

Bricks or Clicks: Consumer Preference - A Comparative Analysis

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ABSTRACT

With the transformation in the information technology, easy accessibility of the Internet, improved and reliable banking services, use of smartphones and tablets, e-commerce has given business an unprecedented marketing opportunity over the past few years. It has also provided an opportunity to consumers to buy the products just by clicking the mouse. Online retailing has emerged as a threat to the traditional retailing. Consumers have plenty of options to buy their products, not only from domestic market but also from international market. In this study an attempt has been made to assess the consumer's preferences while purchasing their products online and offline. Further, it has also been tried to study the comparative advantages and disadvantages of traditional stores and web stores. To attain the objectives, responses from 875 respondents were collected randomly between January 2012 and April 2012 from the consumers residing in Delhi and NCR. To evaluate their preferences 7 point scale rating method has been applied where 1 indicates absolutely low and 7 indicates absolutely high. The study found that web stores have some competitive advantages over traditional stores as they charge lower price, provide easy and effortless information about the products, provide convenient mechanism to place orders and payment, better assortment, keep ample stock, and also provide wider options for consumers to select their purchases. The study further reveals that traditional retailers also have some competitive edge over web stores. Traditional retailers provide facility of physical examination of products, immediate possession, surety of delivering the same product as specified, immediate satisfying consumer's queries with the help of salesmen, better after sales services and better return policy. Besides all these, it also helps consumers to have social and family experience while shop.

Keywords: Bricks and Clicks, E-commerce, Online, Offline, Assortment, Web Stores, Virtual Mall

INTRODUCTION

With the advent of the Internet, smartphones and tablets, the e-commerce over the past few years has given business an unprecedented marketing opportunity and also facilitated consumers to buy the products by just clicking the mouse. The terms like "Clicks and Mortar", "Bricks and Clicks", "Surf and Turf", "Cyber-enhanced retailing", "Hybrid e-commerce", etc. have emerged with this and are being used for offline and online retailing. There are almost 121 million Internet users in India (IAMAI). Internet penetration rate is 8.20 percent (Burson Marsteller). There are 97 million active Internet users who go online at least once a month. 73 million users are from main cities and 24 million are from rural areas (IAMAI). There were 19.67 million Internet subscribers and 11.89 million broadband subscribers as on 31st march 2011 (TRAI Annual Report 2011). 75 percent of the Internet

users are between 15-34 years of age (Com Score). The size of female Internet users is 15 percent (IAMAI).

With the induction of 3 G services on Internet connectivity on mobile, laptops, and tablets, online transactions are expected to grow rapidly. The total e-commerce business in India (including other products and services) is estimated to be around USD 10 billion. Online retail which is around 6 percent of total e-commerce, was around USD 0.6 billion in 2011 and growing at a CAGR of 70 percent (Retail News by Financial Express). Spurt in e-commerce has attracted a number of sites and virtual malls offering different types of commodities to consumers. Indian e-commerce market hosted USD 3 billion of transactions in 2011 (IAMAI). A total of 9 million Internet users carried out online transactions in 2011 (Aventus).

It is a fact that e-commerce has widened its scope but it has not been able to cover much of the population yet. As

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per the data issued by World Bank, around 90 percent of the population is offline, which includes rural and urban population. 50 percent of the population of India is aged under 25 and 65 percent of the population of India is aged under 35 (source: Census 2011). As mentioned earlier, that 75 percent of the Internet audiences are between 15-34 years of age. Therefore, it is expected that there is immense potential for e-commerce to grow in India. Further, the trend is also evident that the confidence among the buyers has also been growing towards online retailing. In the first phase of 2004-05, consumers were comfortable in buying low value items online like gifts and books. In the second phase of 2006-10, consumers started buying different types of gadgets online. The third phase is the current scenario where consumers are more confident in buying high value items (Payal Kapoor).

Looking at the shift in the consumer's preference particularly in big cities, there is a fear that web stores will take over the traditional stores. Therefore, it has become imperative to assess the preferences, behaviour and the factors influencing consumers while they shop. In this study same has been tried to assess so that products and services could match the expectation of consumers.

REVIEW OF LITERATURE

Ranganatham and Ganapathy (2002) found in their study that security and privacy issues drive away the consumers from online shopping. They are reluctant to pass their personal information. Schoenbachler and Gordon (2002) reveal in their study that online stores are keeping low-priced items and large stock to attract and retain customers. The 24/7 availability of the products and information about products have changed retail industry and consumer shopping. Huang, Gchrank Schrank, and Dubinsky (2004), Kim and Kim (2004), Levin and Heath (2003) in their respective study found that time and location constraints, convenience, availability of products, incentive programme and easy comparison of production induce shoppers to shop online.

A study by Pew Internet and American life project suggests that most online browsers need about one to three years to become online shoppers (Lepkowska-White 2004). Newbury in a marketing article refers a US-based study conducted in May 2007 and stated that almost \$400 billion of store sales were influenced by the web. On the top 100 terms, 88 searches were related to brand names,

7 to products, and 5 to generic terms. Google India's study on consumer behaviour (2008) states that large numbers of people research electronics goods, technology products, consumer's electronics, mobile, laptop, digital camera on internet but mostly buy it offline. Google India is targeting the electronics goods retailers with some interested numbers, which suggests that large number of people research electronic goods on the Internet but buy offline. It provides e-retailers to a platform to advertise their products on Google to generate leads for offline buys. Technology products, consumer electronics are searched online and bought offline mostly. Only less than 30 percent searches are converted into online purchases. 6.1 million mobile-related searches were made on Google in India every month, nearly 7,00,000 laptop-related searches were made, and 3, 00,000 digital-related searches were made every month.

Manouchchr Tabatabari (2009) in a study found that more expensive and standard products are being compared by consumers on the basis of information and products available online and ultimately being bought at traditional stores. It helps consumers to save their energy and time from going one to another shop for searching and comparing products. Neilsen (2009) found that consumers trust other consumers' opinions posted online juxtaposed to ads served in search engine results. Mam De Ros, in an article, states that according to UK-based Shopper Centric "Shopping in a Multichannel World" survey, 8.7 percent of surveyed respondents are using store as a part of their purchase journey. However e-consultancy that reports on the survey, adds high prices, crowds and time taken are seen as drawback, consumers have become time conscious so they are shifting towards online. Compared to other generations, younger generation is using their smartphones and tablets more often in purchase process.

Neilson (2010) found that consumers are more relying on the products that are online reviewed by consumers and peer groups. They are actively participating in showing strengths and weaknesses of a product to their respective groups. Rishi (2010) highlighted in his study that reliability; accessibility, and convenience are the major motivating factors which motivate consumer to buy online. He also states that reluctance and preference are the two decisional factors which influence the decision of the consumer to buy online or offline.

Manyika and Roxburgh (2011) in their study state that consumers are visiting price comparison websites before

buying online and offline. They also state that the prices shown online are on an average 10 percent lower than those offline as a result of the price transparency afforded by search tools. Beal Vangie (2011) found in his study that research engines are primarily used for searches followed by gathering information from retailers and manufacturers websites. The product reviews are number one factor and impacting the buying decision. Graham Charlton (2011) found that several fashion retailers have been building their social media profiles and attracting large following in Facebook and Twitter. Consumers are looking for latest offers and competitions via social media.

Rand Media Group (2012) states that as per report by Nielsen and Pew Research Centre, social networking sites are becoming very useful to learn about a specific brand or retailers and active users of these sites follow a brand. Platforms coming out on top for brand research and vetting are consumer review sites like Yelp and Amazon reviews. Consumer generated reviews and products rating are most preferred sources of products information among social media users. Rachel Ufer (2012) states that consumers want to have a better relationship with the brands. They are more cautious, resourceful and scrutinising even before. They expect brand to be healthier, more fulfilling lives. Charlton (2012) states that 80 percent consumers in UK reserve products online for collection in store, 44 percent always research product before buying offline. Smartphones are being used compare products and prices and for product reviews.

The above review of literatures shows that there are numerous factors that influence the preference of consumers to buy various products online or offline. With the changes in socio-economic, political, technological, and cultural environment, the preferences and behaviour of people also tend to change as these have direct and indirect influence on people and their livelihood.

OBJECTIVES OF THE STUDY

- To assess the consumers' preferences for their purchases online or offline
- To study the factors influencing consumers' behaviour while buying various products online and offline
- To analyse the comparative advantages and disadvantages of web stores and traditional stores

RESEARCH METHODOLOGY

Primary data for this study were collected randomly through a structured questionnaire. It was distributed among 875 consumers residing in Delhi and NCR between January 2012 and April 2012, who buy products from web stores as well as from traditional stores. The questions related to five products category on the basis of 17 different variables by using 7 point scale (1 indicating very unimportant and 7 very important) were asked to the respondents. The respondents on the basis of their online and offline purchase experiences provided the information. The analysis and interpretation of data have been done by dividing scales into three parts. In the first part the scales absolutely low, very low and low are merged into one, to rate low preference. The second part is the scale about the same where respondents are indifferent. The scales high, very high and absolutely high are merged into one, to rate high preference in the third part.

DATA ANALYSIS

The concept of online trading is very new and it requires some technological expertise. So the users of this format of retailing are mainly from younger generation. Table 1 shows that out of total respondents 76.7 percent respondents were between the age of 15-35 years, 21.2 percent between 35-55 years, and 2.1 percent between 55-65 years. Table 1 depicts that 44.2 percent, 22.3 percent, and 13 percent of the respondents were students, private employees and business person respectively. These three constitute the major proportion of respondent's occupation. The other three occupations constitute less than 21 percent. 62.86 percent of the respondents were male and rest were female.

There are various factors that can influence the purchase of products by consumers from web stores or traditional stores. They expect reasonable price of commodities, better promotional services, easily availability of information, facility of examination of products, immediate possession of goods, certainty of receiving the product as per description, ease of placing order and making payment, pre and post purchase services, availability of various brands and variety, better purchase return policy, availability of ample stock, time saving, facility of product evaluation, family and social experience etc. Here in this study, a comparative evaluation has been

made to know the facilities or benefits provided by web stores and traditional stores to consumers.

Table 1: Socio-economic Profile of the Respondents

<i>Variable Name</i>	<i>Number of Respondents</i>	<i>Percent</i>
Age Groups (in years)		
15-25	438	50.1
25-35	233	26.6
35-45	107	12.2
45-55	79	9.0
55-65	11	1.3
above 65	7	0.8
Total	875	100
Occupations		
Business	114	13.0
Govt. Employee	70	8.0
Private Employee	195	22.3
Student	387	44.2
Self Employed	82	9.4
Others	27	3.1
Total	875	100.0
Sex categories		
Male	550	62.86
Female	325	37.14
Total	875	100.0
Level of Education		
Primary	10	1.14
Secondary	200	22.86
Graduate	415	47.43
Post Graduate	250	28.57
Total	875	100.0
Income Groups (in Rupees)		
Less than 50,000	11	1.26
50,000-1,00,000	125	14.29
1,00,000-5,00,000	220	25.14
5,00,000 and above	519	59.31
Total	875	100.0

Price

Price plays a very important role in consumers' decision whether to buy online or offline.

The data (Table 2) show that the prices charged by web stores (excluded shipping and handling charges) are less compared to traditional stores. 54.7 percent of the respondents are of the view that prices of the products

are less in web stores. However, 31.9 percent of the respondents feel that prices are same. Only 13.4 percent respondents are of the view that web stores charge high prices.

Table 2: Compared with Buying in Traditional Stores, How would you describe the List Prices (not included charges for Shipping and Handling) of the Products when buying from a Web Store?

	<i>Frequency</i>	<i>Percentage</i>
30% lower	54	6.2
20% lower	149	17.0
10% lower	276	31.5
about the same	279	31.9
10% higher	80	9.1
20% higher	25	2.9
30% higher	12	1.4
Total	875	100.0

*Source: Primary Data

Promotional Schemes

Promotional schemes offered by retailers have a great effect on consumers' buying behaviour. The promotional schemes offered by web stores and traditional stores may vary and it can appeal consumers in different way. The study shows that promotional schemes offered by web stores for different product categories like electronic goods, home appliances, apparels and entertainment items are high and for fast moving consumable goods (FMCG) are at par. 46 percent, 43.2 percent, 49.2 percent, and 39.0 percent of the respondents while buying electronic goods, home appliances, apparels, and entertainment items respectively feel that web stores have attractive promotional schemes, though, 24 percent, 24.2 percent, 28.4 percent, and 26.5 percent respectively rate promotional schemes at par with the traditional stores.

Easy Availability of Information

Consumers nowadays have become very choosy and they want to access information without spending much time and energy. Therefore, the retailers have to provide easy access to information about the products and schemes to consumers quickly. This can help retailers to attract consumers to buy their products. The study (Table 4) shows that consumers get

Table 3: Compared with Traditional Stores how Attractive are Promotional Schemes of Web Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	7.5	8.2	18.8	26.5	26.1	9.1	3.8
Electronic goods	2.0	7.1	20.9	24.0	28.7	14.6	2.7
Fast Moving Consumable Goods (FMCG)	3.7	5.6	22.0	41.0	15.5	8.7	3.4
Home Appliances	3.1	8.0	21.5	24.2	29.7	9.6	3.9
Apparels	5.1	6.1	16.3	28.4	23.2	14.7	6.3

*Source: Primary Data

Table 4: Compared with Traditional Stores How Much Time and Efforts generally it takes to Search Relevant Information When Buying from Web Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	9.5	14.3	32.6	19.4	18.5	3.8	1.9
Electronic goods	3.7	16.9	29.7	22.8	16.6	7.4	2.9
Fast Moving Consumable Goods (FMCG)	5.0	12.7	27.1	33.4	13.3	6.1	2.5
Home Appliances	3.5	14.2	25.1	27.7	16.6	7.4	5.4
Apparels	5.7	11.3	21.5	24.7	20.4	9.9	6.5

*Source: Primary Data

relevant information in less time and without much effort from web store compared to traditional stores. 56.4 percent, 50.3 percent, 44.8 percent, 42.8 percent and 38.5 percent of the respondents get information about entertainment items, electronic goods, FMCG, home appliances, and apparels respectively in web stores easily and without wasting much time. Only less than 30 percent of the respondents in each product category (except apparels where 36.8 percent) feel otherwise.

Examination of Product

There are certain types of products where consumers like to examine them physically. After examining the products they decide whether to buy or not. The study (Table 5) reveals that there is a difficulty in examining all types of product groups under study except entertainment items where 41 percent of the respondents feel that they do not find any difficulty in physical examination as against 35.5 percent respondents who feel otherwise while buying online. In apparels, home appliances, electronic goods and FMCG products, 54.9 percent, 50.9 percent, 48.4

percent and 38.2 percent of the respondents respectively find difficulty in physical examination of product while buying from web stores.

Ease in Possession of Product

The consumers like to get the possession of goods as soon as possible. The products that are urgently required cannot be delayed. The delay in transfer of possession may affect the purchase behaviour. The study (Table 6) shows that there is difficulty in possession of products in all product categories while buying online. 38.1 percent, 48.7 percent, 42.8 percent, 48.5 percent, and 52.2 percent of the respondents while buying entertainment items, electronic goods, FMCG, home appliances, and apparels products respectively find problems in timely possession when they buy online.

Uncertainty of Receiving the Product Specified

If consumers find any difference between the products demanded and those actually delivered by the retailer, it

Table 5: Compared to Offline How Much Difficulty is Faced to Examine the Products Physically while Buying Online

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	11.0	10.2	19.8	23.5	24.4	7.5	3.6
Electronic goods	3.0	11.9	14.5	21.2	27.7	16.0	5.7
Fast Moving Consumable Goods (FMCG)	4.0	10.6	19.1	28.1	22.4	10.6	5.2
Home Appliances	3.5	10.8	14.3	20.4	30.5	14.2	6.2
Apparels	4.4	7.5	14.0	19.2	25.0	16.0	13.9

*Source: Primary Data

Table 6: Compared to Traditional Store, How Much is the Problem of Delayed Possession of Products Buying from Web Store

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	9.7	5.8	19.2	27.2	28.0	7.8	2.3
Electronic goods	2.4	7.0	17.0	25.0	32.5	12.6	3.6
Fast Moving Consumable Goods (FMCG)	3.0	5.8	19.7	28.6	27.2	11.1	4.5
Home Appliances	3.0	6.6	17.6	24.3	30.4	13.5	4.6
Apparels	2.7	6.7	13.1	25.4	27.8	14.3	10.1

*Source: Primary Data

may create dissatisfaction among the consumers. To do away with such problems consumers like to choose and pick their purchases personally. The data (Table 7) shows that there is uncertainty of receiving the same products as described from web stores except entertainment items. More than 50 percent of the respondents feel that home appliances and apparels products which they receive do not match what they actually ordered. However,

for entertainment items almost an equal number of respondents have different opinion.

Ease of Placing Order and Making Payment

The choice of purchasing from online and offline sources also depends upon ease of placing order and making

Table 7: Uncertainty of Receiving Same Product as per Description while Purchasing from Web Store as Compared to Traditional Store

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	7.7	7.4	20.9	27.7	24.6	7.8	3.8
Electronic goods	2.9	8.0	16.1	26.1	29.4	12.8	4.6
Fast Moving Consumable Goods (FMCG)	3.0	6.5	18.2	36.2	21.1	9.6	5.4
Home Appliances	1.9	7.0	17.0	23.1	29.8	16.7	4.5
Apparels	3.9	6.3	12.4	20.3	24.6	20.6	12.0

*Source: Primary Data

Table 8: Problems in Placing Order and Paying while Purchasing from Web Store as Compared to Traditional Store*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	9.0	10.9	23.9	27.2	22.0	4.2	2.8
Electronic goods	2.8	11.4	24.2	27.4	23.4	8.0	2.8
Fast Moving Consumable Goods (FMCG)	4.7	8.8	26.6	29.5	20.1	7.2	3.2
Home Appliances	2.6	10.3	22.8	27.2	21.5	11.1	4.6
Apparels	3.2	7.5	21.0	26.4	24.7	8.4	8.8

*Source: Primary Data

payment. The study (Table 8) depicts that for entertainment items, electronic goods and FMCG product, there is less problem in making payment and placing order while buying from web store. However, while buying home appliances and apparels, there is little more problem in web stores as compared to traditional stores. 43.8 percent, 38.4 percent, and 40.1 percent of the respondents while purchasing entertainment items, electronic goods, and FMCG do not find any difficulty in placing orders and paying for them. Though, 37.2 percent and 41.9 percent of the respondents find problems for the same while buying home appliances and apparels respectively from web stores.

Pre-sale Services from Salesman or Customer Representative

Before finalizing the deal, customers may have certain queries which they want to satisfy. They need the help of salesmen or customer service representatives. Unless and until customers get satisfactory answers to their queries, they may not buy the product. The study (Table 9)

shows that there is problem in availing the service of salesman or customer representative before buying entertainment items, electronic goods, FMCG and home appliances. While buying apparels from web stores only 40.3 percent of the respondents find easy to approach these sales representatives as compared to 36.5 percent of the respondents find otherwise. Rest 23.2 percent of the respondents find web stores and traditional stores at par.

Brand and Variety

The consumers have become more brand conscious and they always look for different brands and variety. The more the availability of brands and variety, the more the visit of consumers will be there. The study reveals that there are more brands and greater variety of products available in the web stores as compared to offline. 44.1 percent, 46.9 percent, 38.4 percent, 46.4 percent and 50.8 percent of the respondents find more variety of entertainment items, electronic goods, FMCG, home appliances and apparels respectively in web stores as compared to traditional stores. However, 26.7 percent,

Table 9: How Easy is it to Get the Services of Salesman or Customer Service Representatives before Buying Products from Web Store as Compared to Traditional Retailers?*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	7.0	11.2	25.3	24.9	23.0	5.5	3.2
Electronic goods	2.9	10.3	25.5	25.7	21.7	10.2	3.7
Fast Moving Consumable Goods (FMCG)	2.8	10.9	27.1	33.2	15.0	6.6	4.4
Home Appliances	2.0	12.0	24.2	24.5	22.8	8.9	5.5
Apparels	3.5	11.5	21.5	23.2	19.8	12.0	8.5

*Source: Primary Data

Table 10: Availability of Brand and Variety of Products in the Web Stores as Compared to Traditional Store
(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	5.2	8.0	15.8	26.7	26.9	11.5	5.7
Electronic goods	1.5	5.1	17.7	28.8	24.1	15.2	7.6
Fast Moving Consumable Goods (FMCG)	2.8	8.0	17.9	32.9	21.1	10.3	7.0
Home Appliances	1.6	4.9	17.6	29.5	25.8	13.6	7.0
Apparels	3.9	5.9	15.6	23.9	22.6	15.9	12.3

*Source: Primary Data

28.8 percent, 32.9 percent, 29.5 percent and 23.9 percent of the respondents respectively find both form of retailing at par.

Post-purchase Services

The consumers are demanding more and more services which are without any charge. The competition is so high that it is tough to ignore their demand. There is pressure on retailers to provide free of cost after sale services. The study reveals that there is a problem of post-purchase services on purchase of products under study except entertainment items and FMCG product. While buying entertainment items and FMCG 37 percent and 33.8 percent of the respondents respectively do not find problems in post-purchase services. However, 30.1 percent and 33.5 percent of respondents rate both online and offline at par while purchasing the same.

Purchase Return Services

The consumers may look for those retailers who provide after sale services. It is more important in a situation where the actual users and buyer are two different persons. Such facilities may enhance the confidence among the buyers to buy the products from them. The data (Table 12) reveal that there is a problem of purchase return if products are bought from web stores. A T Kearney in its study, "India Ranks 5th in Global Retail Development Index but Where in Global E-commerce Index?" has also highlighted the problem of reliable purchase return services due to underdeveloped infrastructure. More than 50 percent of the respondents (except in entertainment items 47.2 percent and FMCG 47.9 percent) feel that there is a problem of purchase return services while purchasing entertainment items, electronic goods, home appliances, and apparels from web stores as compared to traditional stores.

Table 11: Problems of Post Purchase Services after Purchasing from Web Stores as Compared to Traditional Stores

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	8.9	7.2	20.9	30.1	23.4	5.5	4.0
Electronic goods	2.0	9.5	18.1	29.8	24.4	11.9	4.2
Fast Moving Consumable Goods (FMCG)	4.8	7.9	21.1	33.5	21.1	6.7	5.0
Home Appliances	2.2	9.6	16.2	29.1	26.9	11.4	4.7
Apparels	5.3	6.9	15.8	30.4	22.2	10.4	8.9

*Source: Primary Data

Table 12: Problem in Purchase Return after Buying from Web Stores as Compared to Traditional Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	7.8	7.7	17.3	20.1	29.4	12.3	5.5
Electronic Good	3.0	8.1	15.9	20.6	26.0	19.0	7.4
Fast Moving Consumable Goods (FMCG)	5.1	5.4	15.8	25.8	25.9	13.6	8.4
Home Appliances	4.1	8.2	13.8	20.8	26.1	19.6	7.4
Apparels	5.3	6.1	14.2	20.6	23.3	16.7	13.8

*Source: Primary Data

Product Quality Level

Quality is a very important factor in making the purchase decision. The product quality available in different stores may influence the visit of consumers to the shop. As study shows that there is no major quality difference in products available in both web stores and traditional store. As more than 43 percent of respondents (except apparels where 37.1 percent) do not find any difference in quality of products offered in both online and offline

stores. Though, 28.2 percent, 31.8 percent, 24 percent, 30.1 percent and 31.3 percent of the respondents still feel that there is a quality difference in entertainment items, electronic goods, FMCG, home appliances and apparels respectively offered in web stores.

Availability of Ample Stock

At the times of high sales maintenance of optimum stock level is very important for retailers to avoid loss of

Table 13: Difference in the Quality of Product while Purchasing from Web Store as Compared to Traditional Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	5.2	5.1	14.4	47.0	19.9	6.6	1.7
Electronic goods	2.2	7.2	15.6	43.1	19.9	8.2	3.7
Fast Moving Consumable Goods (FMCG)	3.0	6.3	21.3	45.3	15.4	5.0	3.6
Home Appliances	2.2	7.4	18.2	42.0	19.3	8.0	2.8
Apparels	4.0	8.1	19.5	37.1	16.5	7.9	6.9

*Source: Primary Data

Table 14: Stock- out Problem in Web Store as Compared to Traditional Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	9.3	7.4	26.2	30.8	18.0	5.2	3.1
Electronic goods	3.0	12.6	22.6	32.9	18.7	7.0	3.3
Fast Moving Consumable Goods (FMCG)	3.7	7.2	27.7	37.3	14.6	5.2	4.3
Home Appliances	3.1	8.8	22.3	33.1	20.9	8.1	3.6
Apparels	4.8	6.9	22.1	29.5	18.4	11.2	7.1

*Source: Primary Data

Table 15: Convenience of Product Evaluation on the Basis of Various Attributes like Size, Colour, or Features when buying Goods from Web Store as Compared to Traditional Stores*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	6.3	9.8	18.9	31.3	22.1	7.8	3.7
Electronic goods	2.9	10.7	20.9	30.1	22.1	10.0	3.3
Fast Moving Consumable Goods (FMCG)	4.0	10.8	22.5	34.8	17.5	7.3	3.2
Home Appliances	3.5	9.2	21.6	29.5	21.8	9.6	4.9
Apparels	7.5	9.5	21.3	25.9	18.7	10.4	6.8

*Source: Primary Data

sale. The accurate assessment of demand is essential to maintain the stock level. The data reveal that stock-out problem in web stores is low as compared to traditional store except in apparels. 42.9 percent, 38.2 percent, 38.6 percent and 34.2 percent of the respondents feel that web stores keep ample stock of entertainment items, electronic goods, FMCG and home appliances respectively. While for apparels 36.7 percent of the respondents feel that there is a problem of stock out in web stores as compared to traditional stores.

Convenience of Product Evaluation

Consumers buy the products after making proper evaluation on the basis of size, colour, feature, price etc. They expect to have ample opportunity to evaluate.

The consumers expect assistance from the seller in this regard. Such assistance may influence their purchasing behaviour. The study shows that it is inconvenient to evaluate the entertainment items, FMCG, and apparels when buying online. However, it is convenient to

evaluate the electronic goods and home appliances while purchasing from web store. 35 percent, 37.3 percent and 38 percent of respondents find it inconvenient to evaluate entertainment items, FMCG and apparels respectively while purchasing online. While 35.9 percent and 36.3 percent of the respondents find it convenient to evaluate electronic goods and home appliances respectively while purchasing from web stores as compared to traditional stores.

Time Saving

In the era of sophisticated technology and revolution in communication facilities where everything is so quick that consumers do not want to waste their time just to locate, evaluate, select and purchase. They want tested and trusted way of purchasing. In this situation it has become imperative to build up confidence among the consumers that whatever they are being provided is the best. The study (Table 16) shows that the web stores provide ample opportunities to browse, locate, evaluate, select and purchase a product. Web stores also take less

Table 16: Compared to Traditional Stores, How Much Time it Takes to Get Online, Locate, Evaluate, Select, and Purchase of Product from Web Store*(Responses are in percentage)*

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	9.1	14.3	28.5	23.0	17.2	5.0	2.9
Electronic goods	5.5	13.2	30.7	23.5	16.1	8.2	2.8
Fast Moving Consumable Goods (FMCG)	6.3	14.5	24.6	26.1	19.0	7.0	2.5
Home Appliances	4.6	13.8	25.9	21.2	21.2	9.1	4.2
Apparels	6.4	12.1	21.1	22.0	19.1	10.9	8.3

*Source: Primary Data

Table 17: Compared to Traditional Retail Shopping, How Easy to Have an Interesting Family or Social Experience Shopping while Buying from Web Store

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	12.5	11.1	27.7	22.5	18.8	3.8	3.5
Electronic goods	7.1	15.1	23.4	26.4	18.9	7.2	1.9
Fast Moving Consumable Goods (FMCG)	9.8	14.6	24.1	27.3	13.9	7.3	3.0
Home Appliances	8.1	13.2	26.5	23.0	17.2	7.6	4.5
Apparels	12.7	14.0	19.9	21.2	17.1	7.9	7.2

*Source: Primary Data

time for the same (except for apparels).51.9 percent, 49.4 percent, 45.4 percent, 44.3 percent and 39.6 percent of the respondents while buying entertainment items, electronic goods, FMCG, home appliances, and apparels respectively are of the view that it is very convenient to locate, evaluate, select and purchase of products from web stores as compared to traditional stores.

Family and Social Experience

There are situations where people go out for family leisure and they involve in impulsive purchasing. There are situations where people go to market without any intention to buy but if they are offered some lucrative offer they may not resist the offer to buy products. The study shows that there is a lack of family and social experience while buying from web stores. More than 45 percent of the respondents while buying products specified in the study from web stores find absence of social and family experience. However, 25 percent to 31 percent of the respondents in all product groups' respondents feel otherwise.

Ease of Browsing

Where the consumers have plenty of options, they try to buy from the source which suits them more. The study (Table 18) shows that there is convenience of browsing of products in web stores as compared to searching products at traditional stores. 43.4 percent, 47 percent, 38 percent, 45.6 percent and 46.9 percent of the respondents feel that it is very convenient to browse entertainment items, electronic goods, FMCG, home appliances and apparels respectively in web stores as compared to traditional stores. However, 33.7 percent, 28.6 percent, 32.6 percent, 29.6 percent, 28.9 percent of the respondents respectively feel otherwise.

CONCLUSION

Revolution in banking sector and communication has brought paradigm shift in the functioning of business. The consumers have plenty of options available with them. They can buy products online or offline. The preference of buying product from online or offline depends upon

Table 18: Convenience of Browsing of Products in Web Store as Compared to Traditional Stores

(Responses are in percentage)

<i>Product Category</i>	<i>Absolutely low</i>	<i>Very low</i>	<i>Low</i>	<i>About the same</i>	<i>High</i>	<i>Very high</i>	<i>Absolutely high</i>
Entertainment items	7.4	8.3	18.0	22.9	28.4	9.0	6.0
Electronic goods	2.9	9.5	16.2	24.3	25.4	15.6	6.1
Fast Moving Consumable Goods (FMCG)	4.7	7.5	20.4	29.4	23.5	8.9	5.6
Home Appliances	3.1	7.4	19.1	24.9	27.7	11.2	6.7
Apparels	7.4	8.6	12.9	24.3	22.7	15.3	8.9

*Source: Primary Data

various factors. The availability of these factors attracts consumers to go online or offline. There are certain factors like price, promotional schemes, ease of getting information, facility of examination of product, ease in possession of product, certainty of getting product as specified, ease of placing order and making payment, pre-sale services from sales representative, availability of brands and variety, post-purchase services, purchase return facilities, standardization of product, availability of optimum stock level, convenience of product evaluation, economy of time, family or social experience, shipping and handling charges, and ease of browsing that influence the purchasing decision of consumer. The study shows that the price offered by web stores (excluding shipping and handling charges) is lower than traditional stores. The information is easily and effortlessly available in the web stores. The time taken for placing order and making payment is also low in web stores except home appliances and apparels products. Consumers have wider choices of brands and variety in web stores. Web stores provide different brands and variation in products. The web stores also keep a good level of stock so as to avoid loss of sale. Web stores provide convenience in evaluation of electronic goods and home appliances on the basis of attributes like size, colour and feature however it is difficult to evaluate the entertainment items, FMCG, and apparels. The study also reveals that except apparels, the time taken to locate, evaluate, select and purchase of product is less as compared to traditional store. The study also reveals that there are problems of physical examination of product, difficulty in taking the possession of product, uncertainty in receiving the same product as specified, problem of satisfying pre-sale queries as salesman and consumer representative are difficult to approach. There are certain products which require post-purchase service. The study found that the consumers face difficulty in post purchase services. The consumers are also finding problem in returning the faulty or unordered products. Sometimes consumers have also been finding problem in evaluating the products. Consumers want to have social and family experience while shopping but web stores lags this facility, further shopping and handling charges also take consumers away from web stores. Cyber-crime is an area of concern for the growth of e-commerce. The law enforcing agencies are not equipped and trained to deal in cyber-crimes (V. Srikanth and R. Dhanapal). Further, hesitation in registering themselves with sites, unclear of delivery time, purchasing after feeling the

goods, need driven purchases in India as compared to impulsive buying in US customers has also driven out customers from online retail (Harpreet Ajmani). Both online and offline sources are being used for buying the products by consumers after evaluating relative strengths and drawbacks. The fear that online retail will take all the space of offline is still a myth. It can only be a reality when all the above mentioned problems are taken care of. However, these two ways of retailing can reciprocate each other and can help retail business to touch new heights.

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