An analytical study of problems experienced by online shoppers of Ludhiana city

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Abstract

The present study was undertaken with an objective to assess the problems faced by selected respondents in online shopping. The study was conducted in Ludhiana city of Punjab, Five localities viz., Punjab Agricultural University Campus, Sarabha nagar, Kitchlu nagar, Bhai Randhir Singh nagar and Model town were selected purposively. From each of the selected locality, 35 households having internet connection and experience of online shopping were selected through snowball sampling technique. Thus, 175 respondents constituted the sample for the study. The results of the study revealed that out of 175 respondents, 50 respondents faced problem while online shopping. Their main problem was difficulty in inspecting the quality of products (Mean Score=2.58), Online store promise more than they actually offer (MS=2.30) besides, few respondents (MS=2.04) reported the problem of receiving damaged, faulty or spurious goods. When they were further asked about the action taken in case of problem 46 per cent reported that they never registered complaint anywhere as they were not aware about where to file a complaint. But still they were satisfied with online shopping experience as it saved time, money, energy and provide variety of products, quicker services and home delivery services. A majority of respondents (85%) showed their willingness to shop online in future.

Keywords: Online shopping, product quality, preferences

Introduction

The Internet has revolutionized the way we shop. Because of the numerous advantages and benefits, more and more people these days prefer buying things online over the conventional method of going into stores. It is true worldwide, not only in the western world. Most prefer online shopping for a variety of reasons such as convenience, more variety, prices can be compared, no crowd etc.

The online shopping has seen a boom in the Asian region in the recent years. India, the South Asian country, had the fastest growing online retail market in 2019. The number of digital buyers across the country is estimated to be approximately 330 billion in 2020 (Statistical Research Department, 2016) [1]. The figure suggests that almost 71 percent of internet users in the region will have purchased products online for the mentioned time period. The sector is driven by personalized advertisements, attractive discounts, quick delivery and return infrastructure and a high penetration rate of smartphones. This retail ecosystem combined with the comfort of being at home and getting all your choices delivered to your doorstep has turned the tables for the online shopping quite significantly.

Even though there has been tremendous expansion in the sector, the penetration rate in the country is relatively low compared to markets such as China and the U.S. The progress has faced challenges in the form of trust issues due to a large number of fake websites and products, which were the reason that over 20 percent of the buyers refused to buy goods or services online in 2016. Kuriachan (2014) in her study found that common problems in online shopping were receiving wrong products, damaging products in transit, delay in delivery of products and sometimes consumer fail to receive the product. Vats (2014) [2] in her study pointed out the problems such as; deliveries arriving late, receiving faulty and damaged goods, goods not arriving at all and additional and unexpected charges. Online shopping also involves financial risks along with other problems. Keeping in mind the above facts, a need was felt to study the type of problems experienced by the online shoppers of Punjab. Therefore, the present study was conducted in Ludhiana district of Punjab as it is a metropolitan city and has economically prosperous and educated population as compared to

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other districts of Punjab. So, the present study was conducted with the following specific objectives:

1. To assess the problems faced by the selected respondents in online shopping.
2. To know the action taken in case of problems.
3. To study the future preferences of respondents for online shopping.

Methodology
The present study was conducted in Ludhiana city of Punjab state. In order to meet the objectives of the study, respondents were selected using purposive and snowball sampling. In the first stage of sample selection, five localities of Ludhiana city namely, Punjab Agricultural University Campus, Sarabha Nagar, Kitchlu Nagar, Bhai Randhir Singh Nagar and Model town were selected purposively as these were easily approachable and people of these areas are well educated, financially sound and had internet connection. From each of the selected locality, 35 households having internet connection and experience of online shopping were selected through snowball sampling technique. Further from the selected 35 households from each locality one female member who was actually doing online shopping was taken as the respondent for the study. Thus the total sample was comprised of 175 women respondents.

An interview schedule was prepared to gather information from respondents. It consisted of two parts. Part I aimed at extracting the background information of the respondents and Part II included statements related to problems of online shoppers. Problems experienced by the respondents while online shopping were measured on a three point scale i.e. ‘Always’, ‘Sometimes’, ‘Never’ with score of 3, 2 and 1 respectively. The interview schedule was pre-tested on 30 non-sampled respondents before using it for actual data collection to ensure its suitability, clarity and comprehensiveness. The data were collected with the help of interview schedule through personal interview of the respondents.

Simple averages, percentages, mean score and Karl-Pearson’s coefficient of correlation were used for the analysis of the data. Mean score for questions asked on a three point rating scale were calculated by assigning 3, 2, 1 for ‘Always’, ‘Sometimes’, ‘Never’ as well as for four point rating scale were calculated by assigned 4, 3, 2, 1 for Always, Most often, Sometimes and rarely respectively. Mean score was calculated by using the standard formula.

Results and discussion
Keeping in mind the objectives of the study, the results obtained have been presented from tables 1 to 6.

Background information of the respondents
Data in table 1 reveal the background information of the respondents. The data unfolds that majority of the respondents i.e. 58.85 per cent were in the age group of 41-50 years, followed by 22.86 per cent respondents who were in the age group of 21-30 years, whereas only 18.29 per cent respondents were in the age group of 31-40 years. Nearly half of the respondents (46.85%) were graduates, followed by post graduate (28.00%) whereas 13.15 per cent were matriculates and 8.00 per cent were doctorates and only a few i.e. 4.00 per cent were educated upto higher secondary level. Majority of the respondents who made online purchases were housewives comprising of 57.15 per cent of the respondents, whereas 36 per cent were doing jobs and only 6.85 per cent were entrepreneurs. The annual income of majority of the respondents (89.14%) was less than Rs. 5 lakhs per year. 5.71 per cent of the respondents were earning more than Rs.10 lakhs/year and only 5.15 per cent of the respondents were earning between Rs. 5 to 10 lakhs per year. Majority of the respondents (63.42%) were having nuclear family and 36.58 percent of respondents were living in joint family.

The data in table 2 reveal that 30.85 per cent of the respondents started doing online shopping since last 1 year, followed by 30.28 per cent of respondents who started online shopping since last 2 years. Only 14.29 per cent respondents were doing online shopping since last 4 years. It can be concluded that online shopping gained popularity during last 1-2 years and the trend of online shopping is increasing year by year due to increasing access of technology among common people.

| Characteristics    | Category                  | Frequency | Percentage |
|--------------------|---------------------------|-----------|------------|
| Age                | 21-30 years               | 40        | 22.86      |
|                    | 31-40 years               | 32        | 18.29      |
|                    | 41-50 years               | 103       | 58.85      |
| Matriculation      | 23                        | 13.15     |
| Education          | Higher secondary          | 7         | 4.00       |
|                    | Graduation                | 82        | 46.85      |
|                    | Post-graduation           | 49        | 28.00      |
|                    | Doctorate                 | 14        | 8.00       |
|                    | House wife                | 100       | 57.15      |
|                    | In Service                | 63        | 36.00      |
|                    | Entrepreneur              | 12        | 6.85       |
| Annual Family income (Rs) | Less than 5 lakhs (Rs) | 156      | 89.14      |
|                    | 5-10 lakhs(Rs)            | 9         | 5.15       |
|                    | More than 10 lakhs (Rs)   | 10        | 5.71       |
| Type of family     | Nuclear family            | 111       | 63.42      |
|                    | Joint family              | 64        | 36.58      |

Problems related with online shopping
Along with many advantages, online shopping has a number of problems also. A probe was made to know the problems experienced by the respondents of the present study. The data in table 3 indicated that out of 175 respondents only 50 respondents has come across problems while online shopping. Rank 1 was assigned to ‘Cannot touch/judge product quality’ with the mean score of 2.58, rank II was given to the problem, ‘Online stores promise more than they actually offer’ with the mean score of 2.30, rank III was given to the problem of ‘Faulty/damaged/spurious goods’ with the mean score of 2.04, whereas rank IV was given to the problem of ‘Hidden charges’ with the mean score of 1.74, ‘Product guarantee’ is not assured was ranked V with the mean score of 1.62. The problem of ‘Difficult order cancellation process’ was ranked VI with the mean score of 1.56. The problem of ‘Delayed delivery’ was accorded the last rank with the mean score of 1.22. The detailed analysis of the data revealed that more than
half of the respondents always reported the problem that they cannot touch/cannot judge the product quality while online shopping and online stores promise more than they actually offer. Similar were the findings of Rahman (2014) who reported that people do not like to purchase mobile, electronic items and jewelry online as they want to touch and feel the product before purchase.

Table 3: Distribution of respondents according to problems faced while online shopping (n=50)

| Problems                                               | Always | Sometimes | Never | Mean Score | Rank |
|--------------------------------------------------------|--------|-----------|-------|------------|------|
| Cannot touch/judge product quality                     | 37 (74.00) | 5 (10.00) | 8 (16.00) | 2.58 | I    |
| Online stores promise more than they actually offer     | 25 (50.00) | 15 (30.00) | 10 (20.00) | 2.30 | II   |
| Receive faulty/Damaged/Spurious goods                   | 15 (30.00) | 22 (44.00) | 13 (2.60) | 2.04 | III  |
| Hidden charges                                          | 11 (22.00) | 15 (30.00) | 24 (48.00) | 1.74 | IV   |
| Product guarantee is not assured                        | 7 (14.00) | 17 (34.00) | 26 (52.00) | 1.62 | V    |
| Order cancellation is a difficult Process               | 8 (16.00) | 12 (20.00) | 30 (60.00) | 1.56 | VI   |
| Risk in identity and credit card Information            | 5 (10.00) | 11 (22.00) | 34 (68.00) | 1.42 | VII  |
| Difficulty in after sale service: product repair, Replacement | 5 (10.00) | 8 (16.00) | 37 (74.00) | 1.36 | VIII |
| Delayed delivery                                        | 4 (8.00) | 3 (6.00) | 43 (86.00) | 1.22 | IX   |

Table 4: Distribution of respondents according to action taken in case of problems (n=50)

| Action taken                                           | Frequency | Percentage |
|--------------------------------------------------------|-----------|------------|
| Registered a complaint in website                      | 21        | 42.00      |
| Registered a complained in consumer disputes redressal forum | 6         | 12.00      |
| Never registered complaint anywhere                    | 23        | 46.00      |

Satisfaction and preference for online shopping

The fig 1 reveals that majority of respondents (76.00%) were satisfied with their online shopping experience, as they never faced any problem. Moreover, online shopping saves time, fuel, money, energy and provide variety of products, quicker services, reduced price of products, free shipping, free gifts and free home delivery services.

Relation between the selected demographic features and satisfaction of the respondents with online shopping

From the results enclosed in table 5 it is clear that there was a significant positive correlation between education and satisfaction from online shopping indicating that with the increase in education, the satisfaction for online shopping increased. The correlation between status and satisfaction of respondents with online shopping also came out to be significant, indicating that with the increase in status, respondents satisfaction with online shopping also increased as working women placed their order at online stores while working in their office rather than getting ready and pass through rush traffic hours. Similarly age of the respondents and satisfaction level also showed a positive correlation.

Table 5: Relation between independent variables of respondents and satisfaction with online shopping

| Independent variables | ‘r’ value |
|-----------------------|-----------|
| Education             | 0.16*     |
| Status                | 0.14*     |
| Age                   | 0.09*     |
| Annual family income  | -0.006 NS |

*Significant at 5% level, NS=Non-Significant
Future preference for Online Shopping

Fig 2 reveals that maximum number of respondents (85.14%) showed their willingness for online shopping in future, only 14.85 per cent of respondents showed their unwillingness for shopping online in future. The reason for non-preference for online shopping in future might be their unsatisfactory past experience while online shopping. However, the difference of proportion of respondents for preference is significant at 5% level, which shows that there will be rising trend of online shopping in future. Similar were the findings of Mehta and Sharma (2014) [2] who also reported that majority of their respondents were in favor of continuing with online shopping.

Fig 2: Distribution of respondents according to future preference for online shopping

Z value=9.28, Significant at 5% level

Conclusion

From the results of the present study, it can be concluded that online shopping has changed the way of shopping but there are lot of problems faced by consumers. The main problem expressed by the respondents was inability to touch and check the quality of product. The other problems included hidden charges, difficulty in cancellation, difficult after sale service and delayed delivery of order. The results further indicated that despite of many problems majority of respondents expressed their satisfaction with online shopping experience and gave their willingness for online shopping in future. Therefore, online marketers should improve their credibility through fair deals and make more consumer friendly strategies to attract more consumers towards online shopping.

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