

An empirical study on online purchasing behaviour of women

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Abstract

Now a days increasing habit of computers e-commerce has come into sight as a sales channel and is growing swiftly in our country. Because of the elevated growth rate many business firms started their business online. This study is about behaviour of Indian women towards online shopping. The biggest barrier for online purchase, according to study is Difficulty in exchange of money i.e. suspicious mode of payment, Botheration about online deception and misuse of personal information. The largest benefit of shopping online is the convenience factor along with lower price and availability of product which are not available in their nearby areas. This study identifies some factors which affect the internet shopping behaviour like price, convenience to purchase and time saving. A number of factors identified which could boost the possibility for women's internet shopping at the age of 20-45 and explicit suggestions for marketers were given.

Keywords: e-commerce, Internet shopping, online business firms, online purchasing behaviour, online shopping, women

1. Introduction

In last 3 decades the usage of computers had boost-up all over the world. The invention of connecting computers worldwide brought revolutionary growth in the world of computers. This concept of connecting computers across the world is known as Internet. Along with development of World Wide Web (www), companies have seen an opportunity to start their business online. That is known as Electronic commerce. E-commerce is defined as; *"Maintaining business relationships and selling information, services and commodities by means of computer telecommunications networks."* (Encyclopaedia of Britannica, 2008) [1].

In India the e-commerce is growing rapidly. Even though the online sales makes-up a small portion of total sales in our country, but still it is an important area of research because of rapid growth rate. Online marketing is growing into an important medium for increasing sales volume that's why it is becoming significant for business firms to target their online customers. To cater the market demand the firms has to understand the reasons behind online shopping by the consumers, than only marketers will be able to design effective strategy. Indian online market had a growth of 88% in 2013, apart from the last few year's recessions in the economy, according to a survey by industry body ASSOCHAM.

The availability of more number of payment options and rising the use of the internet pushed the e-commerce industry in recent years. There are number of online shopping firms arouse these days to grab this opportunity. According to ASSOCHAM Secretary General D S Rawat the e-commerce industry was boosted up because of increasing Internet penetration and availability of more payment options. As per D S Rawat apart from electronics gadgets, home and kitchen appliances, apparel and jewellery, books, lifestyle accessories like watches, beauty products and perfumes, baby products etc. also shown significant upward movement during last year. Indian online market which was at \$2.5 billion in 2009, has achieved \$8.5 billion in 2012 and \$16 billion in 2013 with a growth rate of

88%. This has an estimation that Indian e-commerce market would be at \$56 billion by 2023. The Internet shopping had shown a fast growth rate because of attractive discount offerings, rising fuel prices and availability of larger range of products online. Age wise 35% of online consumers were found between 18 to 25 years, 55% between 26 to 35 years, 8% between 36 to 45 years and only 2% found in age group of 45 to 60 years. Along with this, 65% of online buyers found male and 35% were female.

As e-commerce is now in its beginning stage most of online seller firms are offering daily deals and discounts to attract more customers. The largely online sold products are found in fashion and electronics like jewellery, cosmetics, mobile phones, I-pads, accessories, MP3 players, digital cameras etc. In our country 150 million people are connected online up to last year and this number is continuously increasing at a fast rate. Among these people some of them are hesitant to purchase online because of some reasons like preference to research products and services online, higher delivery charges, fear of misuse of personal financial information and fear of delivery of products in good condition, and for few do not have a credit or debit card. E-commerce's Growth dependent on the availability and the popularity of the Internet. Usually women are more reluctant than men with regard to online shopping and younger people prefer more online shopping than older. So, older women were found least possible customer for online purchase. Researchers are to find the aspects of online shopping behaviours of women and how it can be improved. The boost of e-commerce has impact on various business firms to start their selling online. It is an effective strategy to grip younger target group to start website for e-commerce as they are regular users of internet. But for targeting older group the firms have to work harder in studying the purchasing behaviour, their need and wants and their fears about online shopping. This study focuses on the internet shopping behaviour of Indian women, along with factors that would impact an increase of their online shopping.

2.1 Definitions

Electronic business (E-business) - "The digital enabling of transactions and processes within a firm, involving information systems under the control of the firm" (Laudon & Traver)

Business-to-Business (B2B) e-commerce - "Online businesses selling to other businesses" (Laudon & Traver)

Business-to-Consumer (B2C) e-commerce - "Online businesses selling to individual consumers" (Laudon & Traver)

Electronic shopping / Internet shopping/ Online shopping - "The buying of goods or services over the Internet, using either a computer or an Internet television".

Electronic commerce (E-commerce) - "Maintaining business relationships and selling information, services, and commodities by means of computer telecommunications networks" (Encyclopaedia of Britannica, 2008) ^[11]

Mail-order - "Retailers offering all kinds of products that can be ordered over the phone. The goods are often delivered within forty-eight hours" (Kalakota & Whinston).

Shoppers - Based on the survey, the authors refer shoppers' to people who do have conducted an online purchase.

Non-shoppers - Based on the survey, the authors of this thesis refer to people who have never conducted an online purchase, as non-shoppers'

Web site - "A set of texts and/or images usually sharing a common theme, accessible via the Internet by keying in the address of the site, known as a uniform (or universal) resource locator (URL), or by using a hyperlink from another site".

2. Review of Literature

The researchers of this empirical study have reviewed earlier research within the areas of online shopping behaviour. There were no research found that have studied the online shopping behaviour of women in our country. Following earlier findings that are relevant to this study can be summarised.

- Investigating the communication and net-working abilities of women from a global perspective. *Gittler, M. A. (1990)* ^[14]
- Explores women's access to and knowledge of the Internet, across the world, and suggest concrete implications in order to increase women's engagement with new information technologies. *Harcourt, W. (1999)* ^[15].
- Recognise that marketers in the digital environment need to understand what drives men and women online in order to make web site decisions. Women and men differ in online needs and motivations. 5 male and 5 female type of Internet users are identified. *Smith, S., & Whitlark, D. (2001)* ^[31]
- Men and women are discovered to attribute high levels of concern regarding security of online payment, the confidentiality of their personal information and the integrity of the e-tailers. *Kolsaker, A., & Payne, C. (2002)* ^[20]
- Trust helps online consumers to overcome perceived risk and insecurity.
- This study implies that women are less emotionally content with online shopping than men are, this since women found it less convenient. Women also had less trust in online shopping than men. *Harris, M., & Rodgers, S. (2003)* ^[16]
- Women perceive it more risky to make online purchases

- than men. Women are slightly more affected by recommendations from friends concerning Internet shopping, both concerning perceived risk and purchasing intention. *Garbarino, E., & Strahilevitz, M. (2004)* ^[13]
- Older consumers find online shopping less convenient than younger do. Younger consumers search more frequently about product information than older do, but purchase to similar extent. *Sorce, P., Perotti, V., & Widrick, S. (2005)* ^[32]
- Trust is one of the most important factors for successful B2C E-commerce.
- A model is tested to see how it influences the attitudes and the online purchase intentions of males and females. A gender difference was discovered. *Chiu, Y., Lin, C., & Tang, L. (2005)* ^[4]
- Women do spend time chatting about and buying low-involvement products online. *Jack Neff, (2008)* ^[17]
- Advertisers think that products that are discussed on blog posts or in articles in traditional women's magazines will increase in sale due to the power of word of mouth.

3. Purpose

The main purpose of this research is to plot the present behaviour of women regarding online shopping. In addition to this, the study intend to find out and analysing aspects that might help the marketers and business firms in encouraging the target group to increase online shopping as means of purchasing.

4. Research Objectives

- To find out the level of usages of computer and internet by the women concerning online purchases.
- To find out the most important hurdles professed by women with regard to Internet shopping.
- To find out the significant advantages of internet purchasing to the women customers and their reasons.
- To find out the aspects those could be helpful in increasing the Internet shopping.

5. Result and Discussion

5.1 Usage of Computer and Internet by the women affecting the magnitude of online shopping

It was found from the research that online customers use computer and Internet more often than others. This leads to interpretation that higher usage of computer and Internet yield to a higher tendency of online shopping. From this study it was also found that online buyers rated higher the experience of computer than the non-buyers, which interprets that higher level computer experience relate to high online shopping. It was observed that some women do not purchase online because of lack of computer knowledge and fear of use of technology. The researchers found in the study about relation between age group of women and online shopping behaviour. The age group 46 to 55 found as having lowest interest in online shopping. The main reason behind this, according to them was to find difficulties to coping-up with technological changes and their inappropriate knowledge of computers. A correlation analysis was conducted to determine the correlation between 'usage of computer and internet' with 'online shopping level' which would be helpful to make a convincing conclusion. While analysing the results of the

research in the target group it would be appropriate to state that usage of computers and internet have a great impact on the quantity of online shopping for the women of age group of 20 to 45.

▪ **5.2 Factors which considered as most significant hurdles in online purchase**

The study depicts three main hurdles regarding online purchase which all women face whether they purchase online or not. In order of importance these are: Difficulty in exchange of money i.e. suspicious mode of payment, Botheration about online deception and misuse of personal information. As per research the Difficulty in exchange of money i.e. suspicious mode of payment was rated highest, but other were also important concerns for the online shopping and should not be ignored.

▪ **5.3 Important benefits regarding Internet shopping**

As per research it can be summarised that the main advantages to consumers regarding online purchasing were more opportune, followed by time saving and availability of various products at affordable rate which could not found in nearby stores. These benefits are further can be described as consumer need not to go to some farther place, he is just able to purchase from his place (home or office) by saving time, money and efforts. Apart from that consumer can find lots of variety of products and also those products which are not available in nearby areas at reasonable price. The women also expressed some other benefits i.e. availability of information about specific product like price, weight, size, colour, etc. with reviews and experiences of other consumers about product which would be helpful in choosing the product and taking decision of purchase. Apart from this they do not need to interact with salesman who may unnecessarily waste time or try to change their mind or try to fool them by his adulating talks.

▪ **5.4 Factors those increase the Internet shopping**

To attract women for online purchasing there are three main aspects viz. Price, Catalogue and Advertisement. Under price related aspects marketers or firms should regularly offer discount schemes, free home delivery, offering coupons and other seasonal schemes. From the study it is interpreted the customers expect lower price offerings from online marketers. Women of this age group also consider factors related to catalogue which attract online purchase. Catalogue of products attracts more than on a screen. Catalogue is encouraging towards sense of tangibility that generally not found in internet shopping, use of catalogue provide some base of providing detailed information about products. TV commercials and advertisement have also an important impact or reminder on target group of women. Catalogues are useful to direct the target group towards internet shopping by indicating the benefits of online shopping and lucrative schemes. Instructions, descriptions and information about products make it more attractive to the target group; here experiences, feed back, reviews, ratings and advices by actual user can easily found which become helpful to the target group for making purchase decision.

6. Recommendations/Suggestions

This study has objective to give suggestions to the marketers to develop effective marketing strategy to retain and gain the target group of women. Through the result from the empirical study as well as through the observation, some important factors have been observed that business firms who are selling their products through internet have to concentrate on target group of women.

It is important for business firms who are doing their business online to understand behaviour and experience of internet usage and their relationship between experience and online purchasing of target group of women. The computer literacy levels of higher age group women have lesser experience and usage of internet purchasing. This may be a big problematic situation to online business but some way it may survive. There are several ways to overcome the above said problem one of them is to display at offline stores about their website which is showing online availability of product and show procedure how they can purchase that particular product on it. By this way target group of women can reduce their nervousness and fear to connect with computers and internet purchasing. One another aspect is to take care about those customers who are unable to shop online and habitual to examine the product before actual purchase. As per study women of this age group find main obstacle concerning internet shopping is Difficulty in exchange of money i.e. suspicious mode of payment. It is important issue for both user and non-user of online shopping. To overcome this worried issue marketers should have to provide safe payment options to pay online. For this purpose online shopping firms require collaborations with different banks. The biggest advantage of internet purchasing to women is convenience. This terminology may be understood in the sense of time saving; no need to leave home and women can buy a product round the clock. Thus online business firms should emphasise on these above stated advantages of online purchases to attract target age group.

Online business firms save upon various kinds of expenditure so their overall cost is comparatively lower thus it is desirable that they should pass-on this benefit to their customer by keeping lower price. Generally the buyers of traditional retail shop believe that online firms should offer products at lower rate; otherwise there will not be any incentive to buy online. While making pricing strategy online business firms should carefully consider these aspects before going online. Along with pricing strategy online business firms should offer some schemes like cash vouchers or discount coupons which are redeemable on next online purchase, this may attract the women to shop online again. This would decrease the nervousness of women to buy online, if they buy once than likely to use again and again. Other related factors like free home delivery and cash back warranty may make enthusiastic to buy online.

In the research findings women identified online purchase is a good source of shopping and use of catalogue is helpful to make online purchase by providing full description about the product. A catalogue is working as a catalyst for women because it contains new seasonal products and offers and motivates them to purchase online. The usage of a catalogue for target age group would helpful to replace the ease of face to face selling, avoid physical efforts to bring a product from market to home and make comfort. The study evidences online business firms should use catalogues containing availability of

products for online sale so researchers recommends to online business firms to include usage catalogues.

The navigation of web shop should be clearly and easily to reach mentioned by websites. To get attention of women online business firms should make their website attractive. For online marketers like selling textile products are recommended to use or include browsers to motivate and advice of how to make and match various types of products on the website. They should also include some option and space on website for posting messages, interact with one another, writing reviews and experiences about products so that target group should feel confident. The marketers provide free customer care services which could be easily found whenever needed. The complaint handling should be effortless for the target group to avoid unnecessary irritation. Above factors are playing vital role since target group is worried about return and cash back policies. The study indicates aged women in our country do not prefer internet as an online shopping source, therefore online business firms should constantly convince them that online purchasing is not a tedious task where as it is a clear and easy way to buy the products. It makes aware to the target group about existence of the online marketer. For some kinds of products it would be appropriate to have a separate space on website for target group to write their suggestions and advices about products and their specific needs and requirements.

Word of mouth is having an impact on women to feel more comfortable and create willingness to buy online. Although world of mouth may not affect the buying decision yet it has some advantages to online firms to get and retain customers those who are buying online. This would helpful to target group make an objective judgment about the product whether to buy or deny. Allotted space for reviews on website would complement to the offered product. The website should be updated in above aspects and should be enriched with complete information about product, thus it could prevail over the deficiencies of online shopping.

7. Conclusions

This empirical study establishes the proof about the regularity of use of internet and computer along with its relation with the online shopping by women of age group of 20 to 45. Intensive use of internet and computer is positively correlated with online shopping. Three main hurdles regarding online purchase which all women face whether they purchase online or not. In order of importance these are: Difficulty in exchange of money i.e. suspicious mode of payment, Botheration about online deception and misuse of personal information. These above stated obstacles found interrelated with one another having influence on each other. The hurdle of Difficulty in exchange of money or suspicious mode of payment means fear of losing money in online payment procedure and fear of not getting the desired product. These worries mostly related with the inability of banks and financial institutions to present safe payment options. Convenience of purchasing and time saving was considered as more significant advantage by the women. Apart from that they can find lots of variety of products and also those products which are not available in nearby areas at reasonable price. The reason behind most important benefit as 'Convenience of purchasing' and 'time saving' is busy schedule of women. The study is an attempt to find out the factors which can improve the online shopping habits among the women of this age group. These factors were divided

among three areas and first area was factors related to Price. Under price factors offering the products at lower price and low price marketing activities are included. The second factor was identified as catalogue related factors, which indicates that if online business firms issues catalogue than it would have a positive impact on women and attract them towards the internet purchasing. The third one was identified as advertisement related factors, which continuously work to motivate the women towards online shopping. The area of online shopping behaviour of women is interesting from the research point of view, because it covers a big portion of demographics, having large purchasing power and it is increasing at a fast rate every year. This research could turn into the foundation for thoroughly focused research because of core reasons why women are having or not having at certain level of habits to purchase online. The objective would be to find methods to convert marketing strategies to further increase the online shopping behaviour of women.

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