Factors Affecting Internet Purchasing Behaviour in Jorhat District of Assam

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Abstract: Electronic commerce which generally refers to the sale and purchase of various products and services over the internet is continuously getting more and more competitiveness with constantly evolving technology. Online shopping which has become a new type of retail shopping has been widely adopted by the people all over the world and it is a rapidly growing area of e-commerce. The present paper analyze the various aspects of online shopping on consumer's buying behaviour and the factors that determine the online shopping behaviour of the people in the Jorhat district of Assam state of India. Jorhat district is selected because it is one of the fastest growing cities of Assam. The data related to e-shopping behaviour of the people were collected in the month of November 2019 by taking a sample of 150 people through a well-structured pre-tested questionnaire. A Binomial logistic regression analysis has done to find out the factors that determine the online shopping behaviour of the surveyed respondents. The estimated results reveals that the probability of using online shopping services has a positive and signification relationship with household income, trust on website and risk aversion attitude of the respondents.

Keywords: Consumer Behaviour, E-commerce, Internet, Jorhat, Online Shopping.

I. INTRODUCTION

Electronic commerce which is popularly known as e-commerce is a huge platform which is growing at an unprecedented rate all over the world including India. It generally refers to the buying and selling of various products or services over the internet. People from every age whether they are children, millennia's or old loves to visit the various e-commerce websites regularly to buy the necessaries of life. Online shopping was invented and pioneered in 1979 by Michael Aldrich in the United Kingdom. The system was marketed beginning in 1980 and offered mainly business-to-business systems that were sold in the UK, Ireland and Spain. According to a report by Internet and Mobile Association of India (IAMAI, 2019) with 451 million monthly active internet users at end of the financial year 2019, India is now second only to China in terms of internet users. With this increasing number of internet users consumers across the world are increasingly swapping crowded stores for online shopping as it has become safe and popular option for shopping.

The Indian e-commerce industry has been on an upward growth and is expected to surpass the United States to become the second largest e-commerce in the world by 2034. The e-commerce market is expected to reach Rs. 13, 97,800 crore (US$ 200 billion) by 2027 from Rs. 2, 69,076.5 crore (US$38.5 billion) in 2017. India's e-commerce market has the potential to grow more

than four folds to Rs. 10, 48,350 crore (US$ 150 billion) by 2022 supported by rising incomes and surge in internet users. Online shopping is a recent phenomenon in E-commerce and it is tremendously increasing all over the globe including North Eastern states of India."With the increasing popularity of online shopping the competition are getting escalated and thus it has become imperative for e-retailers to understand the motivator which bring consumers to shop online" (Zhou et.al 2007). The present study is an attempt to explore the various aspects of e-shopping behaviour and to find out the factors which influence the online shopping behaviour of the people in the Jorhat district of Assam.

II. REVIEW OF LITERATURE:

Zakhuan et.al (2013) conducted a study to analyze the affect of web-based factors on online purchasing behaviour of ICT professionals in Malaysia. They developed a conceptual framework of 24 items of five factors to determine web-based factors affecting online purchasing behaviour. The results of exploratory factor analysis found that there were four factors which affect the online purchase behaviour. Those were- Information Quality, Fulfillment/ Reliability/ Customer Service, Website Design, Quick and Details and Privacy/ Security. The results of multiple regression analysis found a positive relationship between Information Quality, Quick and Details, Privacy/ Security and Online Purchasing Behaviour of Consumer. Delafrooz et.al (2010) in their study tried to find out the factors influencing online shopping behaviour of students in Malaysia. They used a five level Likert scale sell-administered questionnaire and multiple regression analysis. The results of the multiple regression analysis revealed that ease of use, utilitarian orientation, price and wider selection influenced consumers' attitude towards online shopping. Choudhury and Dey (2014) studied the impact of five factors like internet literacy, gender, educational qualification, website usability and online product price on online shopping behaviour of students of Assam University. Their study found that there is a significant relationship of online shopping with gender, internet literacy and online product price. Vaghela (2017) conducted a study to investigate the various factors which affect online shopping in Surat city.

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He identified six variables that were found to have significant impact on online buying behaviour of the people in the region. Those were- perceived ease of use, vendor's characteristics, perceived usefulness, website design, perceived risk and trust. To study the consumer behaviour towards online shopping in Erode and Trichy districts of Tamilnadu Slevamani (2019) considers the awareness

level of the consumer towards online shopping features and influence of the product features over consumer behaviour. The study indentified four factors which were found to have an association with the awareness towards online shopping. Those were- knowledge about online shopping, educational qualification, preferred mode of payment and the frequency of online purchases. The study also concluded that product dimension considered in the study was positively correlated with satisfaction towards online shopping.

III. METHODOLOGY:

The study is based on both primary and secondary data. The primary data were collected through a well-structured pre-tested questionnaire. The secondary data were collected from various research journals and from published reports. The present study adopted a multi-stage sampling technique for data collection which includes both random and purposive sampling technique. The study area is confined to Jorhat district of Assam state of India. The required data were collected from 150 people in the Jorhat city of Assam through direct interview with the help of a pre-tested well-structured schedule. In this study the target respondents are individual who have some knowledge related to internet and online shopping. Jorhat district of Assam is selected because it is one of major and rapidly growing cities of the Indian state of Assam. The data were collected from the sample population regarding their experience of internet use, mode of payment for buying online products, access to product information, convenience and reasons to shop online etc. A binomial logistic regression analysis has been adopted to find out the factors which influence the online shopping behaviour of the sample population in the Jorhat district of Assam. The collected data were analyzed with the help of Excel and SPSS software.

IV. OBJECTIVES:

The Objectives of the Study are-
- ➢ To explore the various aspects of online shopping behaviour of people in the Jorhat district of Assam.
- ➢ To analyze the factors influencing online shopping behaviour of respondents in the Jorhat district of Assam.

V. RESULTS AND DISCUSSION:

The results of the socio-economic characteristics of the surveyed sample are summarized in Table 1. Age, Gender, Educational attainment, Occupation and Household income of the respondents are mainly considered for socio-economic profile.

Table 1: Socio-economic profile of respondents

Description	Variables	Frequency	Percentage
Age	18-30	65	43.33
	31-40	45	30
	41-50	27	18
	>50	13	8.67
Gender	Male	65	43.33
	Female	85	56.67
Educational Attainment	Higher secondary	27	18
	Graduate	70	46.67
	Post graduate and above	53	35.33
Occupation	Students	63	42
	Salaried employee	42	28
	Self-employed	35	23.33
	Others	10	6.67
Household Income	<5,000	40	26.67
	5,001-10,000	27	18
	10,001-20,000	30	20
	20,001-3,00,00	33	22
	>30,000	20	13.33

Source: Primary Data

Reasons for Online Shopping

To find out the main reason of online shopping respondents were asked to state their preference on a three point Likert scale viz agree, neutral, and disagree. The results found that time saving, much easier, availability of all information were the main reasons for online shopping of the surveyed respondents.

Table 2: Reasons for Online Shopping

Description	No of respondents	Percentage
Time Saving	67	44.67
Saves money	13	8.67
Much easier	40	26.67
Availability of all information	23	15.33
Various discounts	7	4.67

Source: Primary Data

Product Categories Purchased by Respondents

The survey results reveals that the highest category of goods purchased by the respondents is clothes (43.33 percent) followed by fashion accessories (14.67percent) and books (13.33 percent).

Table 3: Product Categories Purchased by Respondents

Description	No of respondents	Percentage
Fashion Accessories	22	14.67
Clothes	65	43.33
Electronic Gadgets	19	12.67

Books	20	13.33
Movie/ Railway/ Flight Tickets	13	8.67
Others	11	7.33

Source: Primary Data

Mode of Payment

The survey results reveals that the main form of mode of payment is cash on delivery followed by debit/credit card and bank transfers.

Table: 4 Payment Gateway Used to pay for e-shopping

Description	No of respondents	Percentage
Debit/ Credit Card	50	33.33
Internet Banking	10	6.67
Cash on Delivery	55	36.67
Bank Transfer	20	13.33
Others	10	10

Source: Primary Data

Factor Affecting Online Shopping Behavior of the Respondents:

By reviewing the available literature it has found that trust on website, ease of use, information quality, risk, educational qualification, online product price, risk aversion attitude of the people towards online shopping and mode of shopping have significant impact on online shopping behaviour of the people. We have also included some other socio-demographic factors which may have an impact on e-shopping behaviour of the people. A Binomial Logistic regression analysis has been used in this study to determine the factors.

Specification of the Regression Model:

The following regression model is constructed to find out the factors affecting online shopping behaviour of the respondents.

$$\ln \frac{p_i}{1-p_i} = \alpha + \beta_1 X_{1t} \ldots \ldots \ldots \ldots + \beta_n X_{nt}$$

Where, n=1……………………………… 9 and P_i represents the probability that a respondent is using online shopping services and $1-P_i$ represents the probability that a respondent is not using online shopping services. And α is the constant term and $\beta_1, \beta_2 \ldots \ldots \beta_n$ are the coefficient of the independent variables.

Dependent Variable: In the present study the dependent variable is whether a person is using online shopping services or not.

Independent Variables:

Age (AGE): Age of the respondent is one of the important factors, which may influence the online shopping behavior of respondents.

Gender (GEN): Gender of the respondent is a factor which may influence online shopping behaviour of an individual.

Household Income (HSY): Household income is one of the another important factor that may influence the online shopping behaviour of the respondents. It is expected people with higher income are more likely to use online shopping services.

Ease of Use (EAU): Ease of use implies the degree to which a person believes that using the internet makes it easier to make purchases and enables the person to finish his or her shopping tasks more quickly.

Information Quality (INFMQ): Information quality implies the degree to which a person believes that they have access to all the available information regarding products, variety of products, product quality and transaction process.

Trust on Website (TRST): Trust implies firm belief of the surveyed respondents on various online shopping websites regarding privacy, product quality, in-depth information about products and good service.

Educational Attainment (EDUA): Educational attainment of an individual is another important factor that may influence the online shopping behaviour of respondents. It is expected that educated people have more knowledge about e-commerce and therefore are more willing to use internet and online shopping services compared to uneducated people.

Risk (RSK): Risk implies various kinds of risks that are associated with online shopping.

Risk Aversion Attitude (RAA): Risk Aversion attitude implies the respective risk aversion attitude of the people towards online shopping. It is expected that a risk averse individual is less likely to use online shopping services.

Table 5: Logistic Regression Estimates

Variables	B	S.E	Wald	P-value
AGE	-0.005	0.027	0.038	0.845
GEN	-0.173	0.513	0.113	0.736
HSY	1.089	0.627	3.019	0.082
EAU	0.055	0.233	0.056	0.813
INFMQ	0.422	0.466	0.821	0.365
TRST	2.483	0.501	24.523	0.000
EDUA	-1.079	0.675	0.255	0.110
RSK	0.304	0.604	0.253	0.615
RAA	1.544	0.470	10.792	0.001

Source: Own Estimation

Summary Statistics	
No of observations	150
Cox and Snell R square	0.358
Nagelkerke R square	0.488

Source: Own Estimation

The results of the regression analysis reveals that the probability of using online shopping services has a positive and signification relationship with household income, trust on website and risk aversion attitude of the respondents. Increase in household income level of the respondents and trust on websites leads to more usage of online shopping services. Risk aversion attitude of the surveyed respondent also have a positive relation with using online shopping services. The other regressed variable like age, gender, educational attainment, information quality, ease of use and risk found to be insignificant.

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VI. CONCLUSION:

The main objective of the present study is to identify the factors affecting consumer's behaviour towards online shopping in Jorhat district of Assam. From the study it is found that online shopping is preferred by both male and female among them majority of respondents uses online shopping for time saving. Majority of respondents were students who belong to the age group of 18-30. The results of the regression analysis reveals that online shopping behaviour of the surveyed respondents are influenced by household income, trust on website and risk aversion attitude of the respondents. The study analyzes consumers' behaviour towards online purchasing only in Jorhat district of Assam. The findings of this study cannot be generalized for other districts in Assam state of India.

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