

A Descriptive Analysis of Consumer Perception on Online Grocery Shopping

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Abstract- Online shopping has been intruding in all sector and walks of life. As businesses are expanding it brick to click, it is highly relevant for consumers and businesses to understand the consumer perception. India has witnessed new changes in evolving grocery shopping styles such as online grocery shopping which is constructed by retailers to attract the consumers. This paper intends to understand the consumer perception of online grocery shopping and the impact of demographic factors on the same. To find out the facts, 200 respondents were considered as sample size and data was collected through structured questionnaire. SPSS was used to analyse data and findings were interpreted. The major findings are there is impact of demographics on consumer perception on online grocery shopping and monthly saving and budget control are possible. The important dimensions considered for online grocery shopping are listed. This paper would be relevant for the people and businesses that are interested and impacted by online grocery shopping.

Keywords – Online shopping, grocery, consumer perception, demographics, retail businesses

I. INTRODUCTION

Online shopping has become an integral part of consumers. Innovation of technology in the business world and its impact on consumers resulted in increase in the frequency of shopping online. Groceries sell irrespective of the state of the economy. One cannot live without toothpaste, soap, vegetables and groceries. Fast phased city life, constrains due to time and place, consumers prefer online shopping. The availability of options, convenience of payment facilities, offers and discounts are the indicating factors for online shopping. Delivery at doorsteps and convenience at many factors lead as important influencers. Groceries are bought at times according to consumers requirements. Online grocery shopping refers to the process where consumers shop grocery online through retailers website or online grocery stores which results in delivery of grocery at the doorsteps of consumers (Choi, 2013). Consumers spend huge time for purchasing grocery, traveling to stores and standing in queue. Relatively, online grocery shopping is increasing among the modern consumers. Online grocery stores such as bigbasket.com, naturesbasket, grofers and many online grocery stores which are operated at limited point of delivery perform convenience to consumers intend to shop grocery online. Coimbatore is the growing second largest city in Tamil Nadu. It would be relevant to study consumer perception on online grocery

shopping which would benefit the businesses, consumers and other interested people.

II. REVIEW OF LITERATURE

Consumers are time constrained to get involved in household activities or to indulge in grocery shopping, which has created a market for online grocery in India (Research and Markets, 2016). According to TechSci Research Report 2016, it has been found that online grocery market in India is expected to grow at a CAGR of 55 per cent during 2016-2021. Online grocery shopping benefits both consumers and retailers. Consumers benefit through convenience of time, place and products whereas for retailers it is an advantage to get connected with customers 24X7. Online grocery shopping reduces the mental and physical effort of shopping (Morganosky and Cude, 2000). From the research of Fransi and Viadiu, 2007, it has been found that online grocery shopping saves time that consumers spend during multiple stores. Research by Hiser et al. (1999) states that consumers other than those in suburban dual-income households are interested in online grocery shopping. Mohd Zaini et al (2011) and Jianh et al (2013) highlighted the advantages of online grocery shopping which benefit consumers. They enumerated that offers & discounts, variety of items, convenience, time and shopping not limited to business hours are the advantages of online grocery shopping. Online grocery shopping has made shopping easy as orders could be placed and customised at consumers' convenience Mohd Zaini et al (2011). (Souitaris and Balabanis, 2007; Wood, 2011) suggested that men prefer online shopping and (Freeman, 2009; Hand et al., 2009; Montgomery et al., 2004; Morganosky and Cude, 2000; Raijas, 2002) suggested that online shopping is skewed towards women. Research by Merz, 2013; Richmond, 1996; Sorensen, 2009 found that consumers shop online as to effectively manage time and experience convenience.

III. OBJECTIVES OF THE STUDY

The following objectives were framed for the study.

1. To understand Consumer Perception of Online Grocery Shopping
2. To understand the impact of demographic factors on consumer perception of online grocery shopping.
3. To provide suggestions and recommendations.

IV. RESEARCH METHODOLOGY

Research methodology is the collection of methods which are used to perform research. Since the study requires analysis of data, quantitative approach has been implemented. Descriptive analysis has been used to analyse and interpret data. The sample unit has been catered to those who shop online in Coimbatore city. Convenient sampling technique has been used to collect data from the sample size that is 200 respondents. Data was collected through structured questionnaire. SPSS software and MS Excel have been used to analyse data. Simple Percentage Analysis, Correlation and Chi-Square test have been used for the finding the results. The study is limited to the sample and data collected from consumers of Coimbatore city.

V. ANALYSIS AND FINDINGS

Simple Percentage Analysis has been used to find and analyse the response percentage to the factors of the survey. The following charts were derived from the simple percentage analysis.

1. Demographics

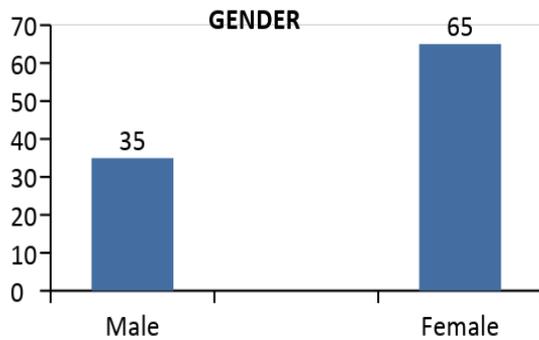


Fig.1 Simple Percentage Analysis of Respondents Gender

Age of Respondents

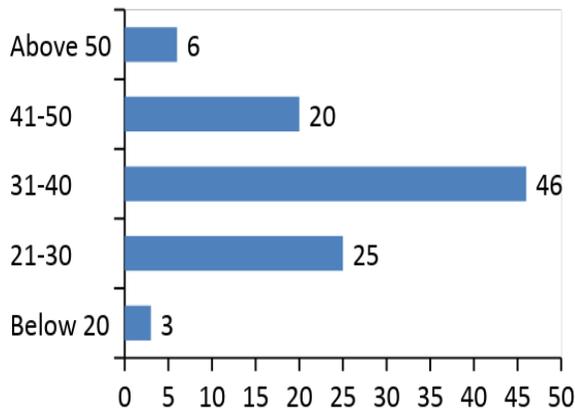


Fig.2 Simple Percentage Analysis of Respondents Age

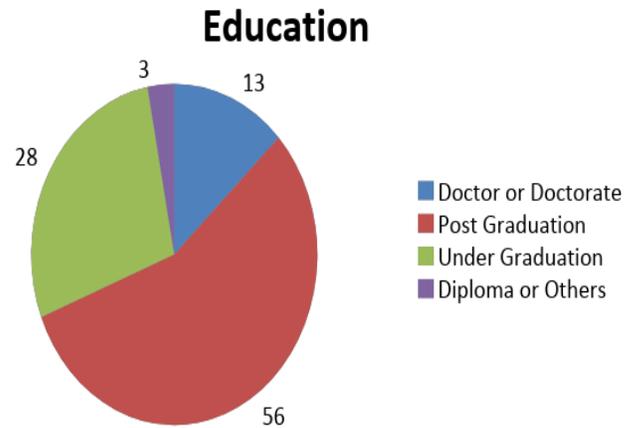


Fig.3 Simple Percentage Analysis of Respondents Education

Occupation of the respondents

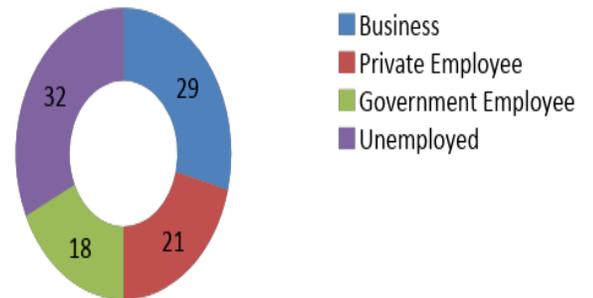


Fig.4 Simple Percentage Analysis of Respondents Occupation

Monthly Income of Respondents

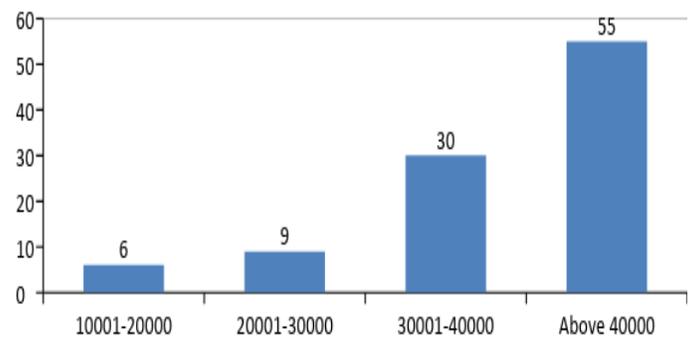


Fig.4 Simple Percentage Analysis of Respondents Monthly Income

Number of Dependents

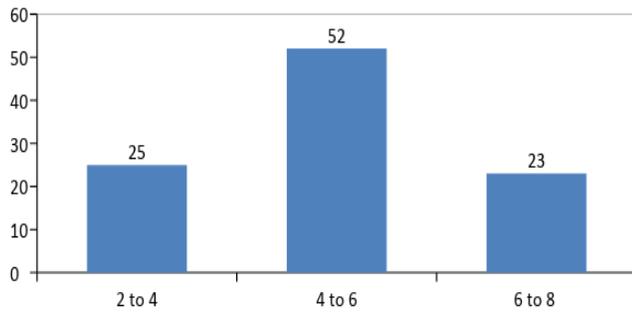


Fig.5 Simple Percentage Analysis of Respondents Number of Dependents

Number of times shopping grocery

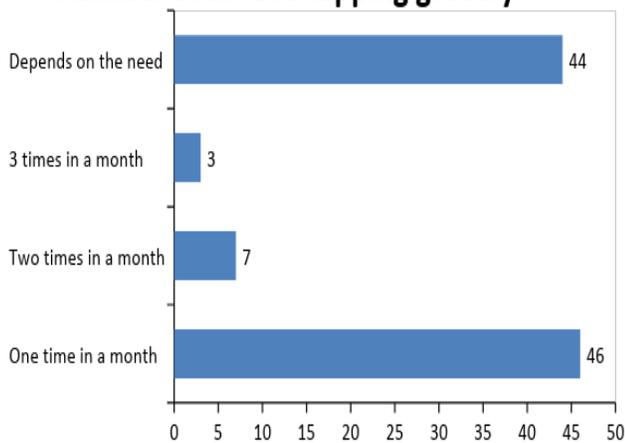


Fig.6 Simple Percentage Analysis of Respondents Number of times grocery shopping in a month

Monthly spending on grocery

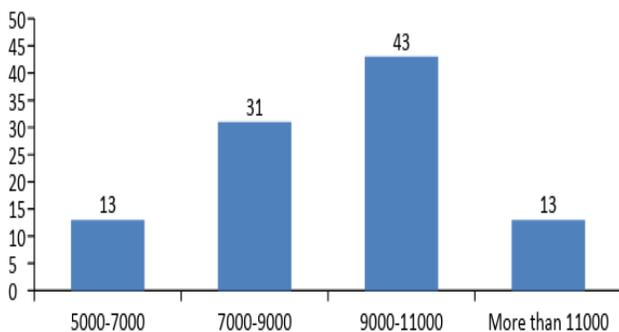


Fig.7 Simple Percentage Analysis of Respondents Monthly spending on grocery.

From the fig 1to 7, it has been found that 65percent of respondents are Female and 35percent is Male. From the fig.2, it has been found that the highest percentage of age category respondents belong to age between 31 and 40. 25 percent and 20 percent of respondents belong to age category of 21-30 and

41-50 respectively. From the fig.3, it has been found that 56percent of respondents are post graduated whereas 13percent is Doctorates/Doctors. From the fig.4, it has been found that 32percent of respondents are unemployed which indicates house trapped housewife, homemakers and unemployed. The next highest percentage is 29percent which includes the respondents who are business professionals. From the fig. 4, it has been found that 55percent of respondents earn more than 40000 INR per month. From the fig.5, it has been found that 52percent of respondents have 4 to 6 dependents whereas 23percent told that there are 6 to 8 dependents in their family. 46percent of respondents shop grocery one in a month whereas 44percent of respondents shop grocery depending on their needs. 43percent of respondents spend between Rs.9000 and Rs. 11000 for grocery in a month and 13percent of respondents spend more than Rs.11000 for grocery in a month.

2. Dimensions considered for Online Grocery Shopping

TABLE1

THE DIMENSIONS CONSIDERED FOR ONLINE GROCERY SHOPPING ON THE BASIS OF IMPORTANCE

Dimensions	1	2	3	4	5	6
Brands/Products Availability	18	15	32	0	0	100
Visibility of Manufactured and Expiry Dates	51	37	10	2	0	100
Availability of Stock	16	34	42	5	3	100
Quick Delivery	59	34	7	0	0	100
Pricing	54	36	10	0	0	100
Combo Offers, Discounts and Reductions	30	36	32	9	2	100
Credibility	15	32	31	19	3	100
Guarantee and Warranty	17	27	34	15	5	100
Easy Returns Policy	87	13	0	0	0	100
Worth for Money	35	55	7	3	0	100
Customer Support and Relationship Desk	15	41	37	5	2	100
Order Tracking System	66	21	10	2	1	100
Payment Mode	39	30	6	11	14	100
Delivery during customer availability at home	53	12	3	9	23	100

Table.1 represents the table listing the dimensions considered on online grocery shopping. 1 – extremely important, 2- very important, 3- quite important, 4 - Somewhat important 5- Unimportant and 6 - Percentage of respondents,. From the fi.8, it has been found that 87percent of respondents perceive that easy returns policy is extremely important in online grocery shopping. 66percent and 59percent of respondents perceive that order tracking and quick delivery are extremely important dimensions respectively and 53percent of respondents perceive that delivery of products should be at the time when consumers are available at home. Other dimension

such as payment mode, credibility, availability of stock and combo offers and discounts are important dimensions.

3. Consumer Perception on Online Grocery Shopping

TABLE 2

CONSUMER PERCEPTION ON ONLINE GROCERY SHOPPING

Consumer Perception	1	2	3	4	5	6
Welcome Online Shopping of Grocery	39	35	22	4	0	100
Online shopping of grocery is helpful	10	43	13	6	28	100
Online grocery shopping is necessary in this fast modern world	52	21	21	6	0	100
Online grocery shopping suits schedule	3	41	19	15	22	100
Online grocery shopping enhances consumer efficiency	7	17	33	14	29	100
Cost spent on traveling to grocery stores is avoided	79	19	2	0	0	100
Paying taxes like in organized retail stores is avoided	7	25	27	36	5	100
There is convenient pricing	9	18	52	11	10	100
Monthly budget is controlled	1	38	13	15	33	100
Saving money is possible	0	33	24	14	33	100
Parking problems are avoided	89	10	1	0	0	100
Traveling time is saved	75	22	3	0	0	100
Standing in queue for long time is not required	88	9	3	0	0	100
Wide variety of products and brands are available	11	72	10	4	3	100
Best choice is possible	5	39	27	27	25	100
Shopping grocery is possible at anytime	74	23	2	1	0	100
Carry bags and paying for carry bags are not required	64	33	3	0	0	100
Even orders can be placed in the midnight	71	23	6	0	0	100
Reluctance on providing personal information	26	30	4	15	25	100
Afraid of person who would come to deliver grocery	36	16	11	12	39	100
There is no joy of real-time shopping	29	20	15	27	11	100
Online shopping of grocery is more or less equal to organized retail store	10	30	30	25	5	100
Online Shopping is secured and safe	33	32	7	19	9	100
Welcome Apps for online grocery stores	61	14	23	2	0	100
Expecting branded organized retail stores to come out with online stores	46	25	27	1	1	100

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree 6. Percentage

From the table 2, it has been found that 89percent of consumers strongly agreed that parking problems in the retail stores are avoided and 88percent of respondents also strongly agreed that standing in the queue for a long time can be avoided in terms of online grocery shopping. The factors such

as traveling time, shopping at anytime, anyplace and with convenience are highly agreeable. It has also been found that grocery orders can also be made at the mid nights for which 71percent of respondents have strongly agreed. Some retail stores charge for carry bags which could be avoided in online shopping for which 64percent of respondents have strongly agreed. 33percent of respondents agreed and strongly disagreed on saving money in online grocery shopping. 38percent and 33percent of respondents agree and strongly disagree that monthly budget is controlled in online grocery shopping. 36percent percent of respondents are afraid of the delivery person. This category includes the homemakers and elders who are alone at home during peak hours.

TABLE 3

CHI SQUARE VALUES – DEMOGRAPHICS AND CONSUMER PERCEPTION

Pearson Chi-Square	Value	df	Asymp. Sig. (2-sided)
Gender and Reluctance on providing personal information	31.019 ^a	4	.000
Marital Status and Online grocery shopping is helpful	13.709 ^a	4	.008
Marital status and monthly budget is controlled	14.964 ^a	4	.005
Marital status and afraid of person who would come to deliver grocery	12.263 ^a	4	.016
Education and online grocery shopping is necessary in this fast modern world	24.677 ^a	9	.003
Education and welcome apps for online grocery shopping	50.175 ^a	9	.000
Number of times shopping grocery in a month and online grocery shopping suits schedule	25.109 ^a	12	.014
Number of dependents and online grocery shopping enhances consumer efficiency	21.516 ^a	8	.006

From the table 3, it has been found that chi square values of perception factors are less than the significant value 0.05 that is Reluctance on providing personal information, helpfulness of online grocery shopping, controlled monthly budget, reliability of delivery person, necessity of online grocery shopping, Apps for online grocery shopping, flexible for schedule, enhancing consumer efficiency have been impacted by the demographic factors.

TABLE 4

CORRELATION TEST RESULTS – DEMOGRAPHICS AND CONSUMER PERCEPTION

Demographic Factors	Consumer Perception	Correlation Sig. Value
Age	There is no Joy of real time shopping	.000
Marital Status	There is no Joy of real time shopping	.020
Occupation	Online Grocery Shopping suits schedule	.000

Monthly Income	Saving money is possible	.012
Monthly Spending on Grocery	Saving money is possible	.001

From the table 4, it has been found that the correlation values of perception factors are less than the significant value 0.05. In detail, age and marital status have perfect correlation with enjoyment of real time shopping, monthly income and monthly spending on grocery also have perfect correlation with saving money is possible by online grocery shopping.

VI. CONCLUSION

This study of Consumer perception on Online grocery shopping has found facts such as married unemployed homemakers feel the joy of real time shopping is missing in online grocery shopping. Respondents feel that monthly budget is controlled as the list of orders can be verified and sorted at convenience and referring previous orders. Online grocery shopping is highly welcomed by the business professionals who do not have time to shop in retail stores and suits their busy schedules. Carry bags has become a problem in modern retail industry and standing in a long queue is also a highly seen in the stores and retail outlets. These problems have been solved by online grocery shopping. Grocery at door steps is possible but some respondents are afraid of the person who would come for grocery delivery and also state that delivery should be made at the time of consumers' availability at home. As general in other online shopping, consumers also feel that easy returns policy, quick delivery, visibility of manufacturing and expiry dates are considered as highly important dimensions for online grocery shopping. The online retail businesses have to consider the perception of consumers and to implement best strategies for not only producing profit but also to serve their customers better. Since, grocery is required for all households and individuals it is recommended to conduct the research on consumer perception which would be influenced by changing economies and other factors.

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