A Study Of Consumer Satisfaction Regarding Online And Offline Shopping

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Abstract: The purpose of this research paper is to explore and compare the levels of customer satisfaction on online and offline shopping. The research is based on a survey conducted among customers who have experience of both online and offline shopping. The study aims to identify the factors that influence customer satisfaction in both shopping modes and to determine which mode of shopping is more satisfying for customers. The results show that online shopping has some advantages over offline shopping in terms of convenience and product variety, while offline shopping has some advantages in terms of customer service and the ability to touch and feel the product before purchase. However, overall, the study found that online shopping is more satisfying for customers than offline shopping.

Keywords - online shopping, offline shopping, customer satisfaction.

Introductions

The growth of e-commerce has revolutionized the way people shop, with more and more consumers turning to online shopping for its convenience and ease of use. However, traditional brick and mortar stores still remain popular, and many customers still prefer to shop in-person. As a result, it is important to understand how customers perceive both online and offline shopping experiences and what factors influence their satisfaction.

Studies conducted in India

There have been several studies conducted in India that examine customer satisfaction towards online and offline shopping. Here are a few examples:

A study by Nishanthi and Arunkumar (2019) in India surveyed 384 customers and found that customers were more satisfied with offline shopping than online shopping. The study identified factors such as product quality, price, convenience, and customer service as important drivers of customer satisfaction for both online and offline shopping. However, customers were found to be less satisfied with the delivery and returns process in online shopping.

A study by Sinha and Banerjee (2020) in India found that customers were generally more satisfied with online shopping than offline shopping. The study surveyed 200 customers and identified factors such as product variety, convenience, price, and ease of use as important drivers of customer satisfaction for online shopping. However, customers were found to be less satisfied with the lack of touch and feel experience and the inability to try products before purchasing.

A study by Singh and Verma (2019) in India found that customers were more satisfied with offline shopping than online shopping. The study surveyed 300 customers and identified factors such as product quality, product availability, price, customer service, and store ambience as important drivers of customer satisfaction for offline shopping. However, customers were found to be less satisfied with the parking facilities and the lack of variety in offline shopping.

Overall, these studies suggest that customer satisfaction towards online and offline shopping in India is influenced by a range of factors, and the relative strengths and weaknesses of each shopping experience depend on individual preferences and contextual factors. It is important for retailers to understand these factors and tailor their shopping experiences accordingly to meet the needs and expectations of their customers.

Online Shopping

Back in 1995, Amazon appeared akin to the exploration station at your nearby library rather than the auspicious prospect for the future. Looking below, could you imagine trying to products/services something from a site that looked like this in 20's?

As a result, they experienced a negative net income of $303,000 during that year. The general public was simply not prepared to entrust their financial details to this rudimentary—albeit groundbreaking—commercial framework. But things have changed...

Currently, we make online purchases with such frequency that it seems almost passé. And we aren't just ordering books, electronics. Certain individuals prefer to order their groceries via the internet, while others purchase beauty masks, pool tables, and virtually anything else you can imagine! Any product you can think of, someone is selling it on their Shopify store.

Online shopping has become increasingly important in recent years, and here are some reasons why:

Convenience: Online shopping allows customers to shop from anywhere at any time, without the need to travel to a physical store. This is especially beneficial for people with busy schedules or those who live in remote areas.

Wider selection: Online shopping provides access to a much wider range of products than traditional brick-and-mortar stores. Customers can browse and compare products from multiple retailers without leaving their home.

Lower prices: Online retailers often have lower overhead costs than physical stores, which can lead to lower prices for customers. Online shopping also allows customers to compare prices easily and find the best deals.

Reviews and ratings: Online shopping provides access to customer reviews and ratings, which can help customers make informed decisions about products before purchasing.

Contactless payment: In light of the COVID-19 pandemic, online shopping has become increasingly important as a contactless payment method, reducing the risk of spreading the virus through physical contact.

Overall, online shopping provides customers with greater flexibility, accessibility, and cost savings, making it an increasingly important part of the retail industry.

Recent example of online shopping, which attained maximum success

One recent example of online shopping that attained maximum success is Amazon Prime Day, which is an annual online shopping event hosted by Amazon. Amazon Prime Day typically takes place in July and offers exclusive deals and discounts to Amazon Prime members on a wide range of products, including electronics, fashion, home goods, and more.

In 2021, Amazon Prime Day was a massive success, with the company reporting that it was the biggest two-day period for small and medium-sized businesses on the platform. Amazon also reported that Prime members purchased more than 250 million items worldwide during the event.

The success of Amazon Prime Day can be attributed to several factors, including the popularity of the Amazon Prime subscription service, the exclusive deals and discounts offered during the event, and the convenience of online shopping. Additionally, the ongoing COVID-19 pandemic has accelerated the shift towards online shopping, making events like Amazon Prime Day more important than ever for retailers and consumers alike.

Recent example of offline shopping, which attained maximum success

One recent example of a successful offline business is the convenience store chain, 7-Eleven. 7-Eleven is a worldwide franchise with over 71,000 stores in 17 countries. Despite the growing popularity of online shopping and delivery services, 7-Eleven has managed to maintain its position as a top convenience store chain by focusing on customer convenience and accessibility.

7-Eleven stores are typically open 24/7, which caters to customers who need to make purchases outside of regular business hours. They offer a wide variety of products, including snacks, drinks, cigarettes, lottery tickets, and some grocery items. 7-Eleven has also been successful in adapting to changing customer needs by offering delivery services, mobile payment options, and introducing healthier food options.

In addition to its convenience factor, 7-Eleven has also been successful in creating a consistent and recognizable brand image, which helps build customer loyalty. The company's success in creating a strong offline business model has allowed it to expand its operations globally and remain a popular choice for customers looking for quick and easy access to everyday items.

Hypothesis

One possible hypothesis for consumer satisfaction on online and offline shopping is:

" Online shoppers tend to be more content with their shopping experience in comparison to those who shop at physical stores, owing to the convenience and adaptability provided by online shopping."

This hypothesis suggests that consumers who choose to shop online may have a higher level of satisfaction because they have access to a wider variety of products, can shop from the comfort of their own home at any time, and have the ability to easily compare prices and read reviews before making a purchase. On the other hand, consumers who prefer shopping in physical stores may appreciate the ability to see and touch products before purchasing them, and may enjoy the social aspect of shopping with friends or family.

However, it is important to note that individual preferences and experiences can vary widely, and there may be other factors beyond convenience and flexibility that influence consumer satisfaction with online and offline shopping. Further research would be needed to test and validate this hypothesis.

The other hypothesis being-

There is a difference in consumer satisfaction between online and offline shopping.

Explanation:

Online and offline shopping are two different modes of shopping, each with its own advantages and disadvantages. Online shopping allows consumers to shop from the comfort of their homes, offers a wider range of products, and provides easy price comparisons. Offline shopping, on the other hand, allows consumers to physically examine and try on products before purchasing, provides a more personal shopping experience, and eliminates the need to wait for delivery.

Methodology

Data analysis is an essential step in the research process of studying customer satisfaction towards online and offline shopping. Here are some common techniques used in data analysis:

1. **Descriptive statistics**: Descriptive statistics can be used to summarize the data collected from surveys. This technique includes measures such as Average, mean, median, mode.
2. **Inferential statistics**: Inferential statistics can be used to draw conclusions about a larger population based on a sample of the data collected. This technique includes hypothesis testing, confidence intervals, and regression analysis.
3. **Content analysis**: Content analysis can be used to analyze the qualitative data collected from interviews, focus groups, and open-ended survey questions. This technique involves categorizing the data to identify patterns and themes.
4. **Comparative analysis**: Comparative analysis can be used to compare the data collected from different groups of customers or different types of shopping experiences. This technique can help identify differences and similarities in customer satisfaction levels and preferences.
5. **Data visualization**: Data visualization techniques, such as charts, graphs, and diagrams, can be used to present the data in a more accessible and meaningful way. This technique can help identify trends and patterns in the data that may not be apparent through statistical analysis alone.
6. **Interpretation of results**: The results of the analysis are interpreted in the context of the research questions and hypotheses. Conclusions are drawn about the factors that impact customer satisfaction towards online and offline shopping, and recommendations are made for businesses and policymakers.

To conduct this research, a survey was designed to collect data from customers who have experience of both online and offline shopping. The survey was distributed through social media platforms, email, and in-person visits to stores. A total of 60 responses were collected from customers in different age groups and from different geographic locations.

The survey consisted of questions related to customer satisfaction, such as their overall satisfaction level, factors that influenced their satisfaction, and their preference for online or offline shopping. Data were analyzed using statistical software to identify the most significant factors affecting customer satisfaction.
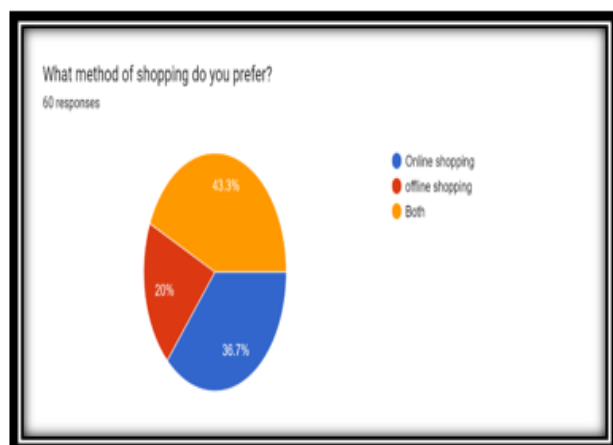
Data Analysis and Interpretation

1) Age
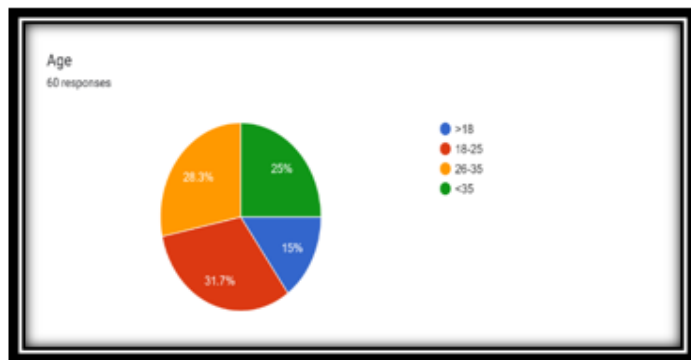
Options	Respondents	Percentage
Below 18	9	15%
18-25	19	31.70%
26-35	17	28.30%
Above 35	15	25%
Total	60	100%

2) Which option do you prefer to choose?

Options	Respondents	Percentage
Online	22	36.70%
Offline	12	20.00%
Both	26	43.30%
Total	60	100%

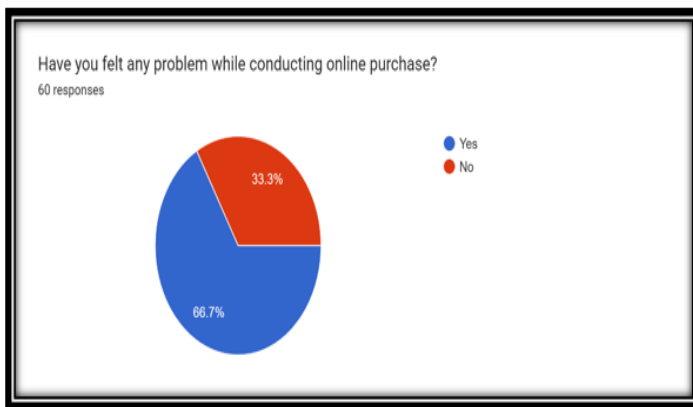**3) What influenced users to buy products online/offline?**

What influenced you to buy products online?
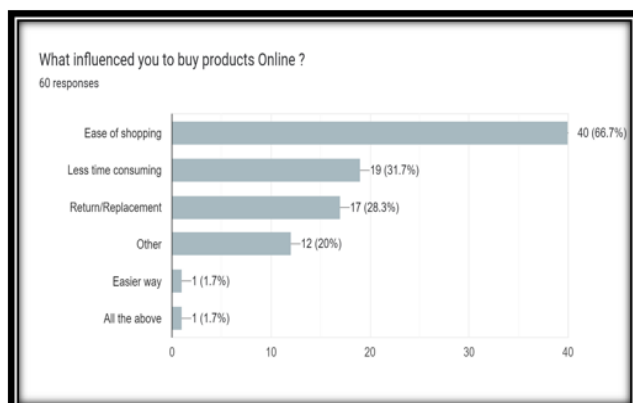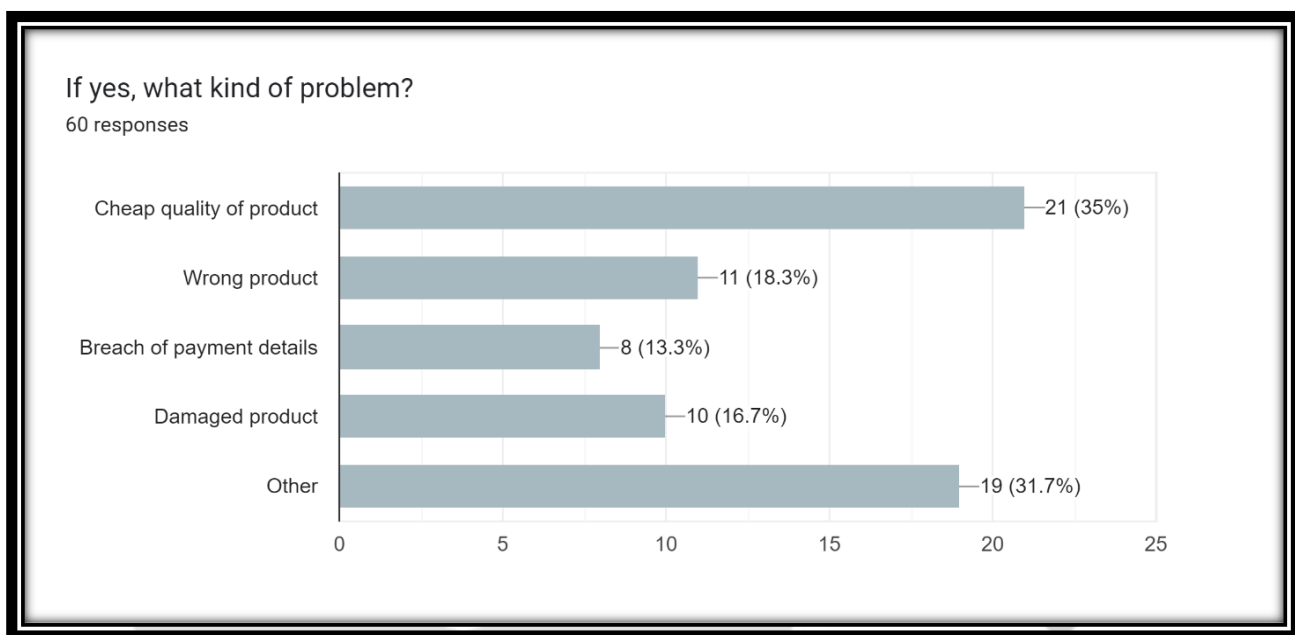
What influenced you to buy products offline?
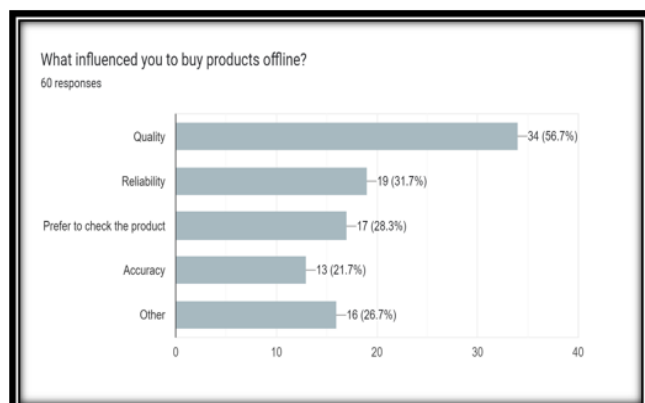
4) Have you felt any problem while conducting online purchase?

Options	Respondents	Percentage
Yes	40	66.70%
No	20	33.30%
18-25	60	100.00%

If yes, what problems?

5) Have you felt any problem while conducting offline purchase?
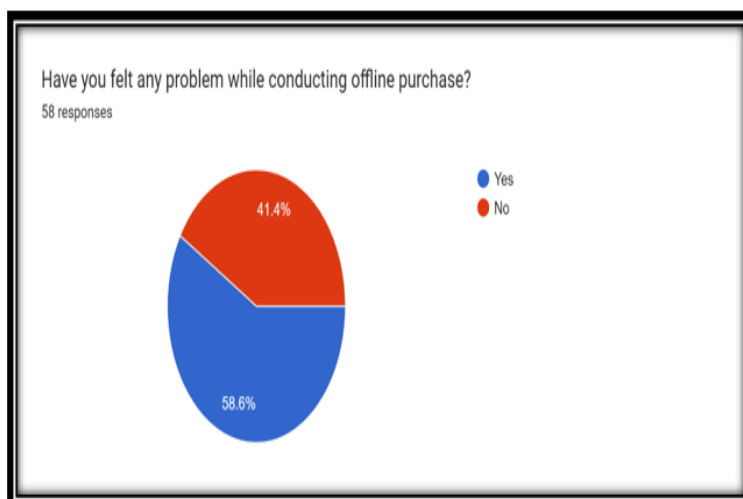
Options	Respondents	Percentage
Yes	25	41.40%
No	35	58.60%
18-25	60	100.00%

If yes, what problems?

If yes, what kind of problem?
58 responses

Category	Value
Time consuming	22 (37.9%)
Discounts provided for limited time	9 (15.5%)
Crowd	3 (5.2%)
Other	25 (43.1%)
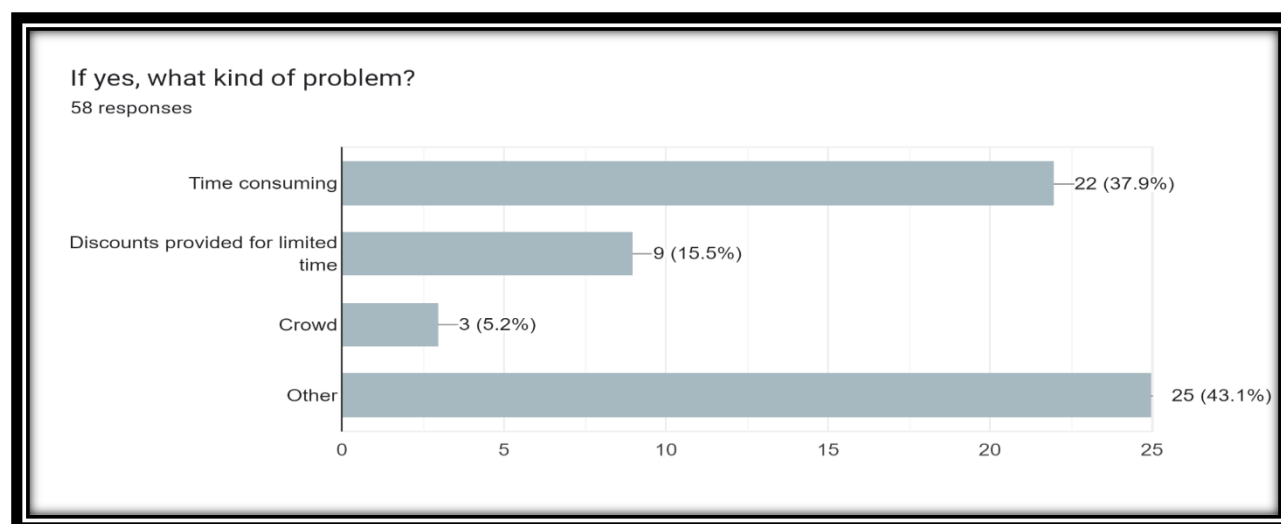
6) How frequent you shop online?

How frequent you buy products online?
60 responses

- Every month
- Regular
- Once in a week
- Seldom
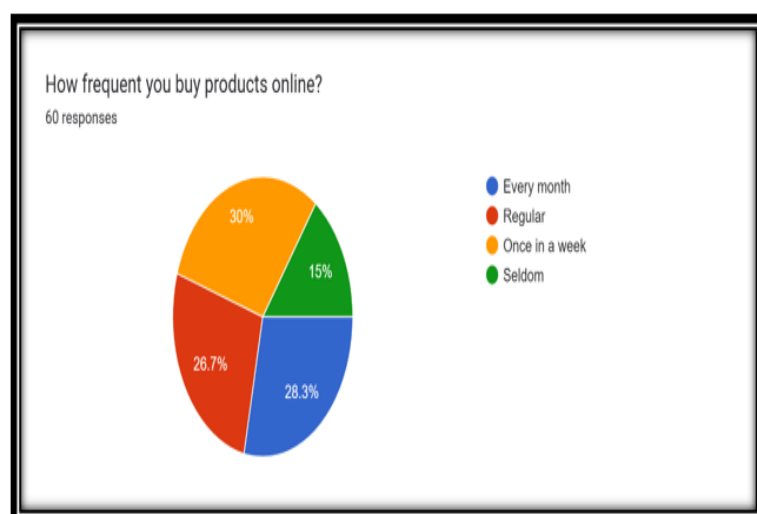
Options	Respondents	Percentage
Every month	17	28.30%
Regular	16	26.70%
Once in a week	18	30.00%
Seldom	9	15.00%
18-25	60	100.00%

7) How much do you spend on online shopping every month? (IN INR)

How much do you spend on online shopping every month? (IN INR)
60 responses

- Less than 500
- 500 – 1000
- 1000 - 2000
- More than 2000

Options	Respondents	Percentage
Less than 500	4	6.70%
500-1000	22	36.70%
1000-2000	23	38.30%
More than 2000	11	18.30%
Total	60	100.00%

Findings of Study

The main objective of this study was to draw a comparison between the modes of online and offline shopping: Age groups for online and offline shopping can vary depending on various factors, including the type of products or services being purchased, the location of the shopping outlets, and the demographics of the customers.

While these statistics suggest that younger age groups (between 18-25 year) are more likely to shop online, it's important to note that a significant portion of older generations also engage in online shopping.

1. Out of data surveyed, 36.7% users' shops online, 20% users shop offline and major percentage of the users, i.e., 43.3% users prefer both online and offline medium for shopping.

2. Above chart depicts, ease of shopping is one major reason why users shop online. As 66.7% users has selected ease of shopping.
   Ease of shopping can be understood as, convenience of shopping from anywhere, at any time, without the need to physically visit a store. This is particularly appealing for people with busy schedules or limited mobility.

3. Whereas, 56.7% users choose option "Quality" as a major reason why users shop offline. When buying products offline, users can check the quality of the product and purchase the product with their sense of touch.

4. As per the survey conducted, 66.7% users have selected "Yes" for the problem faced while purchasing products online. On the otherhand rest 33.3% chose "No".

- As per the survey majority of the users have faced problem of receiving cheap quality products and least of the users have faced issue with breach of payment details (security concerns).

- 35% users have faced problem, where they feel they have received cheap quality of products. 31.7% have other issues while shopping online. Others can be further bifurcated into- Delivery issues, Return and refunds, technical issues. Etc.

5. As per the survey conducted, 41.4% users have selected "Yes" for the problem faced while purchasing products offline. Whereas, major users have seected "No" (58.6%).
   As per the survey conducted, users may face several problems while conducting offline purchases, such as:

- Time-consuming: Offline shopping can be time-consuming, especially if the store is located far from the user's residence, which can be inconvenient for users. As per above chart, Major percentage showcase 37.9% respondents find shopping offline is time consuming.

6. According to a survey conducted, around 28.3% of Indian online shoppers made purchases at least once a month, while around 30% of them shopped online once a week.
   26.7% of Indian shoppers made purchase on a regular basis and 15% of them shopped online rarely.

7. According to a survey conducted, around 38.3% of Indian online shoppers spent between Rs. 1000 to Rs. 2000 on online shopping per month, while 36.7% spent between Rs. 500 to Rs. 1000 per month. And 18.3% spent more than Rs. 2000 per month.

Some suggestions as per the study conducted are as per below-
Suggestions:

1. Retailers should focus on enhancing the convenience of offline shopping by improving store layouts, offering faster checkout, and implementing technologies like self-checkout and contactless payment.

2. Online retailers should address the issues of delivery and product quality by partnering with reliable logistics providers and ensuring that product descriptions are accurate and detailed.

3. Retailers should develop omnichannel strategies that combine online and offline shopping to provide customers with a seamless and integrated shopping experience.

4. Retailers should focus on providing personalized recommendations and promotions based on customer data to enhance the shopping experience and increase customer loyalty.

5. Retailers should invest in technologies like augmented reality and virtual reality to provide customers with a more immersive and engaging shopping experience, both online and offline.

These suggestions can help retailers to improve the shopping experience for customers and increase customer satisfaction, which can lead to increased sales and profitability. Overall, the study highlights the importance of understanding customer preferences and providing a seamless shopping experience to ensure customer satisfaction and loyalty.

Conclusion

In conclusion, the results of this study indicate that, though consumer prefer both online and offline shopping, users have faced more challenges while shopping offline. Hence, we can say, online shopping is more satisfying for customers than offline shopping.

While offline shopping has some advantages over online shopping, such as the ability to touch and feel products before purchase and the personal touch of customer service. The convenience and accessibility to a broader selection of products are the major advantages offered by online shopping. As e-commerce continues

to grow, it is important for retailers to focus on providing high-quality online shopping experiences to meet customer demands and expectations.

The study on customer satisfaction towards online and offline shopping highlights the fact that both methods of shopping have their own merits and limitations. While online shopping offers convenience and a wider range of options, offline shopping provides a more personalized experience and immediate gratification.

The study also shows that customer satisfaction can be improved by focusing on the overall shopping experience, whether it's online or offline. This can be achieved by providing a user-friendly interface for online shopping, ensuring that the delivery process is prompt and hassle-free, and enhancing the in-store experience for offline shopping by providing a comfortable and welcoming atmosphere, knowledgeable staff, and attractive displays. Furthermore, retailers should focus on improving their customer service and addressing any concerns or complaints promptly.

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