

Research Article

E-Grocery: The Driving Forces Of Consumer Behaviour

C. Surendhranatha Reddy¹, Guru Basava Aradhya²

Abstract

The Changes In Life Style Of People In Major Cities Of The Country Have Brought Many Changes In Their Behaviour Towards Traditional Retail Formats. People Started Looking At Technology Driven Formats To Make Their Wants Satisfied In A Better Way. Grocery Is Considered To Be The Most Commonly Purchased Products And The Customers Are Looking For Convenience And Price Benefit While Buying Grocery. E-Grocery Has Become One Of The Best Choice Due To Merits Like Greater Convenience, Price Comparison, Door Delivery And Scheduled Purchases. The Present Study Is Focused On Understanding The Driving Forces Of Consumer Behaviour Towards Buying Grocery Electronically And Exploring The Implications Of Those Forces On Favourable Or Unfavourable Behaviour Of Consumers.

Keywords: E-Grocery, Technology, Consumer Behaviour, Driving Forces, Buying Electronically

Introduction

The Social Changes Among People Have Triggered Changes In The Consumption Habits Of Customers. Joint Family System Has Paved The Way For Nuclear Families And The Disposal Income Has Greatly Increased Among The People In Urban Areas. Buying Grocery From The Nearby Store Is The Most Routine Activity Among The Customers In Cities And Sub Urban Areas. Due To Technological Improvement, The Marketers Are Able To Deliver The Grocery At The Doorsteps Of Customers With The Help Of Websites And Mobile Applications.

E-Grocery Has Become A Popular Choice Among Customers Due To Benefits Like Convenience, Comparison Of Price, Door Delivery And Scheduled Purchases. Along With That Marketers Are Trying To Woo The Customers With Continuous Marketing Offers. This Made Buying Grocery Online As The First Choice For Customers In Cities And Sub Urban Areas.

E- Grocery Retail Is Growing At Very Fast Rate. It Clocks Currently Around 0.2% Of Overall Market And Is Expected To Cross \$ 10.5 Billion Or 1.2% Of The Total Market. It Is Mainly Due To Broad Range Of Products Offered And Speed Delivery, According To A Survey Made By Agency Redseer [8]. The Survey Also Explained That Average Online Retail Consumer Has Annual Family Income Of ₹12 Lakh And Most Them Fall Under Age Group Between 30 And 40 And Their Average Expenditure On Online Grocery Is Between ₹900 And ₹1200.

¹Prof. C.Surendhranatha Reddy, Reseach Scholar, Bharathiar University, Head, Department of Management, Kristu Jayanti College,Bengaluru, surendrachinta@gmail.com

²Dr. Guru Basava Aradhya, Associate Professor, Department of Marketing & IB, ISBR Business School, Bengaluru,guruaradhya@gmail.com

IGD Survey Report Projected That, India Is A Market With Lot Of Potential For E-Grocery And Which Will Grow At Pace Better Compared To Other Asian Countries In The Next Few Years Because Of Investments In Retail Format, Improving Facilities, Enhanced Payment Options And Huge Population [9].

Though There Are Challenges To Online Grocery Format, There Are Many Opportunities To The Marketers As The Market In India Is Very Potential And Offers Lot Of Opportunities And Scope For Future Growth.

The Researches Can Look Into Various Dynamics Of E-Grocery And Conduct A Detailed Study To Find Out The Current Market Trends And Future Changes In The Market. Even Though There Are Opportunities To The Marketers, The Further Study Can Throw Light On Down Falls Of The Market And Behavioural Changes Among The Customers.

The Current Study Was Focused On Understanding The Behaviour Of Consumer While They Buy Grocery From An Online Retailer And Their Preferences Towards Purchasing Grocery From Online Retail Formats. The Study Could Be Served As A Reference For Future Research On Understanding The Behaviour Of Consumers In E-Markets.

Objectives

The Objectives Determined For The Purpose Of Study Are As Follows.

1. To Determine The Driving Forces Of Consumer Behaviour About E-Grocery
2. To Analyse The Implications Of The Driving Forces On Favourable And Unfavourable Behaviour Of Consumers.

Problem Statement

E-Grocery Is An Advantage To The End Customer As He Can Save Time And Have Greater Convenience While Buying Grocery Online From Anywhere And At Any Time. The Marketer Also Has Numerous Opportunities To Get The Attention Of Customers And Drive Them To E-Grocery. But The Marketers Need To Look Into Factors Which Can Motivate Consumers To Move To Buying Their Daily Needs From An Online Retailer Rather From A Kirana Store.

It May Not Be That Easy To Scan The Behavioural Patterns Of Consumers And Identity Their Intentions While Buying Grocery From Online Platforms.

Review Of Literature

The Motive Behind Consumers To Prefer E-Grocery Is To Save Time And Get Price Advantage. The Consumers Are Highly Satisfied With This Format As They Can Order Products Sitting At Home And Products Will Be Delivered To Their Door Steps. There Are Few Problems Like Delivery Delays And Non-Availability Of Certain Products (Himanshu And Kanav 2016).

There Is A Correlation Between The Grocery Delivery Conditions And The Online Grocery Buying Frequency By The Consumers. It Is Also Noted That Service Provided By The Online Retailer While Buying Grocery Is Also Has An Impact On Consumer Decision Making. Delivery Charges And Minimum Order Have Negative Impact On The Behaviour Of Consumer (Radka 2016).

E-Grocery Buying Is Greatly Influenced By Ease Of Buying, Cash Less Transactions, Cash On Delivery And Choice Of Products. Customers Prefer To Buy Grocery From E-Tailers Due To Quality Of Products, Less Effort And Other Benefits Offered By Markets Online (Kavita R. 2017).

The Key Drivers In E-Grocery Buying Are Age Of The Consumer, Online Buying Experience, Convenience, Product Safety, Service Quality And Relative Prices. Age Is Considered As The Most Important Factor In Driving The Customers For Online Buying Of Grocery And Mostly The Young Customers Prefer To Buy Their Grocery Online (Chinonso, Nichole And Kenneth 2019).

Internet Buying Satisfaction Is Linked With Various Parameters Like Trust, Perceived Risk, Purchase Intentions And Experience Of Customer While Buying Online. It Is Found That Consumers Who Buy Grocery From E-

Tailers Website Have Greater And Trust And In Turn Greater Satisfaction. No Relevance Between Perceived Risk And Repurchase Intentions Among Customers (Gary Mortimer Et.Al. 2015).

The Study (Jayasree 2016) Revealed That E-Grocery Can Reach More And More Customers As The Technology Enabled Customers To Buy Their Daily Necessities From Websites And Applications Comfortably. It Can Grow Many Folds As The Market Is Highly Potential And Increasing Awareness Can Bring Better Revenues To The Marketers.

E-Grocery Buying Is Influenced By Various Factors Like Perceived Risk, Perceived Trust, Social Influences, Hedonic Motivations And Facilitating Conditions. Consumers Like To Buy Grocery From E-Tailers As They Have Many Benefits And Their Behaviour Is Influenced By The Said Forces (Pauzi Et.Al. 2013).

The E-Grocery Buying Behaviour Of Consumers Is Influenced By Demographic Factors Like Age, Gender, Income, Education, And Family Size. The Variables Like Convenience, Security, Trust, Service Support, Flexible Transactions, Personalized Attention And Price Promotions Can Determine The Online Grocery Buying Behaviour Among The Customers (Jayashankara Prasad And Yadaganti Raghu 2015).

The Factors Which Can Impact The Behaviour Of Consumers While They Buy Grocery From E-Tailers Could Be Perceived Risk, Perceived Convenience, Perceived Cost And Perceived Enjoyable. Income Of The Customers Could Be Another Important Variable Which Can Change The Buying Behaviour Of Consumers Online (Vidhi Baheti And Leena Ajith 2015).

E-Grocery Buying By The Consumers Is Impacted By Various Perceived Risks Like Personal Information Risk, Product Risk, Financial Risk, Delivery Risk And Risk Of Receiving Substandard Products. The Above Said Risks Can Influence The Experience Of Consumers Online And Their Behaviour Will Be Altered (Shradha And Manish 2015).

The Study (Sajiz Nazir And Sheeba 2013) Found That Increase In Internet Usage Has Brought Many Benefits Of Buying Groceries From E-Tailers. Consumers Can Order Their Products With Ease And Have Many Options To Make Payment.

Hypotheses

Following Hypothesis Was Framed Based On Literature Review For The Study:-

Ho1- Saving Time While Buying Grocery Has No Favourable Influence On Frequency Of Buying Grocery Online.

H1 – Saving Time While Buying Grocery Has Favourable Influence On Frequency Of Buying Grocery Online.

Ho2- E-Grocery Shopping Behaviour Has No Relationship With The Age Of Customer

H2 - E-Grocery Shopping Behaviour Has A Relationship With The Age Of Customer

Research Methodology

A Structured Questionnaire Was Used For The Purpose Of Collecting Data. The Reliability And Validity Of The Tool Was Tested Using Cronbach Alpha. I Found That The Tool Is Dependable And We Can Use It In The Future Too.

The Beginning Of The Questionnaire Has Questions About Their Demographic Profile Like Gender, Age, Education, Occupation, Income And Marital Status Followed By Habits Of Internet Usage Of The Respondents Like How Frequently They Buy Online And What They Buy Online. The Second Part Included The Questions On Core Study And The Third Part Included The Factors Influencing The Consumer Perception Towards Online Shopping.

Likert Scale Ranging From 1= Strongly Disagree To 5 = Strongly Agree Was Used For The Purpose Of Data Collection. The Instrument Was Tested Using Cronbach Alpha To Check Reliability Of Scale. In This Study

The Reliability Statistics For 33 Items Was 0.77. Higher Reliability Shows That These Factors Are Highly Suitable For The Analysis.

Results

Most Of The Respondents Involved In The Study Are Male, Most Of The Participants In Survey Are In The Age Group Of 16-25, Most Of The Participants Are Post Graduates And Average Income Levels Are Between Rs. 10000 And Rs. 20000.

H01- Perception Of Online Shopper Is Dependent Of His /Her Gender

H1 - Perception Of Online Shopper Is Independent Of His/Her Gender.

Table 1
Testing Of Hypothesis 1

One-Sample Test

Test Value = 0

	T	Df	Sig.	Mean	95% Confidence Interval Of The Difference	
					(2-Tailed)	Difference
Gender	34.704	149	.000	1.380	1.30	1.46
Online Shopping Saves Time For Customers	71.208	149	.000	4.300	4.18	4.42

The *P* Value Is $<.05$ ($P=0.000$), We Reject The Null Hypothesis That The Sample Mean Is Equal To The Hypothesized Population Mean And Conclude That Perception Of Online Shopper Is Independent Of His/ Her Gender.

H02- No Particular Relationship Between Customer Service And Online Shopping.

H2 - Particular Relationship Between Customer Service And Online Shopping

Table 2
Testing Of Hypothesis 2

One-Sample Test

Test Value = 0

	T	Df	Sig.	Mean	95% Confidence Interval Of The Difference	
					(2-Tailed)	Difference
Frequency Of Shopping Online	33.423	149	.000	2.620	2.47	2.77

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Need Comparing 59.54 149 .000 4.180 4.04 4.32
 And Evaluating 5
 Facilities While
 Buying Online

The P Value Is $<.05$ ($P=0.000$), So The Null Hypothesis Is Rejected And That The Sample Mean Is Equal To The Hypothesized Population Mean And Prove That There Is A Particular Relationship Between Customer Service And Online Shopping.

The Factor Analysis Was Used On The Responses Provided By Respondents. Factor Analysis Is Helpful In Understanding The Factors Which Can Have An Impact On Important Variables.

Factor Analysis Of Data Was Done Using Varimax Rotation Procedure To Extract The Related Factor Loadings Which Present Both The Way The Variables Are Measured For Each Factor And Also The Relationship Between The Variables And The Factor.

Table 3

Rotated Component Matrix

Rotated Component Matrix^a					
Item		Component			
No		1	2	3	4
1	Website Designed Is Easy To Search And Buy Products	.794		.186	.144
2	Information Provided About Products /Services In The Website Is Accurate And Complete	.187		.616	.305
3	Website Design Attracts To Search The Products	.633	.256	.150	
4	Believe That Online Shopping Will Take Over Traditional Shopping In Future		.105	.261	.671
5	Buy Products From Website That Has The Replacement Policy	.149	.821	.108	
6	Online Shopping Saves Time For Customers	.645	.117		
7	Need Comparing And Evaluating Facilities While Buying Online	.181	.679		.209
8	Feels Safe And Security While Shopping Online	.176	.142	.711	.211
9	Better Offers And Discounts Are Provided By Online Sellers Than Traditional Sellers	.557	.219	.183	.115
10	Shopping Online Is Always Risky	.107		-.683	.107
11	Prefer A Website That Provides Better Customer Service		.768	.173	.179
12	Trust Online Sellers About Their Promises	.318		.631	
13	Prefer To Buy From Website That Provides Quality Information	.103	.129	.110	.733
14	Prefer To Buy From Website That Provides Safety And Easy Navigation And Order	.303	.260		.634
15	Hesitate To Provide Personal Details		.218	-.635	

Principal Component Analysis Under The Rotation Method (Varimax With Kaiser Normalization), Rotation Converged In 15 Iterations. The Following Four Components (Table 4) May Be Extracted: Component 1: Factor 1,3,6,9 (Website Design And Quality) Component 2: Factor 5,11,7 (Customer Service) Component 3: Factor 8,10, 5,12, 2 (Security In Online Shopping) Component 4 : Factor 13, 4, 14 (Trust In Online Shopping) The Rotated Component Matrix Suggests Presence Of The Four Interrelated Factors.

Table 4
Naming Of Factors

Factor Number	Component	Item No	Variables	Factor Loading
F1	Website Design And Quality	1	Website Designed Is Easy To Search And Buy Products	.794
		3	Website Design Attracts To Search The Products	.633
		6	Online Shopping Saves Time For Customers	.645
		9	Better Offers And Discounts Are Provided By Online Sellers Than Traditional Sellers	.557
F2	Customer Service	5	Buy Products From Website That Has The Replacement Policy	.821
		11	Prefer A Website That Provides Better Customer Service	.768
		7	Need Comparing And Evaluating Facilities While Buying Online	.679
F3	Security In Online Shopping	8	Feels Safe And Security While Shopping Online	.711
		10	Shopping Online Is Always Risky	.683
		15	Hesitate To Provide Personal Details	.635
		12	Trust Online Sellers About Their Promises	.631
		2	Information Provided About Products /Services In The Website Is Accurate And Complete	.616
F4	Trust In Online Shopping	13	Prefer To Buy From Website That Provides Quality Information	.733
		4	Believe That Online Shopping Will Take Over Traditional Shopping In Future	.671
		14	Prefer To Buy From Website That Provides Safety And Easy Navigation And Order	.634

From The Above Table We Can Understand That Customer Service Is The Most Important Among All The Factors Because Customers Look For Timely And Prompt Service Form Online Sellers Followed By Factors Like Website Design And Quality, Security In Online Shopping And Trust In Online Shopping.

Conclusion

It Is Understood From The Study That Most Of The Participants Involved In The Study Are Male, Most Of The Participants Are In The Age Group Of 16-25, Most Of The Participants Are Post Graduates And Average Income Levels Are Between Rs. 10000 And Rs. 20000.

Further It Is Understood That The Demographic Characteristics Of Customers Have An Impact On Online Shopping By The Customers. From The Study, It Is Interpreted That Perception About Online Shopping Is Influenced By Various Factors Like Customer Service, Quality Or Website, Security And Customer Trust Online Shopping.

Researchers Need To Conduct Further Study Into Understanding The Perception Of Customers Towards Online Shopping And Understand Which Factors Can Drive Them To Buy Products And Services From Online Sellers. This Can Help The Online Sellers To Design Their Delivery According To The Needs Of Customers.

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