CHAPTER – II

RESEARCH METHODOLOGY

2.1. INTRODUCTION

The internet was hyped as a revolutionary tool of the twentieth century like the telephone and television. Today, internet has virtually become a household name in India. In a short span of time, Internet and World Wide Web has been viewed as the most vital medium for information, entertainment, communication and commerce. Today, internet has become a necessity for everyone. With the proliferation of Internet, the E-commerce and e-business concepts have expanded. Therefore, a boost in the expansion of the internet in the country will not only help countries to become a vital player of the emerging global economy, but will also enable the citizens of the country to avail the benefits associated with the web technologies.

Over the years, internet has reached to the lower strata of the society and to the smaller cities as well. Initially internet was restricted to homes of the rich class, but with the falling of PC prices and telecommunications rates, internet has found its way to the middle income class as well. Internet has added a new channel for many businesses to reach out to their customers, suppliers and business partners. With this, customers and organisations are doing business transactions over the internet medium. For the new generation or the tomorrow’s customer it has become the first search stop. It is more important for all kinds of businesses to be on this medium. If these businesses do not appear in the search results of their prospective customers, it simply means they do not exist for them. In this competitive environment, businesses cannot afford to lose a single customer.

In the emerging global economy, e-commerce and e-business have increasingly become a necessary component of business strategy and a strong catalyst for economic development. The integration of Information and Communication Technology (ICT) in business has revolutionised relationships within organisations and those between and among organisations and individuals customers. Specifically, the use of ICT in business has enhanced productivity, encouraged greater customer participation, and enabled mass customisation, besides reducing costs.
With developments in the internet and web based technologies, distinctions between traditional markets and the global electronic marketplace – such as business capital size, among others – are gradually being narrowed down. The name of the game is strategic positioning, the ability of a company to determine emerging opportunities and utilise the necessary human capital skills, such as intellectual resources to make the most of these opportunities through an e-business strategy that is simple, workable and practicable within the context of a global information and new economic environment. With its effect of levelling the playing field, e-commerce coupled with the appropriate strategy and policy approach enables small and medium scale enterprises to compete with large and capital rich businesses.

The methods of conducting business have changed since the inception of business communities. It has changed from the barter system of the initial period to the e-business. This change happened with the growth and integration of ICT into businesses. Today’s business enterprises are in the process of major transformation in order to meet the challenges of network economy. We are all living in a period of profound change and transformation of the shape of society and its underlying economic base. All economies, however simple, are based on Information and Communication Technology (ICT) based business models, but the degree of incorporation of technology into economic activity may differ.

Electronic commerce, commonly known as E-commerce or ecommerce, is trading in products or services conducted via computer networks such as the Internet. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web at least at one point in the transaction's life-cycle, although it may encompass a wider range of technologies such as e-mail, mobile devices, social media, and telephones as well.

Electronic commerce is generally considered to be the sales aspect of e-business. It also consists of the exchange of data to facilitate the financing and payment aspects of business transactions. This is an effective and efficient way of communicating within an organization and one of the most effective and useful ways of conducting business.
2.2. M-COMMERCE

Mobile Commerce (M-Commerce) means the use of wireless digital devices to conduct business transaction over the web. M-commerce involved the use of wireless devices like mobile phones, hand-held devices and networks like wire or wireless or mobile. Instead of using computer based Internet connectivity, it uses the mobile based internet connectivity. Once connected, the user can conduct the business transaction in the same manner as it does using computers. Since the penetration of mobile technology is increasing faster as compared to computer penetration, M-commerce has become quite popular among users who are more on the move. The Indian marketplace has shown a huge shift from physical to e-commerce in the last five years and so it is just about time for a significant shift to m-commerce now. Better mobile shopping experiences, improved mobile connectivity, faster wireless data speeds and the ability to do this anywhere are factors that have been the cause of the shift to mobile shopping. Increasing affordability of smart phones, special mobile sites and apps, improved data coverage, lower cost of mobile data plus the overall mobile ecosystem in general have created favourable conditions for m-commerce to grow impressively in the country. As mobile wallets become more prevalent and mainstream, it will make m-commerce even more seamless. With 80 per cent year-on-year growth in smart phones (according to IDC) and more than 150 million mobile internet users (according to IAMAI). When designed well, mobile experiences (both app and web) can be far more engaging and can drive better conversion and impulse buying. A well-designed mobile app brings in even better stickiness and represents a committed set of loyal consumers. One can leverage the full power of the mobile feature-set to drive engaging and rewarding experience for the consumers.

2.3. CONSUMER PERCEPTION

Perception (from the Latin perceptio, percipio) is the process of attaining awareness or understanding of the environment by organizing and interpreting sensory information. All perception involves signals in the nervous system, which in turn result from physical stimulation of the sense organs. Perception is not the passive receipt of these signals, but can be shaped by learning, memory and expectation. Perception depends on complex functions of the nervous
system, but subjectively seems mostly effortless because this processing happens outside conscious awareness\textsuperscript{6}.

An individual behaviour is often connected to his to her perceptions and may not be based on the ‘actual’ or reality. For a marketer also, understanding of the consumer behaviour is very important. The behaviour of the consumer at the market place depends on what he ‘thinks as a reality’ or on his perception and knowledge about the world around him. This perception may be based on sensations from the outside world which in turn may be influenced by past experience or learning, expectations, fantasies beliefs, values, personality etc.

**2.4. CONSUMER SATISFACTION**

In a competitive market place, consumer satisfaction is a key differentiator and therefore has increasingly become a key element of business strategy. Within organizations, consumer satisfaction ratings can have powerful effects. Furthermore, when a brand has loyal customers, it gains positive word-of-mouth marketing, which is both free and highly effective. Therefore, it is essential for business to effectively manage consumer satisfaction. To do this, firms need reliable and representative measures of satisfaction.

Consumer satisfaction is a measurement or indicator of the degree to which consumers or users of an organization’s products or services are pleased with those products or services. In short, consumer satisfaction is the level of satisfaction provided by the goods or services of a company to a customer as measured by the number of repeated consumers\textsuperscript{7}.

**2.5. SERVICE QUALITY**

The intangibility of many services means that it can be very difficult for service quality to be measured and assessed. Inseparability of the service itself from the service provider highlights the role of people in the service transaction, and their influence on quality levels. The heterogeneous nature of service means that a service is never exactly repeated and will always be variable to some extent. The perishable nature of services can lead to customer dissatisfaction if demand cannot be met\textsuperscript{8}.

**2.6. SERVICE QUALITY GAP**
The gaps model positions the key concepts, strategies, and decisions in services marketing in a manner that begins with the customer and builds the organization's tasks around what is needed to close the gap between customer expectations and perceptions.

The central focus of the gaps models is the customer gap, the difference between customer expectations and perceptions. Firms need to close this gap – between what customers expect and receive – in order to satisfy their customers and build long-term relationships with them. To close this all-important customer gap, the model suggests that four other gaps – the provider gaps – need to be closed.

2.7. STATEMENT OF THE PROBLEM

The major problem with the e-commerce is lack of privacy and security in transaction. To be secure, has to follow some guidelines. Online Shopping is good as it provides good user experience, huge variety of products, saves time. Moreover this is good for the people having no time to shop for themselves.

From the extensive survey of available literature it has been identified that not many research works have touched upon the “E-COMMERCE” especially in India, Moreover it has been observed most of the studies have concentrated on specific domain like internet banking etc. not in overall business to consumer e-commerce, Hence an attempt has been made to conduct research on CONSUMER PERCEPTION AND SATISFACTION WITH SERVICE QUALITY OF ONLINE STORES (E-COMMERCE) IN ANDHRA PRADESH.

2.8. NEED FOR THE STUDY:

E-commerce sales in India are expected to rise from $12 billion to $30 billion in 2016. 92% of India's 252 million internet users are mobile. Share of mobile internet users in total internet user base was 69% in 2012. It is expected to rise to 87% in 2016. Today, 90% of all media interactions are screen-based via smart phones, laptops, television and tablets. Mobile sites and apps are driving e-commerce. 91% consumers use apps and sites during their purchase journey. Re-targeted mobile ads can boost ad response by 6x. Share of mobile for leading e-com players (%). In travel: Yatra.com 35, ibibo 35. In e-tail: Snapdeal 60, Amazon 35. Others: OLX 75, Freecharge 80 Paytm 54. The industry is estimated to be worth about $13 billion, or
approximately Rs 76,700 crore (according to a study by KPMG and the Internet and Mobile Association of India). E-commerce as a new business model is fast emerging taking away the business from Brick and Morter shops. Inview of the growing online business there is a need to study the consumer perception, attitude and satisfaction with online stores and also to know the service quality gap. The main benefit of using E-commerce is consumers can shop 24/7. This technology is helpful for people who are busy in their life and do not have time to walk around shops and purchase. People can easily compare the prices of products. If it is affordable and reliable people can buy the product or leave. It is more convenient. Huge varieties and models are there. According to people choice they can pick up the products. Hence an attempt has been made to study CONSUMER PERCEPTION AND SATISFACTION WITH SERVICE QUALITY OF ONLINE STORES (E-COMMERCE) IN ANDHRA PRADESH.

2.9. REVIEW OF LITERATURE

The aims of the literature review are much more than a mere survey of the information that results in a list of items representing some literature on the area of study. It is understood that the literature review is more of a “research facilitator”, because it influences the research at many stages of its development, from its inception to the conclusions.

The literature review provides a conceptual framework to be built in which facts, relationships and findings of this research study can be placed and it helps to refine and introduce ideas that are relevant to the scope of the study. It should also be noted that the literature examined relates to studies in other countries, and it can be used because it relates to the study undertaken.

Fayu zheng examined the impact of internet shopping on consumer behaviour by conducting survey. He summarized the respondent’s experience of Internet use, the purpose of using Internet, the product categories which consumers purchased online, attitudes to Internet shopping, and feedback for E-commerce web sites. In his study he described about the shopping attitude of different culture in the countries like US and China. The Author mainly focused on the factors from the Internet and examines those factors that affect the consumer’s online shopping behaviours.
Alev M. Efendioglu, Vincent F. Yip, William L. Murray, conducted study on 252 individuals to identify some changes that will be required for broader acceptance and diffusion of e-commerce in China and propose approaches that businesses can use to enhance this development. The study participants resided and worked in different regions and for different types of organizations, and had different educational levels, professions, and gender. Authors mainly concentrated on the factors impact on cultural and non infrastructure related issues. The key finding of the study was that even though a developing country government may make the necessary investments in infrastructure, unless the e-commerce industry participants understand and address the cultural issues that are unique to that country and relate to off-site transactional process.

Taweerat Jiradilok, Settapong Malisuwan, Navneet Madan, and Jesada Sivaraks(2014) in their study discussed about the importance and benefits of E-Commerce in Thailand. The results of this research will increase researcher’s comprehension on difference in factors that influence online purchase intentions of experience and inexperienced online purchasers. The entire research utilized a quantitative method to test the conceptual framework of customer satisfaction that leads to online purchase intentions for all online users, experienced online purchasers and inexperienced online purchasers. The interesting finding is that the results show that variety, website system quality, and tangibility have no influence on purchasing intention in customer’s decision even though the respondents were quite satisfied with these dimensions.

Dr. Anukrati Sharma(2013), made an attempt to study the recent trends, influences, preferences of customers towards e-commerce and online shopping and to give the suggestions for the improvement in online shopping websites. The author stated that Today almost every big company has adopted these technologies to increases sales, to make branding all over the globe. Online shopping in India saw a 128% growth in interest from consumers in 2012 as compared to the previous year, according to a new report. The growth was only 40% between 2010 and 2011, said the report compiled by Google and TNS Australia.

Ankita Pahuja had discussed some potential competitive issues and international cases where anti-trust issues have come up in E-commerce markets.
Yannis Bakos. Henry C. Lucas, Jr. Wonseok Siva Viswanathan (2005), developed a game-theoretical mode to analyze the impact of e-commerce on retail brokerage industry. The research had challenged the dominance of traditional brokerages. They found that as consumers’ willingness-to-pay for research declines, the incumbent found it optimal to unbundle its offering when competing with the online entrant. They also find that the online entrant chooses a lower quality of trade execution when faced with direct competition from the incumbent’s unbundled offering.

Arjun Mittal (2013), in his study discussed the actuality of internet shopping on consumer behaviour. The main finding of the study shows that that internet consumer trust and perceived risk have strong impacts on their purchasing decisions. Consumer’s trust, privacy concerns, security concerns are the major factors for using internet for shopping, the trust on websites influence to the purchasing decision of any consumer. The author suggested how e-commerce makes marketing strategies according to the research data and analyzing result.

Muhammad Awais and Tanzila Samin (2012), in their research paper they discussed the SWOT analysis of E-commerce. E-commerce can enhance economic growth, increase business opportunities, competitiveness, better and profitable access to markets. Cost effective, time saving is the main strengths and fraud, security is listed as the main weakness of e-commerce.

Ali Acilar (2011), explored the positive attitudes of UG students towards e-commerce and also described the relation between students attitude and their demographic factors like age, gender and income. Author finds that there is a positive correlation between income level and positive attitude toward online shopping.

Yuan Gao (2009), proposed an integrated framework inking five factors of consumer perceptions of e-commerce with attitude toward e-commerce and the perceived value of e-commerce. The framework was tested through a field study.

Abu Bashar and Mohammad Wasiq (2019), explained customer relationship management as an effective business strategy to achieve success in the electronic market. The main objective of the research is to study the influence of e-satisfaction on e-loyalty. The objective of this research is to
study the impact of emotional state and perceived risk of remote purchase on e-satisfaction during the Internet shopping.

Ashok Kumar Chandra and Devendra Kumar Sinha (2013)\textsuperscript{20}, conducted study in Bhilai-Durg cities to know the factors influencing online shopping behaviour of Indian consumers. However, there is very limited knowledge about online consumer behaviour because it is a complicated socio-technical phenomenon and involves too many factors. To investigate these hypotheses 100 questionnaires dispersed among the citizen of Bhilai-Durg (Twin City). From the survey they find that the consumer has been facing psychological risk, such as disappointment and frustration of shopping online, which is mainly caused by the privacy information lost.

Guo Jun and Noor Ismawati Jaafar (2011)\textsuperscript{21}, provided findings that are useful in understanding the consumers online purchasing behaviour. In this study, perceived usability, perceived security, perceived privacy, perceived after-sales service, perceived marketing mix, and perceived reputation were used for analysis. The authors also examined the relationships between these factors. The main key finding is that marketing mix and reputation are the main reasons of influencing consumer’s attitude on online shopping.

Zuroni Md Jusoh and Goh Hai Ling (2012)\textsuperscript{22}, study investigated how socio-demographic (age, income and occupation), pattern of online buying (types of goods, e-commerce experience and hours use on internet) and purchase perception (product perception, customers’ service and consumers’ risk) affect consumers’ attitude towards online shopping. Convenient sampling method used for this study.

Prashant Singh (2014)\textsuperscript{23}, made an attempt to study the attitudes of Flipkart users towards online shopping. The main implications of the author are Flipkart offering best prices, good products and completely hassle-free shopping experience for our customers. Author felt that the success of any e-tailing company in India is depending upon its popularity, its branding image, its unique and fair policies, and its customer relations. He also stated that loyalty, commitment, and reliability e-tailer most of the respondents (User’s) give positive responses/view for this e-tailer (flipkart.com).
A G Anikhindi (1995) conducted a study of computerized cost-based information system for decision making in selected organizations from Kolhapur district. The researcher selected four sectors: private, public, service, and cooperative. During his research, he concluded that private organizations are ahead in using computer-based information systems, while others are lagging behind. The researcher suggested a model for a computer-based information system and observed that the benefits of computer-based information systems in private organizations are:

1) Reduction in cost and product life cycle
2) Inventory control
3) Optimum utilization of capacity
4) Decision making is more effective.

Shwu-Ing (2001) conducted research to identify the benefit needs to segment the online marketing market. Focus groups and a random sample survey were used to search for consumer benefit needs. The online marketing market was then segmented using the benefits sought by consumers. The results showed that the different segments have significant differences in the benefits sought, lifestyles, and demographics, etc. Thus, the benefits sought are an effective segmentation variable for the online marketing market. Based on the benefit segmentation results, marketing managers can focus on one or a few segments that show salient consumer preferences for the benefits provided by their products or services. Satisfying the consumer's needs produces company success.

Chary and Christopher (2003) stated that e-commerce is today providing the infrastructure to communicate and share information between buyers and sellers. However, the main drawback in India is that most of the Indian consumers are from rural, backward areas, and they are not aware of electronic transactions. Also, in urban areas, most of the consumers are not aware of this. So, with these factors, can we think that e-commerce in India is going to affect beliefs, values, culture, preferences, and fashions of consumers? The major challenges are technology component, internet infrastructure, and payment-related issues. The answer to these challenges posed by the Indian market essentially lies in cyber retail networks (networks of retail outlets on the net) connected through very small aperture terminals (VSATs).
Venkatesh and Balachandran (2004) quality internet marketing can result in reduced advertising cost, attract qualified traffic to website, increase global brand exposure, growing customer base, increase sales, improved product branding, more customer to the business and increase branding of company and customers. There are just a few techniques that can help to retain customers; Trade news feeds, E-mail newsletters, E-advice, free software, Free electronic greeting cards, Free articles and reports and Chat rooms.

Sheth (2005) examined two issues e-marketing in an international context and developed a framework that will allow researchers and managers to understand the impact of country level effects on e-marketing strategies. It proposes that the evolution of e-marketing strategies is based on the country’s infrastructure and marketing institutional development. It is found that international e-marketing strategies are fundamentally changing, and will continue to change, marketing thought and practice in international markets.

Jenson (2006) addresses the issue of whether there is a need for better online marketing communication planning and prioritisation methods, particularly for B2B companies. It describes the result of an empirical study among larger Danish companies. The work looks at differences between B2C and B2B companies, regarding the importance of Offline and online disciplines, online spending and usage of methods for online communication prioritization.

Gilmore et.al (2007) is to report on a study that re-examines the impact of the internet on small to medium-sized enterprise marketing activities, following a similar study four years earlier (2000) in order to see what, if any, changes have occurred. A qualitative research approach was adopted using one to one, in-depth semi-structured interviews with the marketing managers or IT professionals of ten small and medium sized enterprises (SMEs) who were directly involved in introducing the internet and e-marketing activities within their respective company.

Haque et. al. (2007) in a study tried to establish relationship between the potential sales and consumer attitude towards online shopping, product characteristics, and familiarity and confidence as objective of the study. Six attributes considered in this study to construct overall consumer attitudes toward online shopping. The results revealed a positive relationship between potential of online sales and consumer attitudes and familiarity and confidence based on the
positive coefficient values. In addition, results also showed the measuring overall consumer attitude toward online shopping and highlighted the target customers who have higher attitudes towards online shopping; selling online is more likely to be succeeded.

**Jha (2008)**\(^{32}\) stated that in India, internet usage growth rate is very high but the penetration level is very low. Similar is the case in one of the North-eastern states of India, where number of internet users is increasing day by day. This study employs Uses and Gratification Theory to find out the Internet usage among the students. Data are collected from 200 samples which consist of almost equal number of male and female students. The findings of the study reveal that gender, monthly household income, and education determine the usage pattern for several purposes on the Internet. Identification of these variables among the Internet users provides opportunities for the advancement of the business of internet access services in India.

**Ramalingam (2008)**\(^{33}\) has made an attempt to study the behaviour of buyers towards online shopping. The sample of 150 respondents was selected from various centres in around Madurai. It was found that majority of respondents interested in online shopping fall in the age group of 25-40. Male respondents dominated in online shopping while comparing with females. The predominant buyers are having monthly income of less than Rs. 10000. Majority of respondents purchases are for their own use. CD/DVD is the frequently purchased by most of the respondents. Occasional shoppers are more in the numbers. Time saving is the main reason for purchasing through online.

**Rishi (2008)**\(^{34}\) discussed the use of Internet is catching up and online shopping is considered as a relevant alternative channel for retailing in India, and it is now important part of the retail experience. He has conducted an empirical study basically based on the primary data but secondary data have also been collected from various sources (published and unpublished) including websites. The sample was selected from the National Capital Region as this region is among the first regions of India where large number of buyers buy online (ASSOCHAM, 2005). The sample has been selected from youth population as this group of people actually use internet
to buy online. The study highlights that Convenience, Accessibility, Scope, Attraction, Reliability, Experience and Clarity are the important factors considered by the online shoppers.

Mamdouh T. AL Ziadat, Malek M. AL-Majali, Ayed M. Al Muala and Khaldoon H. Khawaldeh (2013) attempted to determine the success factors in improving users’ attitude towards e-commerce in Jordan with the help of technology acceptance model (TAM). The research model comprises of four independent variables namely perceived usefulness, perceived ease of use, awareness and trust, and on dependent variable namely consumers’ attitude towards e-commerce. Moreover, this study can be applied to a large sample in various areas.

Saad Akbar and Paul TJ James in their study, the buyer decision factor proposed by Kotler and Armstrong (1997) was adopted. This study believes these 9 factors including Search engines, Online shopping malls, Auction websites, Convenience, Price, Brand, Security, Promotion and Refund might be suitable to explore and analyze consumer online behavior. The limitation of this study is that the researcher is unable to deal with every employee directly by interview.

Gurvinder S Shergill and Zhaobin Chen (2005) in their study mentioned about four types of online New Zealand buyers has a different perception of specific website elements and website factors. Regular online buyers were much more satisfied with website variables and website factors than the other online buyers. On the other hand, trial online buyers had the poorest perception of online shopping. According to authors, website security/privacy, website design, website reliability/fulfilment and website customer service are the four dominant factors which influence consumer perceptions of their online purchasing experiences. The research findings indicated that each of the four website factors identified has a crucial influence on all online buyers’ perceptions of online purchasing.

Tam Ka Wai (2012) study puts the focus on the discussion of Apps-development for general apparel retailers, in which possibility exists that tactics of Apps development is different among retailers, subject to their own natures including products types, price ranges and target market. The finding might provide general salient implications for apparel retailers on Smartphone Apps development.
Narges Delafrooz (2009)\textsuperscript{39}, proposed a framework for enhancing the understanding of consumers’ attitudes toward online shopping. The findings suggest that utilitarian orientations, convenience, price and wider selection are an important determinant of consumer’s attitude toward online shopping. Moreover they have a significant positive impact on consumers’ attitude toward online shopping. Consumers’ personality tendency was shown to affect their attitude toward online shopping. The findings of the study also implied that consumers are looking for more convenience (time and money saving), cheaper prices and wider selection when they shop online, making them as the dominant factors that motivates online consumers in Malaysia to shop online. Consumers who value the convenience, prices and wider selection of Internet shopping tend to purchase more online and more often. the author suggested that online retailers need to provide more conveyance and competitive price and more variety products in order to attract online shoppers to their websites and encourage them to make a purchase decision.

Ruchi Nayyar and S. L Gupta (2011)\textsuperscript{40}, revealed that Men adopt computer technology much faster than females. In comparison to females, males are more prone to participate in internet activities predominantly emailing, information search or downloading and purchasing activities. Females exhibit a higher degree of computer nervousness and techno-stress than males. Age has also been found to have an influence on internet retailing adoption. Internet usage has not diffused uniformly amongst all age groups, hence the difference in attitude towards online purchase.

Ankur Kumar Rastogi (2010)\textsuperscript{41} highlighted the consumer perception towards online shopping is better in India. Maximum numbers of respondents feel that online shopping is having easy buying procedures; others think that they can have wide variety of products, Lower price of the products, various modes of payments etc. Most of the respondents think that Availability of online information about Product and Services is excellent. Most of the respondents purchase the products 2 to 5 times annually. The main limitation of the study is that findings may not be applicable to other countries of the world because of socio-cultural differences.

Muhammad Umar Sultan and MD Nasir Uddin (2011)\textsuperscript{42}, study has focused mainly on two research questions, i) what are factors that influence consumers to shop online and to see what factors are most attractive for Gotland online shoppers. ii) Who are online shoppers in terms of
demography? We foresee that our findings will give a clear and wide picture to online retailers and will help them understand the specific factors that influence consumers to shop online, so they can build up their strategies to cater online shoppers in Gotland and in Sweden.

**Wen Gong, Lynda M. Maddox, Rodney L. Stump(2011)** study investigated the perceptions of online consumers in China and the U.S. toward online shopping. A total of 503 Chinese consumers participated in a nationwide Internet survey in China and the results were compared to the data revealed by Pew Internet and American Life Project. Findings indicate that Chinese and American consumers hold significantly different perceptions regarding the relative advantage, ease of use, and risk of shopping on the Internet.

**J Suresh Reddy (2003)** Marketing is one of the business function most dramatically affected by emerging information technologies. Internet is providing companies new channels of communication and interaction. It can create closer yet more cost effective relationships with customers in sales, marketing and customer support. Companies can use web to provide ongoing information, service and support. It also creates positive interaction with customers that can serve as the foundation for long term relationships and encourage repeat purchases.

**V.Kumar and Denish Shah (2004)** have mentioned, the internet is fast emerging as a domain sales channel. The Internet is expanding and it influences consumer which shifts the consumer behavior. It has changed the way product awareness is created, developed new modes of product consideration. It also creates new means of purchasing products. This has brought new opportunities, challenges and threats (in the form of competition) to both existing and new business.

**Scott F. Geld (2003)** has defined Marketing as 'whatever you do to promote and grow your business' including market research, advertising, publicity, sales, merchandising and distribution. With traditional marketing techniques all of these things are delivered in print format or in person. Internet marketing however, uses the power of online networks and interactive media to reach marketing objectives...no paper, no telephone calls, no in person appearances. Internet marketing can save your time, money and resources.
Peter J. Danaher and Guy W. (2003) in this research article the factors that might impact on web advertising recall and recognition. These factors include the viewing mode, duration of page viewing, and web page context factors, including text and page background. Complexity and the style of the banner advertisement. Via an experimental design conducted on a student sample, these factors are manipulated at several levels. The key finding is that the longer a person is exposed to a web page containing a banner advertisement, the more likely they are to remember that banner advertisement. It has been found that recognition scores are much higher than both unaided and aided recall scores.

David M. Walters conducted study on staff and students from a UK University to ascertain their attitudes to grocery shopping both off and online. The findings indicate that, whilst the vast majority of the people in the sample have experience of on-line shopping, very few actively engage in on-line grocery shopping. This paper highlights some of the reasons for this and suggests the key issues relate to consumer trust and confidence in both off-line and on-line aspects of the service. If these issues are addressed, it is proposed that more people would be encouraged to shop for groceries on-line.

Namita Bhandari and Preeti Kaushal (2013) explained how internet penetration improving in the country, smart phones becoming affordable and lifestyles becoming hectic, the way people used to shop are changing. Also with a huge chunk of young and working population, Indian demographics are a delight for e-commerce retailers. But to gain the trust and attention of Indian consumers in this virtual shopping world there are many aspects of consumer behaviour which need to be explored. What exactly is Indian consumer thinking when he is buying online, what are his expectations, apprehensions, anxieties and phobias which e-retailers need to overcome. Is an Indian online consumer comfortable with the click-of-the mouse buying, any improvements or areas which he thinks need to get addressed, any specific part of online buying which delights him. To answer such queries the present study gives an insight. This study aims to identify the main factors which an online buyer considers while making online purchases by using factor analysis. The results have shown various reasons like trust, information, convenience, experience, effortless shopping and bargain because of which consumers do online shopping.
Manouchehr Tabatabaei,\textsuperscript{50} had found Online shopping has already influenced shopping patterns and is expected to influence even more in the future with improvements in technology. Online shopping has made shoppers more knowledgeable than ever before. Consumers are becoming more efficient by shopping online and more effective because of ease of information accessibility online. Many shoppers go online for research purpose rather than purchase purpose. Prices and features of products can easily be compared to make an informed purchase decision. Information on products can be obtained from anywhere at any time. The purchase is then made online or from a more tradition store. Especially for more expensive purchases, shoppers tend to take advantage of the availability of information online, replacing traditional methods of going from store to store in order to compare prices and look for the best buy.

Dr. Sanjay Hooda and Mr. Sandeep Aggarwal(2012)\textsuperscript{51} conducted study in Jaipur city to find the consumers attitudes towards online shopping. Personal information privacy should be given preference by the companies involved in online marketing of product and services. The other major concern among people includes authenticity of product and services offered online. Companies involved in online trading should focus on building their brand awareness among people so that trust-worthy relationship can be developed between producers and consumers. On-time delivery of products purchased through online shopping will prove to be quite beneficial in a long run. Significant price-cuts should be offered to customers as there are relatively no/lesser intermediaries involved as far as e-marketing is concerned. Currency fluctuation should be dealt with great care and steps should be taken both by government and companies so as to reduce currency fluctuation to its minimal. Promotional schemes should be launched to promote e-marketing business. 68% of respondents found shopping from shop easier, convenient and preferable over online purchasing.

Pringal Soni (2013)\textsuperscript{52} discussed the reasons for attracting consumers for online shopping. A good shopping experience and value for money becomes the initial motivation for choosing shopping destination. With the advancement in internet technology, the connectivity of customer to internet becomes very easy. With lot of pros with comparison to in store shopping, customer started purchasing online. Price and offer’s become the first most important factors to attract customer to shop online. The customer also seeks convenience in shopping, which he gets as in
terms of shopping sitting at home, saving time, wide variety, prompt delivery, cash on delivery, money back guarantees, well established customer service centres.

**Adil Bashir (2013)** study was accomplished to determine the consumer behavior in Pakistan towards online shopping for electronic products. Online shopping is increasing in Pakistan but acceleration of online shopping is not as rapid as compared to other developed countries like USA and UK. In research, online consumer behaviour theories applied named as goal oriented online buyer and experimental motives of online shopping and highlighted into consumer characteristics, online consumer behaviour, factor predicting online shopping and consumer mindset in online shopping. The survey questionnaire was prepared and distributed among personal contacts and received 240 responses. The questionnaire format have three main segments such as general, identified variables then in last customer concern in online shopping. From the survey it is accessed that online shopping is more popular among the males as in Pakistan most online shopping was made by males with 73% and majority of the respondents were young; aged between 20 to 25 years old with 46% weight age and income distribution fell into less than 30k as lower middle class while majority of the respondent are educated and have done graduation. But the majority of Pakistanis’ are not doing online shopping with 44% and those who are doing online shopping falls under the category of doing less than one year so it is evident that the trend of online shopping is not as much popular in the economy as whole and mostly people do visit retail store before online shopping.

**Dr. Payal Upadhyay and Jasvinder Kaur**

Main objective of the study is to create an awareness of e-commerce and make people interested in internet commerce. The most preferred product of online buying is travelling tickets and clothing remains the least preferred choice of online shoppers. Among the payment options, Payment on delivery through cash in the safest choice of payment, while credit card are next preferred choice, online bank transfer is least preference choice. Online shoppers seek for clear information about product and service, time saving, convenience, security and delivery on time are all important factor for online shopping. The offers with punch lines “Attractive offers” do not attract online shoppers. Most of the consumers who have experienced online shopping are very satisfied. Authors also suggested that Consumers should be educated on online shopping procedures with proper steps to be following
while online shopping. Transactions should be safe and proper security should be assured to the people making online purchases. Government should play a pivotal role in encouraging online shopping. E-marketers must give a thought to secure, time saving, information about product and services factors when they design their online product strategy. The study highlights that convenience, accessibility, scope, attraction, reliability, experience and clarity are the important factors considered by the online shopper. Usage of internet includes the consumer’s purchase of product as well as the consumer intention to secure for product related information while experiencing the new technology. Banking should promote Debit card, Credit card facility in online shopping.

Dr. Ravindra P. Saxena\textsuperscript{55} Researcher has identified all the above relevant factors in this study, which covers the determinants responsible for positive, as well as negative attitude of shoppers for online shopping. The results of the study give direction to retailers to consider the identified factors for making online retailing successful, which saves time and cost and provide greater value to shoppers. Also this study highlights the fact that online mode can be used effectively as a tool for CRM. The author also mentioned that Competitive pricing is perhaps the most crucial element in attracting shoppers in the first place and making sure their return in the future for their purchasing needs. One advantage that online retailers have is that they can decrease their profit margins, since they do not have the extra costs of a traditional retailer, such as rent, utility and other costs.

Arvind Panagariya\textsuperscript{56} reported that access to e-commerce, which in the WTO parlance often means access to e-exports, has two components that must be distinguished sharply. Access to Internet services and access to services that can be traded electronically. The former deals with to access to Internet infrastructure while the latter relates to specific commitments in electronically tradable services. Ecommerce offers unprecedented opportunities to both developing and developed countries. In the short run, the gain are likely to be concentrated in developed countries have more to benefit. This is because, in the short run, developing countries lack the infrastructure necessary to take full advantage of Internet. For many countries, especially developing ones in these countries, most consumers do not have computers or Internet access. A likely scenario, therefore, is one in which a handful of independent entrepreneurs will receive the
product by Internet, convert it into physical form such as CDs and sell the latter to consumers. But this activity may itself be costly using up real resources. Buy in the long run. They can Leapfrog, skipping some of the stages in the development of Information Technology through which developed countries have had to pass.

Patrick Barwise\textsuperscript{57} reported that probability 99\% of e-commerce today is done using PCs either desktops or Laptops. For B2B e-commerce this is unlikely to change for B2C e-commerce however, things will be more complex, there will be wider range of relevant media including interactive digital TV and a range of mobile 51 and wireless service there will be huge difference between different consumers ownership of equipment and access technology. Some will have broadband access and others have no digital communication at all.

Andrew D. Mitchell\textsuperscript{58} examined the key issues that electronic commerce poses for Global trade, using as a starting point the General Agreement on trade in services (GATS), the World Trade Organization (WTO) agreement most relevant to e-commerce.

Nir B. Kshetri\textsuperscript{59} This paper attempts to identified and synthesized the available evidence on predictors of magnitude, global distribution and forms of e-commerce. The analysis indicated that the twin forces of globalization and major revolutions in ICT are fuelling the rapid growth of global e-commerce.

Prithviraj Dasgupta and Kasturi Sengupta\textsuperscript{60} reported that the recent growth of Internet Infrastructure and Introduction of economic reforms in the Insurance sector have opened up the monopolistic Indian Insurance market to competition from foreign alliances. Although the focus of e-commerce has been mainly on business to consumer (B2C) applications the emphasis is now shifting towards business to business (B2B) applications. The Insurance Industry provides an appropriate model that combines both B2C and B2B applications.

Rajaraman, V.\textsuperscript{61} this researcher believes that electronic commerce is rapidly growing in the world and is expanding into what is known as e-services. A number of technologies have converged to facilitate the proliferation of e-commerce. Rapid advances in computer technology exemplified by the availability of very powerful personal computers at low cost, coupled with rapid acceleration in communication networks, have enabled computers worldwide to be
interconnected and thus have revolutionized the way business is done. The mere availability of hardware infrastructure is not sufficient to proliferate the applications. In an article, the researcher had given a flavour of the software systems which constitute the building blocks of ecommerce. Even though technology is essential to enable the emergence of ecommerce, it is not sufficient to promote and flourish e-commerce applications. The researcher explained how much one needs an appropriate legal framework. He had thus discussed the enabling legal framework which has been enacted in India. In the age of internet, national boundaries are becoming meaningless. Data can travel at the speed of light across national boundaries; they can flow not only along wired networks but also by wireless. Governments find it very difficult to stop data flow. Applicability of national laws in international e-commerce has become impractical. This is exemplified particularly by the emergence of vandals who disrupt the internet by proliferating viruses, worms etc., which affect all countries. International cooperation in standardization of not only technology but also laws is needed. It is evident that the cost of doing business has come down and the gain of business has increased with the emergence of e-commerce. With international cooperation, e-commerce is bound to improve the quality of life of individuals all over the world.

Economic and Social Commission for Western Asia (ESCWA)\(^6^2\) in a paper written by this researcher, a number of issues is debated in relevant with the development of national and regional Arab e-commerce strategies. Neither the list of issues covered here, nor the substantive discussion of each issue should be considered exhaustive. Rather, the paper's goal is to identify selected key elements of strategies that can be discussed in depth by the experts attending the meeting. In the debate on national and regional e-commerce strategies, it is needed to address the methodology of the design and implementation of the strategies. Here a participatory approach is essential. Creating awareness at the political level or adopting a state-of-the-art regulatory framework will be fruitless unless the elements of an e-commerce strategy are rooted in the reality of the national economy. This can only be achieved through a consultative process that allows the involvement of all the stakeholders of the development process, especially the private sector and the NGOs. Therefore, experts are particularly encouraged to introduce into the debate their experiences in designing and implementing e-strategies as well as identifying the successes and failures of specific policies.
Dignum, F.\textsuperscript{63} This researcher believes that although IT is an important component, the biggest mistake made by many organizations is that they believe that by simply introducing e-commerce technology, they would succeed without having to worry about their organizational structure.

Raymond, L\textsuperscript{64} in a book, the researcher defines the term of ecommerce as: ‘functions of informative exchange and commercial transaction support that operate on telecommunications networks linking business partners (typically customers and suppliers).’

Charoenying, Dhamadit\textsuperscript{65} In a thesis, Dhamadit indicates that in Thailand, both technology infrastructure and legal actions needed to be studied in order to determine whether a plan of new revolution business model is worth implementing or not before the launch of electronic business.

Moodley, Sagren, Morris, Mixe and Velia, Myriam\textsuperscript{66} the results of these researcher's come out to contradict the key propositions of the standard model of e-commerce. Based on their study, there is no evidence to support the view that e-commerce is: (1) being used for completing inter-firm commercial transactions; (2) allowing firms to bypass “middlemen” in the value chain; (3) enabling/facilitating international trade by reducing coordination costs; and (4) transforming firms’ business models.

Graja, Hubert and McManis, Jennifer\textsuperscript{67} These two researchers' book refers to the modeling customer satisfaction with web and ecommerce sites which are not as well studied as web server modeling, but determining whether and how the customers of these sites are satisfied with their interactions is becoming more important as the web matures. These researchers have proposed a methodology for estimating how satisfied defined classes of customers are with a website. Their approach recognizes that customer satisfaction is a complex issue and includes factors which are not easily measured. They also noticed a wide range in some of the users' satisfaction components; e.g. internal students in DCU averaged 1.7 for complexity, 3.5 for time response, and 2.9 for quality on a 4-point scale. Depending on how users of this type weight these components in deciding on their overall satisfaction, they may form a quite negative impression of the Web site even though some components are satisfactory. This implies that assumptions about which components matter more to users should be checked against actual users, in order
that the Web site is not optimized for some satisfaction component that users rate as less important.

Uherek, Remo\(^{68}\) This researcher displays that there are very different aspects to consider and to build the perfect e-commerce retailing solution. To achieve this point, there are still a lot of innovations in the different fields to be done.

Delisle, Sylvain, Moreau, Éliane M.F., and Desroches, Bernard Vermot\(^{69}\) A group of mentioned researchers believe that e-business-in particular B2B (business-to-business), B2C (business-to-consumer) or B2G (business-to-government)-and information technologies in general offer potentially powerful means to boost the development of SMEs in the context of today’s global economy. In the province of Quebec (Canada), a large proportion of SMEs are located outside a handful of large urban centers. Consequently, any large-scale regional development initiation, based on specific policies put forward by a government, must consider SMEs’ dynamics and need to be in order to stand a reasonable chance of success.

Lallana, Emmanuel C., Pascual, Patricia and Andam, Zorayda Ruth\(^{70}\) The survey done by these researchers gives a profile of the extent of ICT use and its various applications among SMEs in three largest metropolitan cities in Philippines. Because the sample is not randomly generated, the conclusions of their study are not necessarily true for all SMEs in the three cities or indeed, for all SMEs in the country. However, in the absence of a more scientific study on Philippine SMEs and e-commerce, the results of the study provide the best current indicators on issues related to SME use of ICT and e-commerce. These researchers wrote that nearly all of the SME respondents consider the internet and e-commerce as important to business - both in the present and in the future. Among the perceived drivers of doing business through the internet are: convenience and efficiency; the drive to be competitive in the industry in order to keep up with existing trends; its necessity to business operations; and the attainment of customer satisfaction.

Quayle, M.\(^{71}\) This researcher found that the tangible benefits derived from e-commerce (such as reduced administration costs, reduced production costs, reduced lead-time, increased sales) were marginal in terms of direct earnings. He also found that the intangible benefits (such as
improvement in the quality of information, improved internal control of the business, improved relations with business partners) are of far greater value to SMEs.

**Jusoh, Zuroni M.D ,Goh Hai Ling** The main purpose of this study is to determine the factors influencing consumers' attitude towards e-commerce purchases through online shopping. The study also investigate how socio-demographic (age, income and occupation), pattern of online buying (types of goods, e-commerce experience and hours use on internet) and purchase perception (product perception, customers' service and consumers' risk) affect consumers' attitude towards online shopping.

**Marc Lim, Weng, Hooi Ting, Ding** this study attempts to shed some light on how consumers form their attitude and online shopping intention based on the uses and gratifications structure to the managerial implications for entrepreneurs and marketers of electronic businesses on how best to serve and attract consumers to shop online via the management of online shopping technologies.

**Vijay, Sai. T. and Balaji, M. S** revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so.

**A. Parasuraman et.al** Using the means-end framework as a theoretical foundation, this article conceptualizes, constructs, refines, and tests a multiple-item scale (E-S-QUAL) for measuring the service quality delivered by Web sites on which customers shop online. Two stages of empirical data collection revealed that two different scales were necessary for capturing electronic service quality.

After analysing and reviewing all the existing literature on consumer behaviour towards e-commerce the certain research gaps have been identified which are given hereunder in the form of objectives of the study.
2.10. OBJECTIVES OF THE STUDY

The following are the objectives of the study:

- To understand the evolution and development of e-commerce industry in India.
- To examine the impact of demographic factors on consumers to choose e-commerce.
- To analyze the consumers’ attitude, perception and satisfaction levels towards e-commerce.
- To identify the various factors and fit a model by using Structural equation modelling that influences the consumers to prefer e-commerce portals.
- To measure the service quality of the e-commerce portals by using E-S-Qual model.
- To suggest the suitable measures for the various e-commerce portals for better service to the consumers.

2.11. HYPOTHESIS OF THE STUDY:

1. $H_0$: There is no significant relation between the age of the respondents with perception towards e-commerce.

   $H_1$: There is a significant relation between the age of the respondents with perception towards e-commerce.

2. $H_0$: There is no significant relation between the income of the respondents with perception towards e-commerce.

   $H_1$: There is a significant relation between the income of the respondents with perception towards e-commerce.

3. $H_0$: There is no relation between the levels of education of the respondents with perception towards e-commerce.

   $H_1$: There is a relation between the levels of education of the respondents with perception towards e-commerce.
4. \( H_0 \): There is no significant relation between the occupations of the respondents with perception towards e-commerce.

\( H_1 \): There is a significant relation between the occupations of the respondents with perception towards e-commerce.

5. \( H_0 \): There is no significant relation between the age of the respondents with level of satisfaction towards e-commerce.

\( H_1 \): There is a significant relation between the age of the respondents with level of satisfaction towards e-commerce.

6. \( H_0 \): There is no significant relation between the annual incomes of the respondents with level of satisfaction towards e-commerce.

\( H_1 \): There is a significant relation between the annual incomes of the respondents with level of satisfaction towards e-commerce.

7. \( H_0 \): There is no significant relation between the educations of the respondents with level of satisfaction towards e-commerce.

\( H_1 \): There is a significant relation between the educations of the respondents with level of satisfaction towards e-commerce.

8. \( H_0 \): There is no significant relation between the occupations of the respondents with level of satisfaction towards e-commerce.

\( H_1 \): There is a significant relation between the occupations of the respondents with level of satisfaction towards e-commerce.

9. \( H_0 \): There is no significant relation between the age of the respondents with the frequency of making online shopping.
H₁: There is a significant relation between the age of the respondents with the frequency of making online shopping.

10. H₀: There is no significant relation between the income levels of the respondents with the frequency of making online shopping.

H₁: There is a significant relation between the income levels of the respondents with the frequency of making online shopping.

11. H₀: There is no significant association between the education levels of the respondents with the frequency of making online shopping.

H₁: There is a significant association between the education levels of the respondents with the frequency of making online shopping.

12. H₀: There is no significant association between the occupation levels of the respondents with the frequency of making online shopping.

H₁: There is a significant association between the occupation levels of the respondents with the frequency of making online shopping.

13. H₀: Economic factor does not have positive influence on shopper buying decision through e-commerce

H₁: Economic factor has positive influence on shopper buying decision through e-commerce.

14. H₀: Product factor does not have positive influence on shopper buying decision through e-commerce.

H₁: Product factor has positive influence on shopper buying decision through e-commerce.

15. H₀: Convenience factor does not have positive influence on shopper buying decision through e-commerce.

H₁: Convenience factor has positive influence on shopper buying decision through e-commerce.

16. H₀: Credibility factor does not have positive influence on shopper buying decision through e-commerce
H1: Credibility factor has positive influence on shopper buying decision through e-commerce.

17. H0: There is no significant difference between expected and perceived services with respect to efficiency dimension

   H1: There is a significant difference between expected and perceived services with respect to efficiency dimension

18. H0: There is no significant difference between expected and perceived services with respect to system availability dimension

   H1: There is a significant difference between expected and perceived services with respect to system availability dimension

19. H0: There is no significant difference between expected and perceived services with respect to fulfillment dimension

   H1: There is a significant difference between expected and perceived services with respect to fulfillment dimension

20. H0: There is no significant difference between expected and perceived services with respect to privacy dimension

   H1: There is a significant difference between expected and perceived services with respect to privacy dimension

21. H0: There is no significant difference between expected and perceived services with respect to responsiveness dimension

   H1: There is a significant difference between expected and perceived services with respect to responsiveness dimension

22. H0: There is no significant difference between expected and perceived services with respect to compensation dimension
H$_1$: There is a significant difference between expected and perceived services with respect to compensation dimension

23. H$_0$: There is no significant difference between expected and perceived services with respect to contact dimension

H$_1$: There is a significant difference between expected and perceived services with respect to contact dimension

2.12. SCOPE OF THE STUDY

The present study focuses on “CONSUMER PERCEPTION AND SATISFACTION WITH SERVICE QUALITY OF ONLINE STORES (E-COMMERCE) IN ANDHRA PRADESH”. Further the study is concentrated on the online shoppers of three major cities of Andhra Pradesh i.e. Rajahmundry, Vijayawada and Tirupati. After separation of the state Vijayawada, Rajahmundry and Tirupati have assumed great importance in view of the population, education and business. The logic behind choosing three small cities in Andhra Pradesh is to assess the spread of e-commerce in small towns of Andhra Pradesh. E-commerce is confined to major cities of India. The researcher interested in knowing the perception of people living in small towns of Andhra Pradesh towards online stores and to give suitable suggestions for the wide spread of e-commerce in small towns of Andhra Pradesh.

The study is to assess the impact and role played by online shopping in present scenario. Nowadays everyone wants to save his time. Instead of going to shop or malls for purchasing, customers prefer online shopping. In this the researcher had concentrated on evolution and development of e-commerce in India, shopper’s attitude and perception towards e-commerce, satisfaction factor towards online shopping and different factors that influence the shoppers to opt online shopping.

2.13. METHODOLOGY

The data and information have been collected from primary and secondary sources. The primary data has been collected through the structured questionnaire given to the shoppers and secondary data have been collected from various sources like e-commerce company websites, government reports, various books and journals on e-commerce.
### SAMPLE SIZE

<table>
<thead>
<tr>
<th>Name of the city</th>
<th>No. of frequent buyers through online</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rajahmundry</td>
<td>6366</td>
<td>318</td>
</tr>
<tr>
<td>Vijayawada</td>
<td>9329</td>
<td>466</td>
</tr>
<tr>
<td>Tirupathi</td>
<td>8327</td>
<td>416</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>1200</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: compiled from websites*

Frequently buying people are taken as respondents. Convenient sampling method has been adopted for data collection.

#### 2.14. DATA ANALYSIS

The primary and secondary data collected from different sources have been tabulated and interpreted meaningfully. The data has been analyzed and various inferences and conclusions have been drawn from the data. The information has been represented in graphical method also.

#### 2.15. STATISTICAL TOOLS USED

The data is analyzed by using statistical tools like Weighted Average Method, Frequency Method. Exploratory factor analysis is used to extract factors that impact the purchase decision of shoppers, multiple regressions is used to test conceptual models, Structural equation modelling is used to fit a model, chi-square and paired t-test is used to test the hypothesis. All the tools are calculated with the help of Statistical Packages i.e. SPSS 22.0 for windows, Microsoft Excel-2013 and IBM AMOS-22.

#### 2.16. LIMITATIONS OF THE STUDY

The following are the limitations of the study:

1. The findings cannot be generalized as the study is confined only to three cities.

2. A few respondents were hesitant to give correct details.
3. There might be a sense of bias crept in answers given by the respondents.

2.17. CHAPTERIZATION:

Chapter I  : I (A) E-commerce in India: An overview
            I (B) Consumer Perception, Satisfaction and Service Quality
Chapter II : Research Methodology
Chapter III : Demographic and Socio-economic Profile of online buyers
Chapter IV : Factors that influence the shoppers to prefer online stores
Chapter V  : Service Quality of Online Stores
Chapter VI  : Summary of Findings and Suggestions
              Bibliography and Annexure

2.18. SUMMARY OF RESEARCH METHODOLOGY

<table>
<thead>
<tr>
<th>Types of research</th>
<th>Descriptive research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sampling method</td>
<td>Non-profitability sampling method</td>
</tr>
<tr>
<td>Sampling technique</td>
<td>Convenient sampling</td>
</tr>
<tr>
<td>Sampling area</td>
<td>Small towns like Tirupati Rajahmundry and Vijayawada of Andhra Pradesh</td>
</tr>
<tr>
<td>Sampling Units</td>
<td>The respondents who are frequently buying through online</td>
</tr>
<tr>
<td>Sample size</td>
<td>1200</td>
</tr>
<tr>
<td>Data collection instruments</td>
<td>Questionnaires</td>
</tr>
<tr>
<td>Method of analysis</td>
<td>Graphical and required statistical tools will be used (SPSS, MS-Excel)</td>
</tr>
<tr>
<td>Data analysis techniques</td>
<td>Chi-Square test was used to analyze data and to test the hypotheses</td>
</tr>
<tr>
<td>Descriptive tools</td>
<td>Frequency and percentages were used</td>
</tr>
</tbody>
</table>

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