

## **E-shopping Behaviour and Customer Satisfaction**

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### **Absrtact**

Indian e-commerce business is moving very fast and it is expected to surpass United States very soon. With the growing use of smart phone and internet Indian e-commerce sector is expected to grow to US \$ 200 billion by 2026 from US \$ 38.5 billion in 2017. Online sites and apps became the preferred mode of shopping for Indian customers. The timely and effective implementation of Digital India programme helps to grow the e-commerce business in India. This study is an attempt to investigate the factors influencing e-shopping behavior of Indian customers and also to understand the relationship between the factors that influence customer satisfaction. For this purpose initial data was collected from 272 respondents using a questionnaire created in Google forms and the data is analyzed using SPSS computer software technique version 16. Multiple regression analysis was done to check the hypothesis. Findings of this research shows that three variables that are customer reviews, speed of delivery and offers & discounts have significant relationship except one variable service quality of sellers has no significant relationship on influencing customer satisfaction. This research will help the Indian e-commerce business providers to plan strategies to increase their business and understand the issues of customers to create better relations.

**Key Words:** Customer Review, E-commerce, Customer Satisfaction, Offers& Discounts, Service Quality

### **1. Introduction**

E-shopping or online shopping is one of the most preferred modes of shopping in India (1). It is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser (2). According to the survey report published by IT Company Capgemini (3) with lockdown measures in place across India, there has been a rapid increase in the use of e-shopping channels and trend would continue even after the lockdown is lifted.

The Indian e-commerce industry has been on an upward growth trajectory and is expected to surpass the United States (US) to become the second largest e-commerce market in the world by 2034. India's e-commerce sector will reach US \$99 billion by 2024 from US \$ 30 billion in 2019. As most of Indians have started shopping online rather than shopping outside their houses, the Indian e-commerce sector witnessed an increase. Much of the growth, in the e-commerce industry has been triggered by increasing internet and Smartphone penetration. As of August 2020, the number of internet connections in India significantly increased to 760 million. Since 2014, the government of India has introduced various initiatives namely digital India Programme, make in India, start up India, skill India and the timely and effective implementation of such programmes will likely support the growth of e-commerce in India. Many

researchers have examined customer behaviour and customer satisfaction in connection to online shopping. Still few aspects are yet to discover regarding consumer satisfaction while shopping online. This study is an attempt to investigate the relationship of factors that influence customer satisfaction.

## **2. Literature Review**

This research examines the impact of customers review, speed of delivery, service quality of sellers, offers & discounts on the customer satisfaction of e-shopping among the consumers of Assam, India. A number of studies are being conducted in the past both in India and internationally on factors affecting consumer's choice on online shopping purchasing behaviour.

E-shopping trend is moving very fast in India as well as world. According to Anderson and Sarker (4) the benefits of e-shopping are money saving, time-saving, convenience and shopping through round the clock. The variables which were found important in previous studies, convenience, time-saving, reasonable price, buyers' education, buyers' income, buyers' age and buyers' occupation were not important in Andhra Pradesh, India (5) but faith in online shopping, online buying experience and social influence are found to be important factors.

Richa, D. (6) examined the effect of demographic factors of consumer on online shopping behaviour in India. This study revealed that demographic factors like age, gender, marital status, family size and income significantly affects the online shopping in India. Factors like level of education and level of income are also found important variables in India (7).

Customers' online review on e-shopping site affects purchasing behaviour in many ways. E-commerce sites generate reviews and put them in a way that customer can get the better idea of the product. According to Khalid Saleh (8), CEO and co-founder of Invesp, ninety percent of consumers read online review before purchasing any product from online store. Customers are likely to spend more on a product with excellent reviews. Eighty-six percent people hesitate to purchase from a business that has negative reviews. International big brands find it viable to sale their product through e-commerce as it is not economically feasible to open outlet in small towns. Increasing internet users in India helps to increase the demand of online purchase (9).

The service quality of sellers is important and necessary due to increasing customer expectations. Service quality affects the online shopping (10). Consumer confidence of online shopping service quality is the most suitable environment for consumer to build positive attitude toward online shopping activities.

According to Maria Haggerty, CEO of Dotcom distribution, e-commerce is taking over the retail market and so the online seller must ensure delivery of the packages that customers expect in the most personal way (11). Quick shipping increases customers trust with a brand. The speed of shipping loyalty is very important.

Offers & discounts are important component of e-shopping. E-commerce sites provide various offer & discount to attract customers. Researchers examined to the impact of offers & discounts that influence customer e-shopping behaviour. The results reveal that Indian customers are not impacted by offers & discounts provided by e-commerce site while shopping online (12).

## **3. Theoretical Framework**

The literature indicates that a number of factors are responsible for influencing consumers' e-shopping behaviour. E-shopping is an integral part of Indian economy with the growing numbers of internet users in

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India. Basically in the post lock down period, where going outside is a risky. E-shopping in India is moving very fast. The purpose of the present study is to examine the factors influencing the e-shopping behaviour and to understand the relationship between customers' reviews, service quality of seller, speed of delivery, offers & discounts and e-shopping behaviour in India. The present research model is formulated as follows:

### Research Hypothesis

H1: There is a significant relationship between customers review and customers satisfaction

H2: There is a significant relationship between service quality of sellers and customer satisfaction

H3: There is a significant relationship between speed of delivery and customer satisfaction

H4: There is a significant relationship between offers & discounts and customer satisfaction

### 4. Data collection and Data Analysis

In this study data was collected using a questionnaire created in Google forms from the respondents in Lakhimpur district of Assam, a north-eastern state of India. The questionnaire had three parts; the first part consisted of questions related to demographic characters of the respondents such as gender and age category. The second part of the questionnaire consisted of questions about the experience in previous online purchases where the questions were offered in multiple choices. The final part of the questionnaire consisted of opinion statements in connection to various aspects of online shopping and the customer satisfaction. All of these questions were measured on five- point scale (from absolutely agree, agree, neutral, disagree, and absolutely disagree). Data entry and analysis was performed by using SPSS technique computer version 16.

**Table 1**

Item		Numbers	Percentage
Gender	Female	162	59.56
	Male	110	40.44
Age	18-24	48	17.65
	25-31	119	43.75
	31-36	84	30.88
	Above 36	21	7.72
Occupation	Student	35	12.87
	Employed	134	49.26
	Self Employed	80	29.41
	Housewives	23	8.46
Frequency of e-shopping	Weekly	42	15.44

	Once in every two weeks	107	39.33
	Once a month	102	37.5
	Every two months	21	7.72

The current research which was conducted in Assam, India, a total of 272 respondents participated, of which 162 were female and 110 were male. Table 1 indicates that out of total sample (n=272) 59.56 percent consisted of female and 40.44 percent consisted of male. Thereafter, it indicates 17.65 percent of the respondents fall within the age of 18-24 years, 43.75 percent of the respondents falls within 25-31 years of age, 30.88 percent respondents belonged to the age group of 31-36 years while 7.72 percent falls above 36 years. It is found that greater number of respondents falls within 25-31 years which represents 129 respondents and followed by 31-36 years which represent 84 respondents. Majority of the respondents are employed, representing 49.26 percent of the respondents followed by self-employed (29.41 percent), students (12.87 percent) and housewives (8.46 percent). Regarding frequency of e-shopping, it was found that 39.33 percent of respondents did e-shopping once in every two weeks, which represents 107 respondents, followed by 37.5 percent once in every month, 15.44 percent once a week while 7.72 percent in every two months.

The main emphasis in this research was to investigate the relationship between independent variables and dependent variable. Cronbach's alpha coefficient measures internal reliability. Cronbach's coefficient alpha normally ranges between 0 and 1. The value of Cronbach's alpha is more than 0.6 which indicates the consistency of the variable is good and reliable.

**Table 2**

Coefficients table of Multiple Regression Analysis to accept or reject hypothesis.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.Error	Beta		
Constant	.0	.041		.00	1.
Consumers Review	.28	.059	.265	4.19	.00
Service quality of seller	-.0	.041	-.004	-.1	.91
Speed of delivery	.41	.057	.421	7.29	.00
Offers & discounts	.24	.053	.242	4.49	.00

Hypothesis 1: There is a significant relationship between consumers review and customer satisfaction. The result shows alpha value (0.05) is more the P value of Customer review (.00). Thus H1 is accepted.

Hypothesis 2: There is a significant relationship between service quality of sellers and customer satisfaction. The result shows alpha value (0.05) is less the P value of service quality of sellers. So, there is no significant relationship between service quality of sellers and customer satisfaction. So, we fail to reject the null hypothesis.

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Hypothesis 3: There is a significant relationship between speed of delivery and consumers' satisfaction. The results shows alpha value (0.05) is more the P value of speed of delivery (.00) and we reject the null hypothesis. Thus, there is a significant relationship between speed of delivery and customer satisfaction.

Hypothesis 4: There is a significant relationship between offers & discounts and customer satisfaction. The result shows alpha value (0.05) is more the P value of offers& discount (.00) and we reject the null hypothesis. So, there is significant relationship between offers& discounts and customer satisfaction.

So, H1, H3, H4 are accepted and H2 is rejected. This result shows that there is a significant relationship between customers review, speed of delivery, offers & discount and Customer satisfaction among consumers in Assam.

### 5. Conclusion

The purpose of this research was to investigate the factors influencing consumers' e-shopping behaviour and customer satisfaction among the people in India, specifically in Assam, a north eastern state of India. This research mainly examined the relationship between customers review, service quality of sellers, speed of delivery, offers & discounts and customer satisfaction in connection with e-shopping behaviour of consumers. Four hypotheses were formulated to check the independent variables namely customers review, service quality of sellers, speed of delivery, and offers & discounts of e-shopping. The findings indicated that three hypothesis were supported. This study confirmed that customers review was significantly and positively related to customer e-shopping satisfaction. The result is consistent and supported by Picazo-Vela (2009). The findings of this study showed that there was a significant relationship between speed of delivery and consumers e-shopping behaviour. Thus H3 is supported. This is supported by the Maria Haggerty (2016) CEO of Dotcom distribution. Hypothesis 4 is supported. This result established a significant relationship of offers & discounts on customer satisfaction among Indian customers while shopping online. This contradicts the earlier findings that Indian customers are not impacted by the offers & discounts provided by e-commerce site (Rakesh & Khare, 2012). Hypothesis 2 was rejected. The findings of this research showed that Indian customers are not impacted by the service quality of sellers. This result also contradicts with earlier findings (AI, Nasser, 2015).

The findings of this research have several implications for the e-commerce business providers. The present research will provide information to the e-commerce business providers on factors that influence Indian customers. E-commerce sites may consider the findings of this research as an input while planning strategies to expand their business and create better relations with customers. The present study was not without its limitations. Due to Covid-19 pandemic situation it was difficult to convince respondents to provide true information on e-shopping behaviour. The sample used also cannot be represented the entire population.

In conclusion, the results of this research may consider as a foundation for further study. This study helps to understand the importance of customers review, speed of delivery and offers & discounts on customer satisfaction of e-shopping. It is advised that further research on the same field may consider a more number of respondents representing various types of customers. Future researchers may consider the role of delivery executive along with other related aspects.

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