



A Study on Consumer Behaviour and Shopping Expectations towards E-commerce

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Abstract

E-commerce is the conducting of trading activities through online platforms. As the e-commerce is growing, many of the retailers are trading online and many of the consumers are moving towards online platforms for their products/services needs. Consumer behaviour is the actions and decisions by the people when they select, purchase, use and dispose of products and services. Online consumer behavior is the way of consumer interaction with online platforms to make their purchases. Understanding the consumer behavior is the key factor for the success of any business. The present study analysed the online consumer behaviour and the shopping expectations of the customers and found that business needs to understand and analyse the consumer behavior in order to create the marketing strategies as well as to satisfy the customer needs. Meeting the shopping expectations of customers for online purchase is the vital need for business to attract and retain the customers. Convenience is the most attracting factor pulling the customers towards the online platforms for their product/service needs. Secured payment options by the e-sellers are the most expected thing by customers while shopping online.

Key words: E-commerce, Retailers, Online Consumer Behaviour, Shopping expectations

1. Introduction

E-commerce is the trading of goods and services on the internet. E-commerce includes companies and individuals who buy and sell goods and services over the Internet. E-commerce operates in different types of market segments and can be conducted over computers, tablets, smart phones and other smart devices. Various kinds of products and services are available on online platform. Many things can be purchased through online today. The level of convenience attached with E-commerce is attracting the retailers as well as the customers towards its zone.

Consumer behavior deals with how consumers make decisions relating to the purchase, use, and disposal of goods and services and these decisions will be influenced by the personal, psychological, social, and environmental factors. Developing effective marketing strategies and strong customer relationships are based on understanding consumer behavior. While making purchase decisions, customers recognize their need, search for the information, evaluate the alternatives and then finally make the purchase decision. Post purchase evaluation of the product is also the part of Consumers buying behaviour where in they review the products and if they are satisfied it results in the re-purchase of the product and also the satisfied consumers will tend to recommend the product to others.

Online consumer behavior is the purchase decision made by customers while purchasing the products or services from online platforms. While making decision to purchase from online stores the customers used to browse, compare the prices and quality, go through the reviews, evaluate the alternatives from different e-sellers and then takes the decision to purchase online. Understanding the behavior of online customers is vital for e-sellers to provide better online shopping experiences and to enhance the customer loyalty. Post purchase behaviour of online customers such as providing feedback, returning items, and becoming loyal customers, if they are satisfied with the products, are significant for the survival and growth of online sellers in the e-commerce era.

Understanding the behaviour of online consumers is necessary for e-platforms to thrive in the digital market. It helps e-sellers to drive sales and to build customer trust and loyalty. E-commerce got a boost as result of COVID-19 pandemic and there has been a rapid evolution in online consumer behavior. This evolution brought drastic changes in digital commerce and many of the customers started purchasing from online platforms over the brick-and-mortar shops. The new age of e-retailing started as a result of this pandemic much more quickly than ever anticipated. To be successful in this new age of retailing, e-sellers need to understand the present new trends in online shopping behavior stimulated by the pandemic. Meeting consumer expectation by understanding their needs takes the e-sellers to the road of success and survival.

2. Literature Review

Dumitrescu Luigi, Orzan Gheorghe and Fuciu Mircea (2015) in their study highlighted that the society we are living in is in a continuous state of change. Previous years of developments in the field of communication, technology, information and marketing have created new shifts in the way the consumers inform and buy certain products and services. The underlines from a theoretical point of view the concept of consumer behaviour, the decision making process, in the online context and also presented a quantitative marketing research with regard to the consumers' point of view related to the usage of Internet; the consumer behaviour for Internet based purchases and the main information sources and activities undertaken online.

Nidhi Kumari, B. M. Singh and Manoj Mishra(2016) in their study have explored the online consumer behaviour in Indian context. The study found that there is a need to study online consumer behaviour as distinct from traditional consumer behaviour. Growing trend of online purchase by customers is the greatest opportunity for e-sellers to build a profitable and long-lasting relationship with the customers by understanding their preferences. The study suggests that the marketers need to follow the market segmentation strategy, screening the market as being made of small segments based on their buying behaviour. The study also states that the growing trend of online shopping is mainly the result of convenience attached with the digital platforms.

Sharma P (2023) in his research article has studied the online consumer buying behaviour and satisfaction. The study found that the growth in number of internet user in India contributes for growing trend of online shopping. The study suggested that the online marketers can formulate better marketing strategies to make their potential customers as loyal ones if they know the key factors affecting customer behaviour. It also helps in retaining the existing online customers.

Avis D'Cunha (2023) in his study analysed the Consumer behavior towards online shopping. Product quality, price, website design and convenience of shopping are identified as the major factors influencing the e-shopping of customers. Pandemic boosts online sales due to the safety factors. Providing satisfied shopping experience results in increased customers and profit. The study concluded that convenience, more choices and cost of the products, customer reviews and online security factors are pulling the customers towards online shops. The study also mentioned some barriers of e-commerce such as product issues, shipping times, and the inability to touch or

try on items before purchasing. Hence it is suggested to the retailers to adapt some strategies to meet the changing demands and expectations of online shoppers to remain competitive in the market.

Kajal Sharma and Chanchal Chawla (2024) have studied the shift in consumer buying behaviour from offline stores to online stores. This study observed that the conveniences attached with online shopping are influencing the customers to move towards online platforms and the wide spread internet facilities are supporting the same. Discounts available from online sellers encourage the customers to shop online. The study concluded that customer buying behaviour towards online shopping is influenced by wide range of factors such as gender, age, product quality, product type and price, convenience, satisfaction level etc.

3. Objectives

1. To examine the factors influencing customers to purchase the products through online platforms
2. To study the online consumer behaviour and their online shopping expectations
3. To offer suggestions to online retailers to meet customer shopping expectations

4. Scope

This research paper studied the concept of E-commerce and online Consumer Behaviour. Due to advancement of information technology, the customers are getting attracted towards the online purchase over offline stores. The study analyses the factors attracting customers towards online shopping and also analyses the online consumer behaviour and their online shopping expectations. The study has also provided some suggestions to online retailers to meet customer shopping expectations to attract the customers towards their virtual shop.

5. Research Methodology

5.1 Sources of Data: In this study both primary data and secondary data are collected. Primary data has been collected by administering a Five Point Likert Scale Questionnaire to the selected online customers as well as through direct interview method. The Five Point Likert Scale consist the options of Strongly Agree (SA), Agree (A), Neutral (N), Disagree (DA) and Strongly Disagree

(SDA) which are assigned with values 5,4,3,2 and 1 respectively. Secondary data has been collected from various secondary sources like books, journals, websites etc.

5.2 Sample Design: To study the factors influencing customers to purchase the products through online platforms and their shopping expectations, 200 online customers in Karnataka were selected as samples. The samples were drawn from population using convenient method of sampling.

Table 1: Demographic Profile of Sample Online Customers

Particulars	No. of Respondents	Percentage
Gender:		
Male	83	41.5
Female	117	58.5
Age :		
Below 30 years	66	33
30-40 years	52	26
40-50 years	42	21
Above 50 years	40	20
Income Level (per Month) :		
Below Rs.25000	51	25.5
Rs.25000-Rs.50000	73	36.5
Rs.50000-Rs.75000	43	21.5
Above Rs.75000	33	16.5
Occupation:		
Self Employed	49	24.5
Private sector	112	56
Public sector	28	14
Others	11	5.5

5.3 Statistical Tools: Simple percentage analysis and Popularity Rate (PR) Technique, Descriptive statistics such as Mean and Standard Deviation (SD) are used to analyse the data. Graphical presentation of data through bar graphs is also made for effective understanding of the

data. The data has been analysed using MS Excel and SPSS. Here Popularity Rate has been calculated using the following formula,

$$\text{Popularity Rate (PR)} = \frac{\text{Frequencies of strongly Agree} + \text{Frequencies of Agree}}{\text{Number of respondents}} \times 100$$

6. Retailing and E-Commerce

E-commerce is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the internet. These business transactions occur either as business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer (C2C) or consumer-to-business (C2B).Customers across the globe are increasingly purchasing the needed products online as it offers certain conveniences from delivering orders right to the door to broad selection and low prices which cannot be offered by brick-and-mortar stores.

Retailing is the selling of goods and services to the end users. Retailers frequently buy in bulk from wholesalers, and then resell the products by adding some profits. Retailing is extremely competitive, and the rate of failure among retail establishments is relatively high.

The rise of the Internet brought about a radical shift in the retail space from physical stores to online stores. Customers began buying products via personal computers, mobile phones, and other online devices. To adapt to these changing conditions, many established offline retailers began selling the products online. This shift led to lower sales in many physical stores, but most retail purchases still happened in person.

7. Factors Influencing Customers to shift towards Online Shopping

Due to advancement of technology, E-commerce is increasing day by day attracting more number of customers as well as sellers towards online trading. Many factors are motivating customers to move towards E-commerce and to choose online shopping over the offline stores. In comparison with the offline shopping, many of the factors associated with online shopping are attracting the customers and sellers towards e-commerce. Some of the vital factors that contributes towards choosing online shopping over the offline shopping by customers are as follows,

- **The Convenience of shopping at home without need to visit the offline stores:** There is no Pressure while shopping with respect to online shopping as it is convenient to shop at convenient time and place
- **Better Prices:** Better Prices offered by online stores for the products when compared with offline stores
- **More Choices:** Availability of More choices for purchase of products when compared with offline stores. Various brands are available at one place when compared with offline stores.
- **Cash on Delivery (COD):** Many online sellers are giving cash on delivery option to buy from them which results in improved customer trust to buy from online.
- **Time-Saving by avoiding visiting the offline stores:** Customers can save time as there is no need to visit the offline stores and wide choice of brands are available under single platform. This in turn attracts the customers towards online shopping platforms.
- **Easy price comparison with other brands and sellers:** The price comparison of products from one brand to another and from one seller to another is easy with respect to online purchase which is a difficult task in case of offline stores.
- **No crowd as in case of offline stores:** Online purchase platforms are free from crowd and it also provides safety at the times of pandemic. Online trading and shopping got a boost for this reason.
- **Safety at the times of pandemic:** Online purchase platforms are free from crowd and it also provides safety at the times of pandemic. Online trading and shopping got a boost for this reason.
- **Easy to send gift coupons to friends, family members and others:** It is easy to send online gift coupons to family members, friends and others which can be used by them to purchase the things they want from online platform.
- **Availability of Easy exchange / return policy:** Online sellers are providing easy exchange / return option to the customers in case of any issues or problems they faced with the products. Many of the offline stores are following no return/ exchange policy and this in turn makes customers move towards online sellers to enjoy the benefit of easy return/ exchange policy.

- **Availability of free shipping to get products at door steps:** Customers can avail the products to their doorsteps at free of cost as many online sellers are offering free shipping facility. This convenience and benefit are attracting customers towards online shopping.
- **Availability of More offers and discounts when compared with offline stores:** Online sellers are providing various offers and discounts when compared with offline stores. Customers are moving towards online shopping as they can get the products at better prices and save money on their shopping.
- **Detailed Product/Service information:** Customers can get detailed product description on the selling portal without the help of anybody to explain the same. It is easy for customers to shop at online platforms by analyzing the product price and other details.

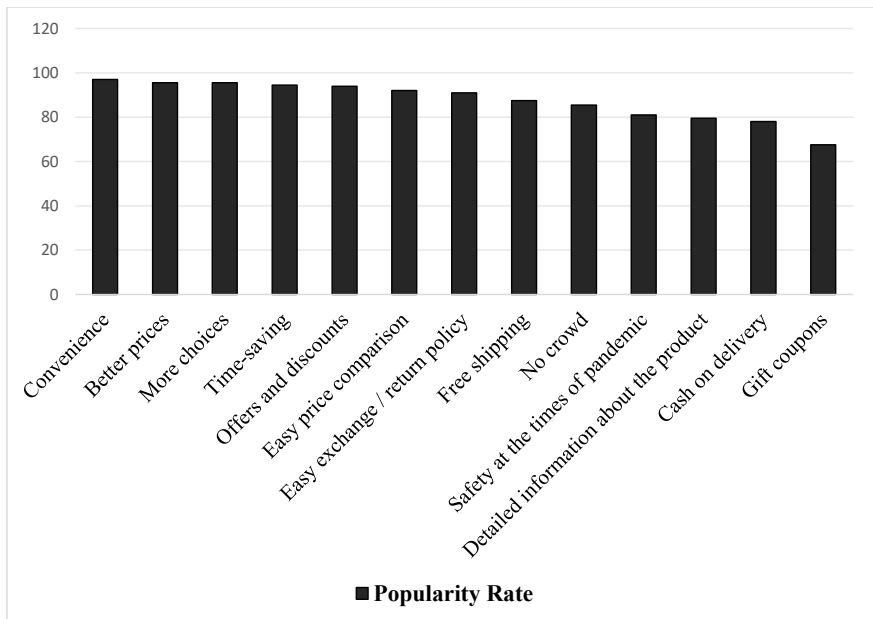
Table 2: Analysis of factors influencing customers to shift towards Online Shopping

Sl. No.	Factors	Frequencies					Total	Mean	SD	PR	Rank
		SA	A	N	DA	SDA					
1	Convenience	86	108	06	00	00	200	4.4	0.55	97	1
2	Better prices	73	118	07	02	00	200	4.31	0.59	95.5	2
3	More choices	84	107	05	04	00	200	4.41	0.63	95.5	2
4	Time-saving	73	116	08	03	00	200	4.29	0.61	94.5	4
5	Offers & discounts	81	107	07	03	02	200	4.31	0.62	94	5
6	Easy price comparison	82	102	12	04	00	200	4.31	0.67	92	6
7	Easy exchange / return policy	72	110	09	05	04	200	4.20	0.80	91	7
8	Free shipping	77	98	14	11	00	200	4.20	0.79	87.5	8
9	No crowd	70	101	15	08	06	200	4.10	0.92	85.5	9
10	Safety at the times of pandemic	66	96	21	09	08	200	4.01	0.98	81	10
11	Detailed information about the product	62	97	29	06	06	200	4.00	0.92	79.5	11
12	Cash on delivery	58	98	13	27	04	200	3.89	1.03	78	12
13	Gift coupons	38	97	16	39	10	200	3.57	1.14	67.5	13

Source: Primary Data

On an analysis of Table 2, it is clear that 97% of the respondents considered Convenience as the influencing factor to purchase from online platforms with a mean value of 4.4 and SD of 0.55. 95.5% of the respondents considered better prices (with a mean value of 4.31 and SD of 0.59) and availability of more choices at single point (with a mean value of 4.41 and SD of 0.63) as the influencing factors for their online purchase. 94.5% of the respondents are influenced by time saving advantage (with a mean value of 4.29 and SD of 0.61), 94% respondents by offers and discounts (with a mean value of 4.31 and SD of 0.62), 92% respondents by easy price comparison (with a mean value of 4.31 and SD of 0.67), 91% by return/exchange policy (with a mean value of 4.20 and SD of 0.80), 87.5% by free shipping (with a mean value of 4.20 and SD of 0.79), 85.5% by no crowd at shopping (with a mean value of 4.10 and SD of 0.92), 81% by safety during pandemic (with a mean value of 4.01 and SD of 0.98), 79.5% by availability of detailed information about products (with a mean value of 4.00 and SD of 0.92), 78% by availability of COD facility (with a mean value of 3.89 and SD of 1.03) and 67.5% are influenced by gift coupons options (with a mean value of 3.57 and SD of 1.14) for their online purchase.

Chart 1: Popularity Rate of factors influencing customers to shift towards Online Shopping



Source: Primary Data

It is clear from the analysis of the Chart 1 that the online customers considered the convenience (97%) as the most important factor influencing their online purchase decision which is ranked as first influencing factor based on Popularity Rate followed by the factors; better prices and availability of more choices (95.5%), Time saving (94.5%), provision of offers and discounts (94%), easy price comparison (92%), easy exchange/return policy (91%), free shipping (87.5%), no crowd shopping (85.5%), safety during pandemic (81%), availability of detailed product information (79.5%) cash on delivery (78%) and easy gift coupon sending options (67.5%) respectively. There is a tie between two factors such as better prices and availability of more choices, at the second rank.

8. Online Consumer Behaviour and Customers' Shopping Expectations

Online consumer behavior is the way consumers make decisions to buy products online, including how they search for products, navigate through stores, and make purchases. It's influenced by a variety of factors such as Consumers expectations about product availability, delivery transparency, shipping costs, best deals and discounts, Product quality and brand reputation, Positive reviews and word-of-mouth referrals, Return policy, personalized recommendations, secured payments, product information. The Demographic factors such as age, gender, income, and occupation can also influence the online buyer behaviour.

Customers have many expectations while shopping through online portals. When the online retailers are able to meet these expectations, it results in their success and survival in the market. Effective meeting of customer expectations also results in customer satisfaction and helps retaining the customers. The following are the various customer expectations identified by the response of the sample customers selected for the study.

- **Personalization:** Customers expect businesses to provide personalized advice and experiences based on their needs and preferences.
- **Fast and affordable shipping:** Customers expect fast delivery from online sellers at affordable shipping costs.
- **Secured payment options:** Customers expect safety with respect to their online payments.

- **Customer support:** Customers want to be able to easily contact customer support.
- **Loyalty programs and incentives:** Customers may be motivated by loyalty programs and incentives.
- **Informative reviews:** Customers want to see reviews that are informative and plentiful.

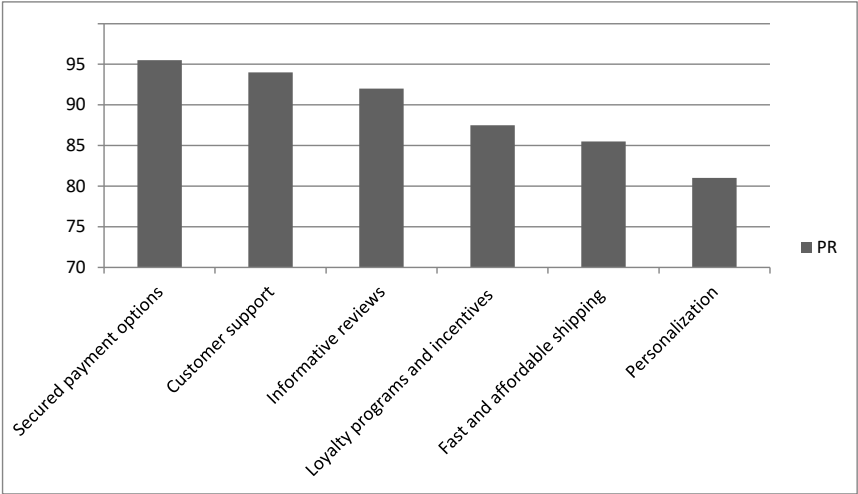
Table 3: Analysis of customers' expectations towards Online Shopping

Sl. No.	Factors	Frequencies					Total	Mean	SD	PR	Rank
		SA	A	N	DA	SDA					
1	Secured payment options	74	117	07	02	00	200	4.31	0.58	95.5	1
2	Customer support	80	108	07	03	02	200	4.30	0.70	94	2
3	Informative reviews	82	102	12	04	00	200	4.31	0.67	92	3
4	Loyalty programs and incentives	79	96	14	11	00	200	4.215	0.80	87.5	4
5	Fast and affordable shipping	70	101	15	08	06	200	4.10	0.92	85.5	5
6	Personalization	66	96	21	09	08	200	4.01	0.98	81	6

Source: Primary Data

On an analysis of Table 3, it is clear that 95.5% of the respondents expect Secured payment options from online sellers as the important factor to make their online payments during their purchase from online platforms with a mean value of 4.31 and SD of 0.58. The other important customer expectations are 94% expects proper customer support from online sellers (with a mean value of 4.30 and SD of 0.70), 92% expects availability of informative reviews on online platforms (with a mean value of 4.31 and SD of 0.67), 87.5% expects loyalty programs and incentives from e-sellers (with a mean value of 4.21 and SD of 0.80), 85.5% expects fast and affordable shipping (with a mean value of 4.10 and SD of 0.92), 81% expects personalized recommendations from sellers (with a mean value of 4.01 and SD of 0.98).

Chart 2: Popularity Rate of customers' expectations towards Online Shopping



Source: Primary Data

It is clear from the analysis of the Chart 2 that secured payment options from e-sellers (95.5%) is the most important expectation of customers while making their online purchase decision which is ranked as first customer expectation based on Popularity Rate followed by the expectations; customer support (94%), informative reviews (92%), loyalty programs and incentives (87.5%), fast and affordable shipping (85.5%) and personalized recommendations (81%) respectively.

9. Findings

- E-commerce is becoming more popular day by day and gradually attracting more customers from the offline retail shops. Various benefits attached with online shopping is the major factor attracting the customers towards online shopping portals. Customers are rushing towards e-shopping portals for their product/service needs as they can save time in their busy schedules by avoiding visiting offline stores and make purchases at their convenient time and place.
- E-Commerce is associated with numerous brands and sellers at single platform. Many of the customers irrespective of their age, gender, qualification and income level are moving towards e-retail shops for their product/service needs.

- Convenience is the major factor influencing customers to purchase from online platforms followed by various other factors such as better prices, availability of more choices at single point, time saving advantage, offers and discounts, easy price comparison, return/exchange policy, free shipping, no crowd at shopping, safety during pandemic, availability of detailed information about products, availability of COD facility and gift coupons options. Customers are getting attracted towards online shopping zone as many of these facilities are absent in the offline store purchase.
- Secured payment options is the major expectation of consumers to make their online payments as many of the customers are using online payment option which is sometimes also associated with some discounts. Customer support, Informative reviews, Loyalty programs and incentives, Fast and cost effective shipping and Personalization are also the major expectations on the part of consumers, followed by secured payment options, while shopping the products/services online.
- Quality of the products is also the major considerations of online consumers while making their online purchase decision. It is the vital factor which is influencing the re-purchase decision of consumers and also the product recommendation by consumers to others.
- Even though the offline stores came back to their regular trading activities after the COVID-19 pandemic, majority of the customers are still continuing their shopping with e-commerce portals. Meeting the customer expectations by the e-retailers is vital for retaining the customers as well as to provide customer satisfaction.

10. Suggestions to e-retailers

- To retain the customers, the online retailers need to provide faster and cost effective shipping facilities to make the products reached the customers within a few days.
- The online retailers could concentrate on loyalty programs and incentives as the Customers may be motivated by them.
- E-retailers need to make sure that their website is easy to use on mobile devices.
- It is necessary to include customer reviews to help customers make informed decisions.

- Offering multiple and secured payment options to customers can help the customers to undoubtedly complete their purchase. E-retailers need to make sure the checkout experience is secure and confident so customers feel ready to spend money.
- Providing personalized recommendations by understanding the customers make them feel valued.
- Providing a live chat option is helpful to the customers to get answers to their product/service related queries.
- Providing detailed product information and high-quality product photos can help the e-retailers to attract the customers.

11. Limitations of the study

- The sample size is limited to 200 online customers only.
- The findings of the study are based on the responses provided by the sample customers only.

12. Conclusion

Technological advancement is bringing various changes in many areas of the society including trade and commerce. The online shopping platforms are attracting customers from offline zone by providing various offers and facilities. To survive in the present competitive business world, the online retailers need to provide some benefits and facilities to retain their customers as well as to attract new customers towards their e-stores. The growth of internet as well as increased competition has prompted many retailers to shift towards online selling platforms. Customers are attracting towards online shopping as it is associated with convenience and other various benefits. Understanding the online consumer behaviour and meeting their shopping expectations is of immense importance to the e-retailers to survive and succeed in the market.

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