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IMPACT OF ONLINE GROCERY STORES ON CONSUMER BUYING DECISIONS:
AN EXPLORATORY STUDY

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ABSTRACT

Online shopping is process of purchasing product online using some online platform. In recent years, we have seen the growth of e-commerce and it is increasing day by day. Now a day every retailer tries to increase its access through e-commerce in India. The research objective is to know the consumers perception about online grocery store and to know the impact of online grocery stores on the behavior of the consumers. For this study, convenient sampling is used and 100 responses were collected and utilized for the study in concern. The sample was collected from the Dehradun city. The Finding of the study states that the online grocery shopping have a significant relationship with the consumer buying behavior.

Keywords: consumer-buying behaviour, Online shopping, E-commerce, grocery stores.

I. INTRODUCTION

The study on "The Effect of Perceived Service Quality on Customer Satisfaction & Customer Loyalty in Organized Retail Sector", work on finding out the relationship between service quality & customer satisfaction, furthering the research to discover the relationship between customer satisfaction & customer loyalty. The sample size considered approxed to about 180 customers that visited the retail chains viz. E-zone, Croma, Next, Reliance Digital in Delhi-NCR. The data collection method used was a self-administered questionnaire. A regression analysis & descriptive statistics were made use of, for analyzing the data & proving the conceptual model. The results concluded that, reliability, policy & personal interaction are the 3 dimensions that positively relate to customer satisfaction furthering the positive relation to customer loyalty. The two dimensions; problem solving & physical aspects exhibit a very low significance level of relationship with customer satisfaction. The further proposal of research included a greater sample size for a more adequate evaluation. (Jain P. & Aggarwal V.S, 2017)

Hisam M.W., Sanyal S. & Ahmad M. (2016), in their paper on "The Impact of Service Quality on Customer Satisfaction: A Study on Selected Retail Stores in India", aims to understand the relevance & impact of the quality of service on customer satisfaction in the selected retail outlets of 3 Indian cities; Kolkata, Ranchi & Varanasi. The findings concluded that, among the 5 dimensions taken into consideration, the reliability 7 responsiveness dimensions were up to the mark, the assurance dimension was quite effective & the other two dimensions; empathy & tangibility needed improvements. Further suggestions were made for concentration on visually appealing features of the outlets. Physical appearance of retail outlets' employees could be improved for customer attraction & enhancement of the outlet's value among the customers. The queries & problems of the customers must be properly addressed, for which, adequate training to the employees must be provided for.

Simmers C.S. & Keith N.K. (2014), in their study on "Measuring Retail Stores Service Quality: The Disparity Between The Retail Service Quality Scale(RSQS) & Comment Cards", make a comparison between the comment cards used in retail stores & the RSQS model dimension & sub-dimensions that were recommended by Dabholkar et al. (1996). It was revealed in the findings that two of the sub-dimensions of RSQS, promises (reliability) & convenience (physical aspects), & 18 scale items of RSQS were not included in the comment cards. Though, there were two comment card attributes that were not covered under the RSQS model too, that included professionalism & friendliness. Future study may entertain the researchers' ability for capturing the service quality data closer to the time of service, being variations in the electronic survey format versus the response rate & a divergence among the respondents to the paper.

Farooqi R. & Banerji R. (2013), in their work on "Evaluation of Retail Service Quality by using RSQS model: A Case Study on Big Bazaar Hypermarkets in Delhi NCR (India)", aims to find out the overall perception of retail service quality by customers in big bazaar hypermarkets in the National Capital Territory of Delhi (India). The analysis show that there is a scope of improvement, as the customers are not fully satisfied by the service quality provided by the big bazaar hypermarkets. The future study proposal included extension of study across different cities of India covering bigger bazaar hypermarkets to get a more holistic view for consumer perception.

The study based on consumer attitude towards online shopping. The objectives of study is studying status of online shopping in India analysing the factors those influence consumer mind set towards online shopping, studying factors that drive consumer perceptions towards online shopping and studying possibilities for enlargement of online shopping in India. It was concluded that occupation of consumers is independent of purchase habit of consumers in online shopping. Findings suggested that though usage of online shopping by customers is increased but still customers are giving first preference to manual shopping for regular purchase. Majority of customers have used online shopping and have shown willingness to continue but very few of them have done online shopping earlier and not showing willingness to continue. Respondents favour online shopping due to various benefits like less price or price discount, time saving, due to accessible of number of size range and variety of available products. Customers are having choice to purchase, customers found purchase method very easy as websites are user-friendly and customers want to avoid hassles of shopping in store (Kothari P.P. & Maindargi S.S, 2016).

the study based on Indian consumer attitude towards online shopping .Found out that though uses of online shopping by customer is increased but still customer are giving first preference to manual shopping for regular purchases. Majority of customers have used online shopping, shown willingness to continue but very few of them have done online shopping earlier, and not showing willingness to continue. Major part of respondents are happy with online shopping (Manikandan C. & Asokan P, 2017).

The study based on consumer attitude towards online shopping identified and analyzed the factors influencing the consumers to shop online. Apart from these factors, another aim of the research investigation is to examine who are online shoppers in terms of age, sex, income etc. Researchers divided research investigation into 4 factors such as comfort, Time Saving, Website mapping and Security. In addition to these four-factor researchers have found another important attribute that is price of the product or services and discount, as they perceive while shopping online they get items in lower prices and the get better discounts while shopping online. Convenience, feedback from previous buyer, security issue, quality and reliability of information also play an important role in building consumer attitude (Dani N.J, 2017).

“E-retailing is the sale of products and services to the consumer market, over the Internet. E-retailing is also variously referred to, by other authors, as entailing and business to consumer e-commerce.” (Kolesar& Galbraith, 2000).

A study conducted to understand the consumer behavior towards e-marketing in Jaipur city shows gender has no relation and age group between 18-30 are major users. High-income group are major customers for e shopping to save their time. Security and safety are major concern for Indian consumers. Most preferred products/service are e ticketing e booking & e billing. And most preferred websites are IRCTC, followed by yahoo & e-bay (Hooda& Aggarwal, 2012).

Reddya, N. A., & Divekar, B. R. (2014) in their study suggested that Logistic and Shipment, Cash on delivery, Tax structure and Online transaction and security are major hurdles for growth of E-retailing in India.

Constantinides, E. (2004) in his research about web experience shows that usability and interactivity of website, trust and credibility, website design and marketing mix are important factors that impact web experience for consumers.

Objective of the Study

The research objective is to know the consumers perception about online grocery store and to know the impact of online grocery stores on the behavior of the consumers.

II. RESEARCH METHODOLOGY

To study the research objectives the descriptive research design is used. In this particular research, quantitative approach has been used and the primary data was gathered through structured questionnaire. For the data accumulation, convenient sampling is used and 100 responses were collected and utilized for the study in concern. The sample was collected from the Dehradun city. The data gathered from the respondents were put in the SPSS to analyze the various factors and dependability of the variables. Mean, Standard deviation and regression are used in this study.

Data Analysis and Interpretation

		Frequency	Percent
Gender	Male	50	50.0
	Female	50	50.0
Age	less than 20 yrs	13	13.0
	between 21yrs to 30yrs	34	34.0
	between 31yrs to 40yrs	27	27.0
	between 41yrs to 50 yrs.	12	12.0
	greater than 50yrs	14	14.0
Marital Status	Married	43	43.0
	Unmarried	43	43.0
	Separated	4	4.0
	Divorced	8	8.0
	Widow	2	2.0
Educational Qualification	12th pass	19	19.0
	Undergraduate	18	18.0
	post graduate	39	39.0
	Diploma	10	10.0
	Others	14	14.0
Occupation	Business	26	26.0
	Professional	31	31.0
	Student	25	25.0
	Housewife	8	8.0
	police/army	6	6.0
	Retired	2	2.0
	Unemployed	2	2.0
Monthly family Income	less than Rs15000	6	6.0
	Rs 15,000 -Rs 30,000	2	2.0
	Rs. 30,000- Rs.45,000	17	17.0
	Rs.45,000-Rs.60,000	46	46.0
	Greater than Rs.60,000	29	29.0
Family Size	upto 3 members	22	22.0
	between 4 to 6 members	57	57.0
	between 7 to 9 members	21	21.0

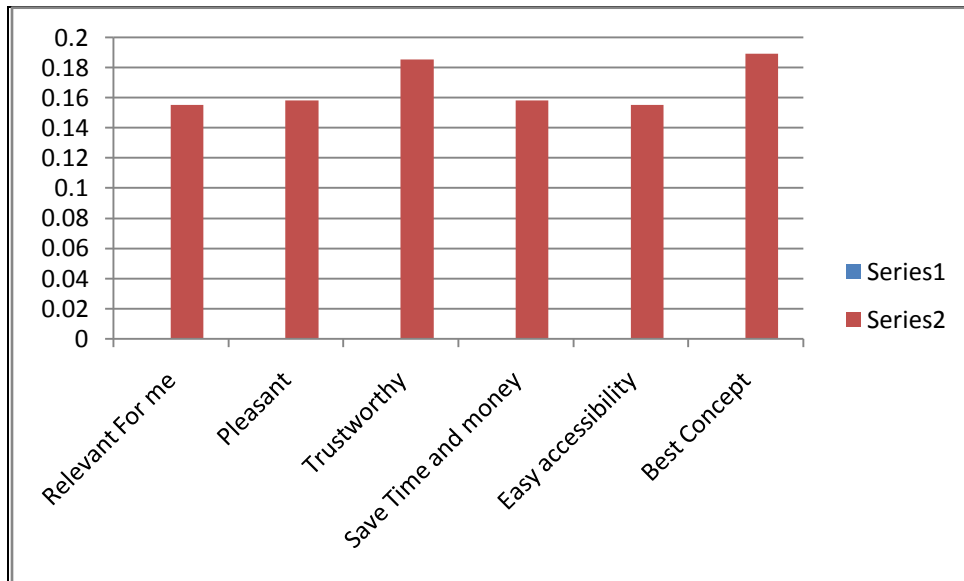
The demographic profile analyses displayed in the table it demonstrates the age analysis of respondents that show, that most of the respondents are from 21 to 30 years and 31 to 40 years (i.e. 34% and 27%). In the gender classification, it shows that 50% are male and 50% respondents are females in the sample. Out of the sample majority of responded are married and unmarried. Regarding the education level, it shows that the most of respondents in the sample are postgraduate i.e. 39% and under graduate with 18%. As per the occupation classification, the most of the respondents are professional i.e. 31% and students i.e. 25% in the sample. As per the monthly family income level classification, the most of the respondents in the sample have 45000-60000 incomes i.e. 46%. Majority of the respondents have the family size of 4 to 6 members i.e. 57% respondents have members between 4 to 6.

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers. Similarly, grocery seller has started the concept of selling the grocery product online. In older days grocery shopping was done through the traditional methods but now company is offering online services for grocery shopping too. In order to know the perception of the consumers about online grocery shopping customers of the Dehradun a question was raised.

\$perception Frequencies

		Responses		Percent of Cases
		N	Percent	
\$perception ^a	Relevant For me	41	15.5%	41.0%
	Pleasant	42	15.8%	42.0%
	Trustworthy	49	18.5%	49.0%
	Save Time and money	42	15.8%	42.0%
	Easy accessibility	41	15.5%	41.0%
	Best Concept	50	18.9%	50.0%
Total		265	100.0%	265.0%

a. Group



As per the above table majority of the customers stated that for them online grocery shopping concept is best and even they trust this site while shopping the grocery online. Online grocery shopping saves their time and money as well. Most of the working people do not have time to visit different stores to purchase a commodity so under this concept time and money with different discount schemes are saved.

An online grocery shopping is that allows online ordering, or a standalone e-commerce service that includes grocery items. There is usually a delivery charge for this service and saves time money and pleasant services for those who cannot visit to different stores and do grocery shopping. Therefore, to judge the effectiveness of online grocery store following variables are taken into consideration. i.e. Online grocery shopping is pleasant, Online grocery shopping is beneficial to me, Online grocery shopping can save lot of time, online grocery shopping help me in comparing product and price with alternative, online grocery shopping offers a variety of products, Online grocery shopping help in saving money.

Descriptive Statistics

	N	Mean	Std. Deviation
Online grocery shopping is pleasant	100	2.2700	.98324
Online grocery shopping is beneficial to me	100	2.5000	.89330
Online grocery shopping can save lot of time	100	2.7200	1.04524
online grocery shopping help me in comparing product and price with alternative	100	2.6600	1.01723
online grocery shopping offers a variety of products	100	2.6100	1.05309
Online grocery shopping help in saving money	100	2.5500	.97830
Valid N (listwise)	100		

Consumer buying behavior is the sum total of a consumer's attitudes, preferences, intentions, and decisions regarding the consumer's behavior in the marketplace when purchasing a product or service. The study of consumer behavior draws upon social science disciplines of anthropology, psychology, sociology, and economics. Therefore, following variables are taken into consideration i.e. I prefer to buy from the online grocery whose website design is attractive and helps me in searching the product easily, i prefer to buy from the website that provides all the information that i need while shopping for grocery online. When shopping grocery online, it is important that pictures and colors are clear and are representatives of the products, I would like to shop more online if products (grocery) returns were easier, I will get the quality and brand that i need if i shop grocery online, I am concerned about the stores reputation when shopping grocery online.

Descriptive Statistics

	N	Mean	Std. Deviation
I prefer to buy from the online grocery whose website design is attractive and helps me in searching the product easily	100	2.5600	1.07609

i prefer to buy from the website that provides all the information that i need while shopping for grocery online	100	2.4400	.94623
When shopping grocery online, it is important that pictures and colours are clear and are representatives of the products	100	2.5800	1.05582
I would like to shop more online if products (grocery) returns were easier	100	2.3100	1.05117
I will get the quality and brand that i need if i shop grocery online	100	2.3400	1.07516
Iamconcerened about the stores reputation when shopping grocery online	100	2.7000	1.06837
Valid N (listwise)	100		

Regression analysis is a form of predictive modeling technique, which investigates the relationship between a dependent and independent variable(s). This technique is used for forecasting, time series modeling and finding the causal effect relationship between the variables. In our case, the relationship between impacts of online grocery shopping in consumer buying behaviors being studied through regression. Regression analysis is also used to understand which among the independent variables are related to the dependent variable, and to explore the forms of these relationships. In limited circumstances, regression analysis can be used to infer causal relationships between the independent and dependent variables.

The regression analysis has been used to know the impact of online grocery shopping store on consumer buying behavior.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947 ^a	.896	.895	.27380

a. Predictors: (Constant), Onlinegrocerystore

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	63.223	1	63.223	843.320	.000 ^b
	Residual	7.347	98	.075		
	Total	70.570	99			

a. Dependent Variable: consumerbuyingbehaviour

b. Predictors: (Constant), Onlinegrocerystore

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	-.214	.097		-2.206	.030	-.406	-.021
Onlinegrocerystore	1.059	.036	.947	29.040	.000	.987	1.131

a. Dependent Variable: consumer buying behaviour

The information presented in the above table show the model summary & overall fit statistics. We see from the table that the Adjusted R Square of our model is .895 with the R² = .896 that means the linear regression explains the 89.6% variance in the data.

The table above depicts the F test. The f test statistics is the regression sum of a square divided by the residual mean square. The liner regression F test has the null hypothesis that there is no linear relationship between the variables with F test 843.320 and 1 degrees of freedom the test is highly significant. Therefore we can assume that there is a linear relationship between the variable in our model. Further, the table shows standardized coefficient beta indicates the relationship between online grocery shopping as the independent variable and consumer buying behavior as the dependent variable with a value of .947. The significance of beta is tested using t-test and value found is -2.206 and 29.040, which is significant except indicating a healthy positive relationship between online grocery shopping and consumer buying behavior. The regression analysis helps to conclude that the online grocery shopping have a significant relationship with the consumer buying behavior.

III. CONCLUSION

Online shopping has gain the growth in many years. Among different sectors online grocery is one of the sector that has gained the boom in the upcoming years as most of the people are busy in their career building due to which they are enable to contribute their time on visting or purchasing the grocery. Online grocery shopping is the concept, which has acted as the best concept for these people. The perception of the customers varies as well as their buying decisions also vary some may get influence and it motivates them to purchase while some may not. This article isto know the impact of in online grocery shopping on buying decision in the Dehradun city. Through this study, it is found that in Dehradun in online grocery shopping has impact on the buying behavior of the consumers.

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