenient sampling technique.

The primary data were collected from Surveys with the help of self-administered questionnaires. The questionnaire consists of two different sections, in which the first section consists of the introductory questions that gives the details of socio-economic profile of the consumers and number of years of shopping experience and the second section consist of the questions related to various factors that leads to customer satisfaction.

To investigate the factors restraining consumer purchase, five-point Likert scale with response ranges from “Strongly agree” to “Strongly disagree”, with following equivalencies, “strongly disagree” = 1, “disagree” = 2, “neutral” = 3, “agree” = 4 and “strongly agree” = 5 was used in the questionnaire with total of 39 items. categorized into six variables: product, price, payment, refund, delivery and timeliness. The data collected for the study was processed by using SPSS. Descriptive statistical tools like percentages, means and standard deviations and analytical tools like Chi-square, one-way ANOVA, and t-test were used to test the significant relationship and impact between socio-demographic profile of respondents and factors influencing customer satisfaction.

**Table 1: Definition of Variables**

<b>Variables</b>	<b>Definitions</b>
<b>Product</b>	A product is anything that can be offered to a market that might satisfy a want or need
<b>Price</b>	The amount of money that has to be paid to acquire a given product. Insofar as the amount people are prepared to pay for a product represents its value, price is also a measure of value
<b>Delivery</b>	the term “delivery” refers to the act of transferring a commodity, currency, security, cash or another instrument that is the subject of a contract
<b>Payment</b>	Payment is the transfer of money or goods and services in exchange for a product or service. A payment can be made in the form of cash, check, wire transfer, credit card, or debit card.
<b>Refund</b>	Refund is a repayment of funds from the original payee to the original payer. Refunds most commonly occur in standard sales transactions, when a customer returns goods to the seller and receives a refund at that time
<b>Timeliness</b>	Timeliness refers to the time expectation for accessibility and availability of information. Timeliness can be measured as the time between when information is expected and when it is readily available for use. ... The success of business applications relying on master data depends on consistent and timely information.

**Table 2: Conceptual model variables and items**

<b>Variables</b>	<b>Items</b>
<b>Product</b>	Convenient
	Saves time
	Find everything online
	Experience about online product quality
	Product guarantees

	Wider range of alternatives
	Ordering items convenient
	Accords with adequate product information
	Description of products is accurate
	Information given on website is sufficient
	Sufficiency through online shopping
	Online shopping permits offering
	Product rating and reviews
<b>Price</b>	Lower price compared to conventional shopping
	Comparing prices is easier
	Wider range of alternatives to choose
	Pleasure in knowing new offerings
	Value for money is more assured
	Reduces monetary cost of traditional shopping
	More expensive than sold in retail store
	Overall product quality is worth the money spend online shopping
<b>Delivery</b>	Delivery of product/service is more preferable
	Punctual delivery of items is a strength of online stores.
	Takes long time for the delivery of products
	Products are delivered safely
	Received broken goods purchased online
	In time delivery
<b>Payment</b>	Delivery of product/service is more preferable in online shopping
	Punctual delivery of items is a strength of online stores.
	Safe and secure with online shopping
	Cash on delivery is preferable than payment via credit/debit card
<b>Refund</b>	A return policy fulfills the consumers
	Difficulty in returning products
	Money is refunding to account when returned products
	Easy returns online shopping
<b>Timeliness</b>	Information available at any time of the day
	Saves time
	Allows 24 hrs to purchase
	Timely response to complaints

**Scope and limitations of the study**

This study is undertaken to analyze the level of satisfaction of the online shopping. In short, the study covers only socio-economic status and factors satisfying consumer. The problem area of this survey is consumer’s satisfaction and attitudes towards online shopping will determine

## A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING

the factors that influence customers to shop online and those factors will help the marketers to formulate their strategies towards online marketing. The accuracy of the responses in the survey is questionable with a margin of doubt typical to social sciences survey.

### DATA ANALYSIS

Demographic profile of the Respondents: Majority of the respondents fall under below 25 age group (40%) and are female (60%) 2) Among the total respondents of the study, the majority of the respondents are employed (31.7%) 3) It has been observed that the majority of the respondents (36.7%) are lower middle class income group 4) On an average of 48.3% of the respondents are having less than five years of shopping experience

**Table No – 3: Demographic profile of the Respondents**

Age	No. of Respondents	Percentage
below 25	24	40.0
25-35	15	25.0
35-45	12	20.0
Above 45	9	15.0
<b>Gender</b>		
Male	24	40.0
Female	36	60.0
<b>Occupation</b>		
Student	10	16.7
employed	19	31.7
Self-employed	17	28.3
Others	14	23.3
<b>Income</b>		
Low	11	18.3
Lower-middle	22	36.7
Upper-middle	20	33.3
High	7	11.7
<b>Shopping Experience</b>		
Less than 5 years	29	48.3
5 - 10 years	19	31.7
More than 10 years	12	20.0
<b>Total</b>	<b>60</b>	<b>100.0</b>

**Table No – 4: Comparison of Customer satisfaction by Age**

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
<b>Product</b>	Between Groups	.850	3	.283	.669	.575
	Within Groups	23.733	56	.424		

	Total	24.583	59			
<b>Price</b>	Between Groups	.592	3	.197	.412	.745
	Within Groups	26.808	56	.479		
	Total	27.400	59			
<b>Delivery</b>	Between Groups	3.228	3	1.076	2.081	.113
	Within Groups	28.956	56	.517		
	Total	32.183	59			
<b>Payment</b>	Between Groups	1.458	3	.486	1.094	.359
	Within Groups	24.875	56	.444		
	Total	26.333	59			
<b>Refund</b>	Between Groups	.361	3	.120	.266	.850
	Within Groups	25.372	56	.453		
	Total	25.733	59			
<b>Timeliness</b>	Between Groups	.486	3	.162	.298	.827
	Within Groups	30.447	56	.544		
	Total	30.933	59			

**Table No – 5 : Comparison of Customer satisfaction by Gender**

Factors	Gender	N	Mean	Std. Deviation	t-value	p-value
<b>Product</b>	Male	24	2.0833	.58359	1.153	.287
	Female	36	2.0833	.69179		
<b>Price</b>	Male	24	1.9167	.77553	2.050	.158
	Female	36	1.8889	.62234		
<b>Delivery</b>	Male	24	2.5000	.72232	.117	.733
	Female	36	2.3056	.74907		
<b>Payment</b>	Male	24	2.0417	.69025	.339	.563
	Female	36	2.2500	.64918		
<b>Refund</b>	Male	24	2.0000	.72232	.207	.651
	Female	36	2.1111	.62234		
<b>Timeliness</b>	Male	24	1.8750	.67967	.965	.330
	Female	36	1.8611	.76168		

\*If p value < 0.05 difference is significant at 5% level

\*\* If p value < 0.01 difference is significant at 1% level

\*\*\* If p value > 0.05 difference is not significant

The table No.4,5,6,7,8 & 9 presents a comparative analysis on the ‘product’, ‘price’, ‘delivery’, ‘payment’, ‘refund’ and ‘timeliness’ on the basis of age, gender, occupation, income, education and shopping experience. The independent sample t-test has been carried out to know

**A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING**

the impact of gender on product, price, delivery, payment, refund and timeliness.

It is evident from the examination that there is no significant relationship between profile of the respondents regarding the factors leads to customer satisfaction.

**Table No - 6: Comparison of Customer satisfaction by Education**

<b>ANOVA</b>						
		<b>Sum Squares</b>	<b>of df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Product</b>	Between Groups	2.275	2	1.138	2.907*	.053
	Within Groups	22.308	57	.391		
	Total	24.583	59			
<b>Price</b>	Between Groups	.514	2	.257	.545	.583
	Within Groups	26.886	57	.472		
	Total	27.400	59			
<b>Delivery</b>	Between Groups	4.126	2	2.063	4.191*	.020
	Within Groups	28.057	57	.492		
	Total	32.183	59			
<b>Payment</b>	Between Groups	.567	2	.284	.627	.538
	Within Groups	25.766	57	.452		
	Total	26.333	59			
<b>Refund</b>	Between Groups	.255	2	.127	.285	.753
	Within Groups	25.479	57	.447		
	Total	25.733	59			
<b>Timeliness</b>	Between Groups	1.203	2	.601	1.153	.323
	Within Groups	29.730	57	.522		
	Total	30.933	59			

It is evident from table No.6. that there is significant relationship between education of the respondents and factors product and delivery as the p-value is less than 0.053 and 0.020.

**Table No - 7: Comparison of Customer satisfaction by Occupation**

<b>ANOVA</b>						
		<b>Sum Squares</b>	<b>of df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Product</b>	Between Groups	2.120	3	.707	1.762	.165
	Within Groups	22.463	56	.401		
	Total	24.583	59			



<b>Price</b>	Between Groups	1.157	3	.386	.823	.487
	Within Groups	26.243	56	.469		
	Total	27.400	59			
<b>Delivery</b>	Between Groups	.246	3	.082	.144	.933
	Within Groups	31.937	56	.570		
	Total	32.183	59			
<b>Payment</b>	Between Groups	1.254	3	.418	.934	.431
	Within Groups	25.079	56	.448		
	Total	26.333	59			
<b>Refund</b>	Between Groups	.531	3	.177	.393	.759
	Within Groups	25.203	56	.450		
	Total	25.733	59			
<b>Timeliness</b>	Between Groups	1.632	3	.544	1.040	.382
	Within Groups	29.302	56	.523		
	Total	30.933	59			

Table No - 8: Comparison of Customer satisfaction by Income

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
<b>Product</b>	Between Groups	.426	3	.142	.329	.804
	Within Groups	24.157	56	.431		
	Total	24.583	59			
<b>Price</b>	Between Groups	2.040	3	.680	1.501	.224
	Within Groups	25.360	56	.453		
	Total	27.400	59			
<b>Delivery</b>	Between Groups	1.364	3	.455	.826	.485
	Within Groups	30.819	56	.550		
	Total	32.183	59			
<b>Payment</b>	Between Groups	1.799	3	.600	1.369	.262
	Within Groups	24.534	56	.438		
	Total	26.333	59			
<b>Refund</b>	Between Groups	1.188	3	.396	.903	.445

**A STUDY ON CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING**

	Within Groups	24.545	56	.438		
	Total	25.733	59			
<b>Timeliness</b>	Between Groups	3.500	3	1.167	2.382	.049
	Within Groups	27.433	56	.490		
	Total	30.933	59			

It is evident from table No.8. that there is significant relationship between Income of the respondents and timeliness as the p-value is less than 0.049.

**Table No - 9: Comparison of Customer satisfaction by Shopping Experience**

<b>ANOVA</b>						
		<b>Sum Squares</b>	<b>of df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>Product</b>	Between Groups	.793	2	.397	.950	.393
	Within Groups	23.790	57	.417		
	Total	24.583	59			
<b>Price</b>	Between Groups	.636	2	.318	.677	.512
	Within Groups	26.764	57	.470		
	Total	27.400	59			
<b>Delivery</b>	Between Groups	.211	2	.105	.188	.829
	Within Groups	31.973	57	.561		
	Total	32.183	59			
<b>Payment</b>	Between Groups	5.203	2	2.601	7.017	.002
	Within Groups	21.131	57	.371		
	Total	26.333	59			
<b>Refund</b>	Between Groups	6.642	2	3.321	9.915	.000
	Within Groups	19.091	57	.335		
	Total	25.733	59			
<b>Timeliness</b>	Between Groups	.029	2	.014	.027	.974
	Within Groups	30.904	57	.542		
	Total	30.933	59			

It is evident from table No.9. that there is significant relationship between shopping experience of the respondents and factors like payment and refund as the p-value is less than 0.02 and 0.000 respectively.

**CONCLUSION**

This study intended to reveal the scale in which the following variables like product, price, delivery, payment, refund and timeliness affect the dependent variable customer satisfaction. It was found that among all the above factors, there is significant relationship between education and product and delivery dimensions. It is also observed that income is having significant impact of timeliness and shopping experience is having impact on payment and refund dimensions.

The results of this study confirmed that product, delivery, timeliness and shopping experience presented significant predictors of customer satisfaction. These variables have a significant positive effect on customer satisfaction. This paper should contribute to better understanding of the determinants that affect customer satisfaction, so customers would continue purchasing online. From the above study it was concluded that the customers are satisfied with online shopping.

### REFERENCES

1. K. Jayaprakash, Dr. B. Mythili & K. Ganeshkumar, Customers satisfaction towards online shopping in pollachi taluk, 'International Journal of Multidisciplinary Research and Modern Education (IJMRME)' Volume II, Issue II, 2016.
2. Taweerat Jiradilok, Settapong Malisuwan, Navneet Madan and Jesada Sivaraks, The Impact of Customer Satisfaction on Online Purchasing: A Case Study Analysis in Thailand, Journal of Economics, Business and Management, Vol. 2, No. 1, February 2014.
3. Dr. Pratima Merugu and Dr. Vaddadi Krishna Mohan, Customer satisfaction towards online shopping with reference to jalandhar city, International Journal of Management, Vol.11, Issue 2, pp. 36-47, February 2020.
4. Pervaiz Ali, Sudha Sankaran, Online shopping customer satisfaction and Loyalty in Norway, Thesis in Business Administration, Norway.
5. Nebojsa Vasic, Milorad Kilibarda, Tanja Kaurin, The Influence of Online Shopping Determinants on Customer Satisfaction in the Serbian Market, Journal of theoretical and applied electronic commerce research vol.14 no.2 Talca 2019.
6. Bindia Daroch, Gitika Nagrath, Ashutosh Gupta, A Study on factors limiting online shopping behaviour of consumers, Rajagiri Management Journal, Vol.15, Issue 1.
7. Singh, A.M. (2004). Trends in South African Internet banking. Journal of Aslib Proceedings, 56(3), pp 187-196.
8. Smith, P.R. & Chaffey, D. (2002). E-Marketing Excellence. Butterworth Heinemann