

CUSTOMERS' OPINION ON PROBLEMS ASSOCIATED TOWARDS UTILIZING E-RETAILERS' SERVICES IN ONLINE SHOPPING

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Abstract

The online market sector has gone through many industrial and rigid changes, which plays a role in creating a shift in consumer buying attitudes. The present study makes an effort to locate the differences in the problems with using online e-retailers' services. The study was on only 600 customers of selected online e-retailers in Salem District. The study establishes that customers face problems when using e-retailer's services. This research attempts to measure the customers' perception regarding problems associated with e-retailers' services. The study was based on primary data collected through an interview schedule. SPSS has been used to analyze and interpret the data. T-test and chi-square analysis have been used. Study results show that problems relating to e-retailers' services differ among the customers of select e-retailers.

Keywords: Online market, E-retailers services, Customer's Preferences, Problems.

INTRODUCTION

Marketing is a philosophy that guides the entire organization towards sensing, serving and satisfying consumer needs. Over the last couple of decades, online shopping has been transformed from a new concept to an essential part of people's lives. Online retailing is one of the fastest growing sectors; it has brought big changes in the opportunities and challenges for the business retailing business. Online retailing evokes the physical equivalence of buying products or services. Examination of marketing strategies in online marketing encompass quite a few aspects of the marketing function of e-retailers as well as the in-depth study of the online market. The online marketing decreases the buyer's assessment time, good decision after evaluation, and in order to resolve invoice discrepancies and spend less time, and ultimately increase the chances for the purchase of substitute products. E-retailing is growing rapidly in the country, and currently, 60% of the consumers use it, because many online retailers are trying to recover the excellence of the virtual marketing involvement for the shopper. The retailers cannot achieve the customer association of building aim by itself and they must be a close partner with customers' needs and their problems with service delivery networks to provide superior customer value and satisfaction. Due to the high need for shopping, retailers wanted to improve the quality of the online shopping experience for customers. However, the level of confidence in making payments online is still not developing fully. Although online shopping is in a boom as compared to in the recent past, only less than 1% is the share of e-retailing among all the formats of retailing. The major reason behind this negligible figure is the

perceived risks among the buyers as well as non-buyers. They fear transactions from various associated elements, such as risk in financial transactions, online security risk, social image risks, time loss risk, privacy risk, psychological risk or product performance risk. To understand the type of risk impacts on the behaviour among shoppers as well as non-shoppers to target and convince them to shop more, this study is carried out. Perceived risk has multiple dimensions, including social, financial, physical, psychological, time, and performance risks. Different types of risk exist, namely, financial, performance, time, physical, psychological, and social risks. Perceived risk is usually measured as a multidimensional construct: physical loss, financial loss, psychological loss, time loss, performance risk, and social risk.

SIGNIFICANCE OF THE STUDY

The study is about the market for present / future online marketers and also for financial designers and market agents for making marketing policies and plans. The present study would help the e-retailer providers to add value and achieve a competitive edge against their competitors and remain successful in the long run, and the study would recognize the most important marketing strategy that highly influencing their consumers' behavior would disturb their future strategies. The present study also would help the government to identify the problems and risks that affect consumers and require legislation to solve those risks and procedures are needed in order to satisfy both online marketers and buyers and provide legal support.

STATEMENT OF THE PROBLEM

The study of aspects of consumers is of great importance for marketers and this knowledge is applied to finding out the consumers' wants and needs. In a competitive environment, the study of consumer behavior is of great importance for marketers for their own survival and success and they also apply acquired knowledge to find and fulfill the consumers' wants and needs. Nowadays, the online market has grown into one of the most dynamic, modern and efficient markets. A customer's online purchasing experience includes many things starting from information search, evaluation of products, decision making, transaction making, delivery of goods, returns of goods purchased and customer support service. There are still apprehensions regarding the quality of internet connectivity in rural areas. Lack of awareness and low digital literacy among the Indian consumers is one of the important factors hampering the growth of the online market. The online market has perceived different risks in multiple dimensions, including social, financial, physical, psychological, time, and performance risks. If online retailers fail to ensure that their web store should be the final choice for the consumers to purchase. In this situation of the changing retail landscape, it is very important for online retailers to build strong relationships with consumers to achieve customer loyalty to the web store. A need is identified to study the consumer's perception of problems associated with online retailers' services. Hence, this study has been undertaken to consider. Elevated the research question,. Do problems faced by consumers while shopping online and basis of online retailers differ on the basis of demographic factors of consumers?

OBJECTIVES OF THE STUDY

The present study is undertaken with the following specific objectives.

1. To understand the trend and development of e-retailing in India.
2. To find out the problems regarding online shopping through a select online retailer web service.

HYPOTHESES

The following hypotheses were formulated and tested in the present study.

Ho1: Socio-economic factors of the respondents have no influence on problems faced by consumers in e- retailers' services.

Ho2: There is no significant difference between consumers when facing problems with using select e - retailers' services.

SCOPE OF THE STUDY

The study focused on consumers' perceived different risks towards online marketing in Salem District of Tamil Nadu state, India. The study focuses on both the urban and rural areas in the study area. The scope of the research is limited to five selecting e-retailers. So the focal point of the study is problems associated with selecting five online retailers, namely Amazon.com, Flipkart, Snapdeal, Myntra and Shopclues in Salem district. The scope of the study is limited by researchers to concentrate on individual consumers opinion on retailers associated with e-retailer's services.

RESEARCH METHODOLOGY

Nature of the Study

The present study is empirical in nature and based on survey methods.

Sources of data for the Study

Keeping in view the versatile objectives of the study, the data was collected from primary sources. The primary data was collected through an interview schedule.

Sample Design and Sample Size

This study is based on a convenient sampling method. The area under study spreads over areas of Salem District of Tamil Nadu state, India. Based on data, the sample size for this study is calculated according to a 95% confidence interval and 3.22% error margin with the formula provided below (which is normally used in circumstances where the population size is above 10,000).

$$n = \frac{P \cdot Q \cdot Z_{\alpha}^2}{d^2}$$

Based on the formula provided above and according to the desired confidence interval and the acceptable margin of error, the necessary sample size for the study is determined to be 426. Thus, the sample data set will be more than 426 subjects. To get better results, a total of 600 respondents desired to select by using a random sampling method for all zones (Communes) of the market. The purpose of research was the random convenience technique was used. The total sample comprised of 600. To make the samples representative, as far as possible, various steps have been taken into consideration.

Tools for Data Analysis

The collected data was analyzed by SPSS software version 20.0. In order to suit the requirements of the present study, the following tools i.e, Simple percentage analysis, Descriptive Statistics, Factor Analysis, Cronbach's Alpha test, ANOVA, t-Test, Chi-square Test, Correlation Analysis, Regression and Multiple Regression Analysis were employed. The tests in this study were carried out by formulating suitable hypotheses and were also tested at 5% level of significance.

Limitation of the Study

Though many durable goods are available in the market, only eight durable goods were selected for the study.

The present study was confined only to individual buyers. Industrial buyers were not considered in the study.

PROBLEMS IN UTILIZATION OF E-RETAILERS SERVICES

The usage of e-retailer's services is subject to several problems and customers face several problems with utilizing e-retailer's services. The problems were studied and hence, an attempt was made and the respondents were asked to identify the problems which they felt utilizing e-retailer's services and is asked to state the level of problem faced according to their priority. Shopping in the internet is subject to several problems. In this section, researchers made an attempt to understand what problems are faced by the consumer while using utilization of e-retailer's services for shopping online. A list of problems is identified and presented in the following table. These problems are amassed by using techniques ranking techniques and the result details are shown in the following Table 1.

Table 1: Problems Faced By Respondents towards E-Retailers Services

Problems	Very High	High	Moderate	Less	Very Less	Total	Mean Score	Mean Score %	Mean Score Rank
Lack of sensory information	252 (42.00)	156 (26.00)	54 (9.00)	78 (13.00)	60 (10.00)	600 (100.00)	3.77	75.4	15
Web site loading speed very slow	180 (30.00)	270 (45.00)	60 (10.00)	42 (7.00)	48 (8.00)	600 (100.00)	3.82	76.4	11
Consists of more product risk	138 (23.00)	312 (52.00)	48 (8.00)	84 (14.00)	18 (3.00)	600 (100.00)	3.78	75.6	14
High monetary risk	150 (25.00)	300 (50.00)	78 (13.00)	30 (5.00)	42 (7.00)	600 (100.00)	3.81	76.2	12
Supplied improper product	162 (27.00)	216 (36.00)	78 (13.00)	84 (14.00)	60 (10.00)	600 (100.00)	3.56	71.2	17
Demanding extra shipping charges	42 (7.00)	78 (13.00)	90 (15.00)	174 (29.00)	216 (36.00)	600 (100.00)	2.26	45.2	21
Hi -technical glitches i.e., website crash, quick timeout, etc	294 (49.00)	198 (33.00)	84 (14.00)	12 (2.00)	12 (2.00)	600 (100.00)	4.25	85	1
Product may not match my requirements	144 (24.00)	144 (24.00)	84 (14.00)	108 (18.00)	120 (20.00)	600 (100.00)	3.14	62.8	19
Website not be able to solve all my doubts	126 (21.00)	348 (58.00)	72 (12.00)	30 (5.00)	24 (4.00)	600 (100.00)	3.87	77.4	9
Specialist visit no trial check and sampling	246 (41.00)	240 (40.00)	66 (11.00)	30 (5.00)	18 (3.00)	600 (100.00)	4.11	82.2	5
Understand the features of the product	252 (42.00)	216 (36.00)	54 (9.00)	48 (8.00)	30 (5.00)	600 (100.00)	4.02	80.4	6
Don't match with the specification (size, color etc) given	198 (33.00)	252 (42.00)	90 (15.00)	30 (5.00)	30 (5.00)	600 (100.00)	3.93	78.6	7
Complex process of order/payment	138 (23.00)	264 (44.00)	66 (11.00)	78 (13.00)	54 (9.00)	600 (100.00)	3.59	71.8	16
Registration processes too complex	126 (21.00)	132 (22.00)	60 (10.00)	120 (20.00)	162 (27.00)	600 (100.00)	2.9	58	20
Poor response of toll free numbers	210 (35.00)	222 (37.00)	90 (15.00)	36 (6.00)	42 (7.00)	600 (100.00)	3.93	78.6	7
Very lengthy transaction completion process	156 (26.00)	306 (51.00)	54 (9.00)	54 (9.00)	30 (5.00)	600 (100.00)	3.87	77.4	9

Availability fake product review	240 (40.00)	264 (44.00)	54 (9.00)	18 (3.00)	24 (4.00)	600 (100.00)	3.84	76.8	10
Not easy to get any some rural area	288 (48.00)	204 (34.00)	66 (11.00)	36 (6.00)	6 (1.00)	600 (100.00)	4.13	82.6	4
Supplementary information provided is not enough	180 (30.00)	102 (17.00)	114 (19.00)	96 (16.00)	108 (18.00)	600 (100.00)	4.22	84.4	2
No option to alter the orders	132 (22.00)	342 (57.00)	72 (12.00)	36 (6.00)	18 (3.00)	600 (100.00)	3.25	65	18
Scared of hacking	108 (18.00)	348 (58.00)	96 (16.00)	12 (2.00)	36 (6.00)	600 (100.00)	3.89	77.8	8
Inefficient after sales service	252 (42.00)	258 (43.00)	48 (8.00)	24 (4.00)	18 (3.00)	600 (100.00)	3.8	76	13
Too long delivery time	108 (18.00)	78 (13.00)	96 (16.00)	162 (27.00)	156 (26.00)	600 (100.00)	4.17	83.4	3
Unable to interact with the e- store	300 (50.00)	192 (32.00)	78 (13.00)	18 (3.00)	12 (2.00)	600 (100.00)	4.25	85	1

Source: Computed from Primary Data

Unable to interact with the e- store is a very great problem for 50 per cent of the respondents. The same is a great problem for 32 per cent of respondents, 13 per cent of respondents were moderately affected, three per cent were affected at low and two per cent were affected by very low. Overall, 85 percent of the selected respondents were affected by being unable to interact with the e- store, with a mean of 4.25, which has first rank. Overall, the selected respondents, 85 per cent were affected by hi-technical glitches crashes i.e., website crash, quick timeout, etc, with mean 4.25, which also possess first rank with mean 4.25, this problem is very high problem for 49 per cent of the respondents, the same is high problem for 33 per cent of respondents, 14 per cent of respondents moderately affected, two per cent affected at low and two per cent are affected by very low.

30 per cent of respondents are very highly affected, 17 per cent are highly affected, 19 per cent are moderately affected, 16 per cent are lowly affected and 18 per cent are lowly affected by the problem of that Supplementary information provided is not enough. Overall, the selected respondents, being 84.4 per cent were affected by being unable to interact with the e- store, means 4.22, which has second rank. 18 per cent of respondents are very highly affected, 13 per cent are highly affected, 16 per cent are moderately affected, 27 per cent are low affected and 26 per cent are very low level affected by too long delivery time is third ranked by 83.4 per cent respondent, holding value of mean 4.17.

Among 600 selected, 48 per cent are very highly affected, 34 per cent are highly affected, 11 per cent are moderately affected, six per cent are lowly affected and one per cent is very low level affected by the problem of not being easy to get to some rural area. It is 82.6 per cent of respondents with a value of 4.13. The fifth important problem is specialist visits. There are no trial checks and sampling checks for this, 41 per cent of respondents are very highly affected, 40 per cent are highly affected, 11 per cent are moderately affected, five per cent are lowly

affected and three per cent are very low level affected. It is a problem for 82.2 per cent of respondents with a value of 4.11.

The sixth important problem understands the features of the product. It is a problem for 80.4 per cent of respondents with a value of 4.02. Among 600 respondents, 42 per cent of respondents are very highly affected, 36 per cent are highly affected, nine are moderately affected, eight are low affected and five are very low level affected. The seventh ranked problem is poor response to toll free numbers. It is a problem for 78.6 per cent of respondents with a value of 3.93. Among 600 respondents, 35 per cent of respondents are very highly affected, 37 per cent are highly affected, 15 per cent are moderately affected, six per cent are low affected and seven per cent are very low level affected. Scared of hacking ranked in the eighth position, 18 per cent of respondents are very highly affected, 58 per cent are highly affected, 16 per cent are moderately affected, two per cent are lowly affected and six per cent are very low level affected. It is a problem for 77.8 per cent of respondents with a value of 3.89.

A very lengthy transaction completion process, 26 per cent of respondents are very highly affected, 51 per cent are highly affected, nine per cent are moderately affected, nine per cent are lowly affected and five per cent are very low level affected. It is a problem for 77.4 per cent of respondents with a value of 3.87.

Out of selected 600 respondents, 76.8 per cent were affected by the availability of fake product review; among the identified problems, fake product review is ranked in tenth position with a mean value of 3.84. Among the respondents of the study, 40 per cent of respondents are very highly affected, 44 per cent are highly affected, nine per cent are moderately affected, three per cent are lowly affected and four per cent are very low level affected. Website loading speed is very slow, is very highly affected for 30 per cent of respondents, 45 per cent are highly affected, 10 per cent are moderately affected, seven per cent are lowly affected and eight per cent are very low level affected. It is a problem for 76.4 per cent of respondents with a value of 3.82.

High monetary risk is the ninth ranked problem respondents, 76.2 per cent of respondents with a value of 3.81. 25 per cent of respondents are very highly affected, 50 per cent are highly affected, 13 per cent are moderately affected, five per cent are lowly affected and seven per cent are very low level affected. Inefficient after-sales service is ranked as thirteenth position in the affecting respondents, with the mean value of 3.80. It is a problem for 75.6 per cent of respondents stated this problem. Out of lowly selected respondents, 42 per cent of respondents are very highly affected, 43 per cent are highly affected, eight per cent are moderately affected, four per cent are lowly affected and three per cent are very low level affected.

Consists of more product risk is ranked as 14th position in affecting consumers. Its mean value is 3.78. Due to this problem, 23 per cent of respondents are very highly affected, 52 per cent are highly affected, eight per cent are moderately affected, 14 per cent are lowly affected and three per cent are very low level affected. Lack of sensory information is ranked as fifteen positions affecting consumers, 42 per cent of respondents are very highly affected, 26 per cent are highly affected, nine per cent are moderately affected, 13 per cent are low affected and 10 per cent are very low level affected. It is a problem for 75.4 per cent of respondents with a

value of 3.77.

The complex process of order/payment is ranked as 16th position in affecting 23 per cent of respondents are very highly affected, 44 per cent are highly affected, 11 per cent are moderately affected, 13 per cent are low affected and 9 per cent are very low level affected. It is a problem for 71.8 per cent of respondents with a value of 3.59. The supplied product is also ranked as 17th position in affecting consumers; its mean value is also 3.56. Out of 600 respondents, 27 per cent of respondents are very highly affected, 36 per cent are highly affected, 13 per cent are moderately affected, 14 per cent are lowly affected and 10 per cent are very low level affected. It is a problem for 71.8 per cent of respondents.

No option to alter the orders is also found to be one of the problems. 22 per cent of respondents are very highly affected, 57 per cent are highly affected, 12 per cent are moderately affected, six per cent are lowly affected and three per cent are very low level affected. It is a problem for 65 per cent of respondents with a value of 3.25. Products may not match my requirements. It is also found to be one of the problems. 24 per cent of respondents are very highly affected, 24 per cent are highly affected, 14 per cent are moderately affected, 18 per cent are lowly affected and 20 per cent are very low level affected. It is a problem for 62.8 per cent of respondents with a value of 3.14.

Registration processes too complex are also found. One of the problems. 21 per cent of respondents are very highly affected, 22 per cent are highly affected, 10 per cent are moderately affected, 20 per cent are lowly affected and 27 per cent are very low level affected. It is a problem for 58 per cent of respondents with a value of 2.9. Demanding extra shipping charges is also found to be one of the problems; its mean value is 2.26. Seven per cent of respondents are very highly affected, 13 per cent are highly affected, 15 per cent are moderately affected, 29 per cent are lowly affected and 36 per cent are very low level affected. It is a problem for 45.2 per cent of respondents.

CONCLUSION

Online customers can have unrestricted access to the information they require and may enjoy a wider range of varieties in selecting services with extremely competitive prices. Service quality is an important aspect in online shopping. As there is a lot of competition in the market, e-retailers need to improve their customer service. The delicate service quality levels the online retailers have increasingly become a key driving force in enhancing customers' satisfaction and, in turn, in increasing their customer bases. The study attempted to answer concerns the relationship between the dimensions of perceived problems associated with e-retailer's services in online marketing.

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