Chapter 7

Summary & Conclusions

7.1. Introduction

Shopping on the Internet offers convenience and time-saving benefits to shoppers, as compared to shopping in traditional brick-and-mortar stores. Changing consumer lifestyles and lack of time may make it more difficult for consumers to shop at physical locations such as stores and shopping malls. Shopping on the Internet addresses this problem as shoppers can shop in the comfort and convenience of home. Results of the MasterCard Survey 'Internet Shopping' (1996) revealed that consumers viewed the Internet as an "Instrument of Convenience".

The Internet operates 24 hours a week, seven days a week, and can be accessed anywhere in the connected world; shoppers can expect to browse and purchase goods on the Internet anytime, unlike traditional storefronts that have fixed opening hours. Shoppers can also purchase goods that are unavailable at their location, and are able to bypass restrictive import policies, as the Internet allows shoppers to make purchases from vendors in other locations around the world. Ernst and Young's reports 'Internet Shopping' and 'Global Online Retailing' noted that in comparison to brick-and-mortar stores, when shopping on the Internet, there were no store lines, surly clerks, pickpockets or panhandlers to contend
with, no bad weather to travel under, nor any transportation cost involved; the Internet allows shoppers to develop their own timetables for research and purchasing.

Online shopping is becoming increasingly popular for a variety of reasons. There are certainly outside factors such as increasing gas prices, difficulty getting to traditional stores and the hassles often associated with shopping in malls and other traditional stores may contribute to the increased interest in online shopping. However, there are also many benefits which make online shopping an excellent option for many busy shoppers. Some of these benefits include convenience, comparison shopping capabilities and express shipping options and this article will discuss each of these benefits in further detail.

One of the most obvious benefits of online shopping which cannot be overlooked is convenience. One of the most enjoyable conveniences of online shopping which is enjoyed by many is the ability to shop for products or services at a time which is convenient for the consumer. Online retailers accept orders twenty four hours a day while consumers who wish to shop at traditional stores have to be available to visit the store during normal business hours. This can be a major inconvenience especially for shoppers who work long hours or shoppers who work odd hours. Online shopping eliminates this concern because shoppers can simply access online stores from their computer whenever they have free time available.
Another convenience of online shopping is the ability to order products from around the world. Shoppers are no longer limited to products offered by local retailers because the vast majority of online retailers offer shipping to many different locations. This can make it easy for online shoppers to acquire hard to find items or items which are a regional specialty of a particular area.

Another great benefit of online shopping is the ability to comparison shop easily. Instead of running around to several different traditional stores and trying to remember or write down details such as prices and features, the shopper can simply open two or more browsers to easily compare more than one item. Additionally, there are several websites and online retailers which make comparison shopping even easier. These websites may even provide charts which compare features for similar products to enable the online shopper to make an accurate comparison of two or more items before making a purchase.

Another advantage to comparison shopping online is it gives the consumer the ability to compare items which may not be available in his location. This is important because some items may only be available in certain parts of the country. This can make comparing items difficult for traditional shoppers. However, online shoppers are easily able to make these comparisons and learn more about similar products which helps them to make the best possible decision.
One of the distinct advantages of online shopping is the shipping methods which are available. These options are especially beneficial to online shoppers who are guilty of often waiting until the last minute to purchase items as gifts or items that are necessary for other reasons. For these online shoppers express shipping is one of the most beneficial features. Although the shopper will pay significantly more for express shipping options the shopper will have the advantage of being able to purchase an item the day before it is necessary and have the item delivered directly to the necessary party. Other beneficial shipping options often include the inclusion of gift receipts as well as gift wrapping options. This is especially important for online shoppers who are interested in sending gifts to friends and family members. This can save the online shopper a great deal of time because they can have the gift shipped directly to the friend or family member as opposed to having the gift shipped to themselves first and then having to wrap the gift and re-ship it to the recipient. The ability to send gift receipts are also important because it enables the recipient of the gift to return or exchange the item but does not divulge the price paid for the gift.

The present study has highlighted the various aspects of online shopping and the relative advantages and also the disadvantages. The major findings and suggestions of the study are given below.
Major Findings of the study:

It is observed that:

1. 1.36.30% are in the age group of 25-35 years.
2. (57.30%) are married.
3. (52.00%) are men.
4. (36.70%) are earning Rs.20,001-40,000 as their monthly income.
5. (42.70%) are graduates.
6. (39.30%) are salaried persons.
7. (34.8%) doing shopping through online at least once in a month.
8. (27.3%) use search engines to gather information about various products for doing online shopping.
9. (32.0%) are using Credit cards for payment towards online shopping.
10. Customers are giving least preferences for buying “Online magazines & journals”.

It is also found that:

11. The customers with age 35-45 years are eager in online shopping and the customers with age 25-35 years are having less interest in online shopping.
12. The customers living as single are good in online shopping behavior.
13. The customers earning monthly income of Rs. 40,001-60,000 are good in online shopping behavior and the customers earning more than Rs.60,000 per month are little lacking in online shopping behaviour.

14. The graduates are having good online shopping behavior and the customers possessing professional degree are little lacking in online shopping.

15. The **business professionals are having good online shopping behavior** and the students are lacking in online shopping behavior.

16. The customers doing shopping once in 2-4 months are having good online shopping behavior and the customers doing shopping once in a year are lacking in online shopping behavior.

17. There is significant difference between the mean responses given by the respondents towards the Return policy in Online shopping and the test average score (=3).

18. The **respondents do not purchase online if there is no money back guarantee** is ‘the high priority’ in return policy.

19. There is significant difference between the mean responses given by the respondents towards the Infrastructure in Online shopping and the test average score (=3).
20. **The respondents do not like being charged for shipping** when they shop online is the important aspect of infrastructure towards online shopping.

21. The customers with age above 45 years are much keener about the return policy and the customers with age 25-35 years are less keen about the return policy.

22. The married customers are more particular about the return policy in online shopping as compared with customers living as single.

23. **The post graduates are very much particular about the return policy** in online shopping and the customers possessing school level education are giving less importance to return policy in online shopping.

24. The business professionals are giving more importance to return policy and the housewives are giving less importance to return policy.

25. The customers doing online shopping at least once in a month are giving more importance to return policy and the customers doing online shopping according to the need are giving less importance to the return policy in online shopping.

26. The customers running business are more pleased with the infrastructure in online shopping and the students are less pleased with the infrastructure in online shopping.
27. The respondents **attitude level is good** and they felt using internet for online shopping is easy.

28. Sharing my experience through online product reviews will make me noticeable is the important aspect of subjective norms towards online shopping.

29. The level of perceived behavioral control in online shopping is less than average level and the respondents are not doing online shopping due to non availability of internet connection.

30. Customers with 35-45 years of age are more intended towards subjective norms and the customers with age 25-35 years are less intended towards subjective norms.

31. Customers with 35-45 years of age are more intended towards perceived behavioral control and the customers with age 25-35 years are less intended towards perceived behavioral control.

32. The customers living as single are more intended towards subjective norms than the married customers.

33. The customers living as single are more intended towards domain specific innovativeness.

34. The customers with post graduation are more intended to change their attitude and the customers possessing school level education are less intended to change their attitude.
35. The salaried persons are having more intentions towards change in attitude and the housewives are having less intention towards change in attitude.

36. The business professionals are more intended towards subjective norms and the housewives are having less intension towards subjective norms.

37. The business professionals have more intentions towards perceived behavioural control and the students are having less intention towards Perceived behavioural control.

38. The customers doing online shopping once in 2-4 months are more intended towards subjective norms and the customers doing online shopping according to the need have less intentions towards subjective norms.

39. The customers with age below 25 years are having more satisfaction towards online merchants and the customers with age 25-35 years are having less satisfaction towards online merchants.

40. The customers earning monthly income of 20,001 - 40,000 are having more satisfaction towards online merchants and the customers earning more than Rs.60,000 per month are having less satisfaction towards online merchants.
41. The post graduates are having more satisfaction towards online merchants and the customers possessing professional degree are having less satisfaction towards online merchants.

42. The business professionals are having more satisfaction towards online merchants and the students are having less satisfaction towards online merchants.

43. The customers with age below 25 years are having more satisfaction towards online shopping and the customers with age 25-35 years are having less satisfaction towards online shopping.

44. The customers earning monthly income of 20,001 - 40,000 are having more satisfaction towards online shopping and the customers earning more than Rs.60,000 per month are having less satisfaction towards online shopping.

45. The graduates are having more satisfaction towards online shopping and the customers possessing professional degree are having less satisfaction towards online shopping.

46. **Good Attitude** bring satisfaction towards online shopping by 60.7%.

47. **Subjective norms intention** brings good satisfaction towards online shopping by 55.2%.

48. **Perceived behavioral control intention** brings good satisfaction towards online shopping by 38.0%.
49. **Domain specific innovativeness intention** brings good satisfaction towards online shopping by 64.8%.

50. **Satisfaction towards online merchant** brings satisfaction towards online shopping by 65.1%.

51. **GoodReturn policy** brings satisfaction in online shopping by 68.4%.

52. **GoodInfrastructure** brings satisfaction in online shopping by 49.3%.

53. The respondents felt more risk is involved in personal information given for transaction to the retailer may be compromised and misused.

54. The respondents felt that quality of merchandise over Internet is considered as high risk in product.

55. Respondents are feeling high risk if they have not received the product that was ordered online.

56. Customers with 35-45 years of age are feeling **financial risk is more** in online shopping and the customers with age 25-35 years are feeling financial risk is less in online shopping.

57. Customers’ with 35-45 years of age are feeling **product risk is more** in online shopping and the customers with age 25-35 years are feeling product risk is less in online shopping.

58. Customers with 35-45 years of age are feeling **non delivery risk is more** in online shopping and the customers with age 25-35 years are feeling non delivery risk is less in online shopping.
59. The customers who were married are feeling **convenience risk is more** in online shopping than the customers living as single.

60. The customers who are married are feeling non delivery risk is more in online shopping than the customers living as single.

61. The customers earning Rs. 20,001 - 40,000 as their monthly income are feeling financial risk is more in online shopping and the customers earning above Rs. 60,000 as monthly income are feeling financial risk is less in online shopping.

62. The customers earning Rs. 20,001 - 40,000 as their monthly income are feeling non delivery risk is more in online shopping and the customers earning below Rs. 20,000 as monthly income are feeling non delivery risk is less in online shopping.

63. The customers possessing Post graduate degree are feeling product risk is more in online shopping and the customers possessing school level education are feeling product risk is less in online shopping.

64. The graduates are feeling non delivery risk is more in online shopping and the customers possessing Professional degree are feeling non delivery risk is less in online shopping.

65. The customers running business are feeling convenience risk is more in online shopping and the students are feeling convenience risk is less in online shopping.
66. The customers running business are feeling financial risk is more in online shopping and the students are feeling financial risk is less in online shopping. Financial risk.

67. The customers running business are feeling non delivery risk is more in online shopping and the students are feeling non delivery risk is less in online shopping.

68. **Convenience risk reduces satisfaction** in online shopping by 57.8%.

69. **Financial risk reduces satisfaction** in online shopping by 51.9%.

70. **Non delivery risk reduces satisfaction** in online shopping by 65.1%.

### 7.3. Suggestions Based on the study

1. The number of trips that customers make is the most important & significant variable in profiling & differentiating loyal shoppers from non-loyal shoppers. This means that retailers need to ensure that the customers make repeat visits to their stores. **Retailers must ensure that they maintain some novelty through new products, new schemes etc., which motivate customers to make repeat visits.**

2. Less educated shoppers generally become more loyal shoppers, but better educated shoppers also need to be targeted by using innovative strategies. For instance, retailers can display the ingredients and health benefits of their food-based merchandise. They can also promote & sponsor health and fitness
promotional campaigns to convert better educated customers into loyal customers. **Organic products can also be promoted to cater to this niche.**

3. **Store loyalty** also seems to take a dip with rising incomes. Customers with higher incomes have more money to splurge. Hence, they tend to visit more stores for variety and novelty. Keeping this in consideration, retailers should keep a wide variety of products. They could have a dedicated section, for high-end (perhaps imported / exotic) products. The high-end section could have a trained salesperson and the ambience of this section could be such so as to communicate the ‘premium’ image.

4. Since, females are considered more loyal customers of grocery retail stores, retailers should devise strategies to attract more and more males. Males comprise a larger segment and retailers need to ensure they make shopping interesting for males by investing in things that interest males such as technology, ambience, music and specialized sections.

5. Grocery retailers also need more, beyond their traditional customer base of Housewives and retired individuals. The working class needs to be targeted by introducing merchandise that interests them. So grocery retailers can have separate sections dedicated to packaged foods, stationery and office goods, fresh cut fruits and vegetables, fast food etc. **Also, loyalty amongst this segment can be built by introducing tele-shopping / online shopping and free home delivery.**
6. Numerous store features/attributes can be finally summarized into 6 dimensions viz.: Price, Service, Convenience, One-stop-shopping, Ambience and Salesman.

7. **Price seems to be the most important dimension for shoppers.** This also seems logical and is very important for new organized retailers to ensure value-for-money for their customers. This is possible by ensuring supply chain efficiencies through development & procurement directly from farmers/manufacturers. Several retailers follow an EDLP (everyday low pricing) strategy where prices are consistently lower than competition and this is very effectively communicated to the customers through advertisements.

8. **The second most important dimension is Service.** In-store service is important and customers expect home delivery, processing of wheat/pulses/spices, credit etc. This ensures store loyalty and is an effective deterrent against competitor actions. The stores can also have tie-ups with plumbers, cooking range mechanics, and dry cleaners etc. offering special deals for their customers.

9. **Convenience is the next most important dimension.** In grocery retailing, unlike apparel or electronics retailing, convenience is an important driver of loyalty. Convenience manifests itself in the form of convenient location (preferably in the neighbourhood), parking facilities, store timings etc.

10. **One-stop shopping experience means that the customer can buy from a broad assortment of merchandise from the same store.** Consequently, grocery
retailers can also stock various goods such as toys, home improvement equipment, home furnishings, mobile phone repair and talk-time etc.

11. **Ambience is important for the modern day customer.** With increasing education levels, changing life-styles and exposure to organized retail, customers expect a good, clean & hygienic store environment. The smells, layout, music, temperature etc. all need to be offered in the right combination.

12. Retailing is a part of the service sector and the salesperson plays a very effective role in relationship selling. Knowing customers by name, the service-with-a-smile approach, unobtrusive problem-solving, a pleasant smiling face etc. are critical. The cash-counter clerks’ behavior is also very crucial and retailers need to ensure that all such employees are effectively trained for better customer management and relationship marketing.

13. Send an email or text message through the customers’ phone the day before customer package is scheduled to be delivered.

14. Create a place where people can drop off and buy used packaging at a huge discount

15. Make instant/guest checkout the standard

16. Streamline customer experience on one page.

17. Show the more pictures of the product.

18. Instant gratification is missing in online shopping, so simulate it.

19. Offer just one product or service on your home page.
20. Reposition your opt-in offer to boost your opt-ins and build a bigger list of loyal subscribers.

21. Add impact to your promotions with hover ads.

22. Feature different benefits in your headline.

23. Add credibility to your copy--and enhance your visitors' trust in you.

24. Boost your product's desirability by adding image

25. Grab the attention of "scanners" by changing the formatting and appearance of your copy.

26. Fine-tune your follow-up process to maximize sales and attract more repeat business.

27. Make your checkout process as simple as possible.

28. Know what your customers are saying about your company.

29. Add live chat to your website.

30. Offer free shipping.

31. Use strong passwords.

32. Use multiple product images.

7.3. Scope for further study

In terms of managerial and technical approach, researchers can research certain niche customer segments such as the elderly, only students, only male professionals etc. Additional sectors, such as apparel retailing, fashion products,
consumer electronics, luxury brands, mobile retailing etc. can be researched. Emerging formats such as airport retailing, online-retailing, vending machines, membership clubs, multi-level marketing etc. are also very under-researched areas.