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in Kerala; A Study of Kanjiramkulam Panchayat
in Trivandrum District of Kerala**

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Corporation (HSBC) and State Bank of India (SBI)**

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of Microwave Ovens in Tirunelveli**

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ONLINE SHOPPING – AN OVERVIEW

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Abstract

Now a days the life style of the people is different. People feel uncomfortable and time consuming for going crowded markets. So, E-Shopping is a boon as it saves lot of time. Online shopping is a process whereby consumers directly buy goods, services etc. from a seller without an intermediary service over the Internet. Shoppers can visit web stores from the comfort of their house and shop as by sitting in front of the computer. Online stores are usually available 24 hours a day and many consumers have internet access both at work and at home. So it is very convenient for them to shop Online. One of the most enticing factors about online shopping, particularly during holiday season is, it alleviates the need to wait in long lines or search from a store for a particular item. Variety of goods are available in online. So the researcher want to know the preference of the consumers. So fifty respondents were met and data were collected regarding their preference towards shopping online.

Introduction

Online shopping is becoming increasingly popular for variety of reasons. There are certainly outside factors such as increasing gas prices, difficulty in getting to traditional stores and hassles often associated with shopping malls and other traditional stores to contribute to the increased interest in online shopping.

Consumers can get full information about the product with its reviews being passed by the existing users. If one wants to buy a product he/she is no longer limited to asking the friends and families because there are many products reviews on the web which gives opinions of the existing users of the product.

Online shopping sites contain wide variety of goods both high quality and mild quality keeping in mind the level of people.

- 1) There are no national and International Barriers.
- 2) In online shopping the consumers will be in a demanding position and suppliers will not be in a commanding position.
- 3) There is enormous employment opportunities in online shopping.

Definition of Consumer Preference:

Consumer preference refers to, "how customers select goods and services in relation to factors like taste, preference and individual choices. Factors such as the consumers income and price of goods do not influence the customers preferred product or services".

What is Consumer Preference?

Consumer preference for a product can make or break a company. If consumers generally like a product, it may stay around for years and sell millions of copies. However if consumer do not like a product, it could disappear very quickly.

Online Customers:

Online customer must have access to the internet and a valid method of payment in order to complete a transaction

Generally, higher levels of education and personal income correspond to more favorable perception of shopping online. Increased exposure to technology also increases the probability of developing favorable attitude towards new shopping channels

The Dos and Don'ts in Online Shopping:

If people want to be as savvy online shoppers, enjoy in finding great deals and avoid becoming a victim of cybercrime, customers want to follow a few basic Do's and Don'ts when buying from websites.

Dos:

- Before giving the credit card information, enough time must be taken to research the website. Contact the seller if this is the customer's first purchase. Most reputable sellers will have a toll-free customer service phone number.
- If site had only an email address and no phone number, start an email or instant message dialogue with the people running the site before buying anything from them.
- Pay by credit card or an online payment service. Online Payment service offer some protection as well. For extra degree of protection, credit card is the best.
- Buy from a website that has encryption. "Encryption is a key to secure Internet purchases. It is a feature that automatically codes the customer's personal data when it is entered".
- Check the website policies before placing the order. Read the website's return policy and other terms and conditions, as well as the site's privacy policy, before ordering anything.
- Use comprehensive computer security software. Make sure the customers have up –to – date, Comprehensive security software such as, MCA fee Internet security or MCA fee Total protection before doing anything with online shopping. This will greatly reduce the risk of contracting virus and will help to avoid theft on dangerous websites.
- Check the credit card statements, make sure that the customer charged the proper amount, and that no extras were added to their bill.

Don'ts:

- Do not buy from spammers. If the customer get an e-mail inviting them to buy something like "Discounted Rolex Watches" two things must be considered.
 - i. **Spam**
 - ii. **Possible scam.**

The most spammers will steal the credit card or financial information and use it fraudulently. If purchases are made from spammers, the customer will never get what they have ordered. It is a risky deal.

- Do not pay by a debit card, cash or wire transfer. When the customer pay with debit cards , the money comes directly out of the customers amount. Getting the cash back can be difficult, if it not possible. When the people pay by cash or use a wire transfer,

the money goes directly to the sellers account. So there is no recourse if something goes wrong.

- Do not buy from a websites unless it is certified for safety. People need to feel confident that when people make an online purchase, personal and financial information will not be compromised.
- Do not buy from a websites with which people are not totally comfortable.
- Do not forget to inspect the new purchase as soon as it arrives. If the customer finds a problem, notify the seller as soon as possible.

Some of the Online Services are:

Online Banking:

Net Bank and Wingspan pioneered online banking in United states in 1996 and 1997, respectively. Traditional Banks had developed earlier versions of telephone banking, but did not use online services until 1998.

Although late by a year or two, the established brand – name national banks have taken a substantial lead in the market share as the percentage of the customers bank online has grown rapidly. The following table lists the amount of estimated online deposits held by various online banks, including online units of Traditional Banks.

Leading Online Banks (November 2007) (In Billions)

Banks	Amount Of Deposits
ING Direct (online only)	\$47.0 billion
Citi Bank Direct(online unit of traditional Bank)	\$9.0 billion
Emigrant Direct (online unit of traditional Bank)	\$6.0 billion
HSBC Direct (online unit of traditional Bank)	\$4.8 billion

Online Insurance Services:

The term Life Insurance is a commodity product, however, and in other insurance product lines, the web offers insurance product lines, the web offers insurance companies new opportunities for product and service differentiation and price discrimination.

The Insurance Industry forms a major part of the \$2.2 trillion financial services sector. It has four major segments: **Automobile, Life, Health and Property and casualty.** Insurance product can be very complex.

The online insurance industry has been very successful in attracting visitors looking to obtain prices and terms of insurance policies.

The industry has been less successful at getting customers to buy policies online. Although this is changing, particularly in the areas of auto mobile insurance polies , which are less complex.

Online Travel Services

Travel and tourism in the United states contribute over \$1.1 trillion to the U.S. GDP with online travel services becoming an ever larger part of the picture.

Online travel is one of the most successful B2C e-commerce segments, accounting for more online revenue than any other than online category. The Internet is becoming the most common channel used by consumers to research travel options, seek the best possible prices and book reservations for airline tickets, hotel rooms, rental cars, cruises and other tours.

According to Marketer in 2007, about 42 million U.S. Households booked travel online. A November 2006 survey found that almost 60 percent of those polled in the United states said they used the Internet to plan a vacation. By 2010, Online Travel Booking revenues are expected to grow about \$146 billion from 2007 to \$ 94 billion.

Review of Literature

Hirschman and Holbrook ,(1982) , suggest that “Motivations of Consumers to engage in online shopping include both utilitarian and hedonic dimension. Whereas some Internet shoppers can be described as “problem solvers” others can be termed seeking for ‘fun, fantasy, arousal, sensory stimulation and enjoyment’.”

Babinetal., (1994) suggest that, “The problem solvers merely shop online in order to acquire a specific product or service, in which case shopping is considered to be ‘an errand’ or ‘work’.

Holbrook (1994) says that, “Their main concern is to purchase products in an efficient and timely manner to achieve their goals with a minimum of irritation of irritation. In contrast the second category sees online shopping as ‘enjoyment’ and seeks for the potential entertainment resulting from the fun and play arising from the Internet shopping experience for its own sake apart from any other consequence ”

Mathwicketal., (2002) , “If online shopping meets this ideal by enabling the consumer to accomplish the shopping task he or she has set out to perform , then consumers will judge the Internet shopping performance positively.”

Childers et al.,(2001) found “ ‘enjoyment’ to be a consistent and strong predictor of attitude towards online shopping. If consumers enjoy their online shopping experience, they have a more likely to adopt the Internet as a shopping medium”

Statement of the Problem

It is difficult for the online seller to identify the customers wants and needs, since potential customers are large in number. It is important to identify the factors that influence the customers to prefer online shopping. Therefore, the study is undertaken by the researcher.

Scope of the Study

The present study has made an attempt to understand the customer’s preference towards online shopping. Online shopping is an emerging concept in the study area.

This study enables to understand the customer preference towards shopping and provides insight about online shopping.

Objectives of the Study:

The objective is

To analyze the preference of the sample respondents.

Area of the Study:

The area of operation is in Nagercoil town. Information is collected from the respondents in and around Nagercoil town.

Period of the Study:

The field of this study is carried out for three months from December 2013 to March 2014.

Methodology:

This study is carried out on the basis of both Primary and Secondary Sources. These collection of data were presented in the following sections.

Primary Data:

Primary data were collected by means of systematically prepared questionnaire from online purchasers in Nagercoil town. In order to carryout statistical enquires a questionnaire was prepared comprising age, gender, educational qualification, information about the preference of the respondents.

Secondary Data:

Secondary data has been collected from various Books, Journals, Thesis and websites.

Sample Design:

The study is descriptive and analytical. It is descriptive in the sense it exist at present and it includes facts and findings. It is analytical in the sense it involves analysis of the collected data and information. The researcher has selected 50 samples from the customers in Nagercoil town. The relevant data were collected through questionnaires. The researcher used the method of convenient sampling technique.

Limitations of the Study:

This study has certain limitations.

1. The area of the study covers only Nagercoil town.
2. Today's findings may not hold true for the future.
3. The study was only made up of the users of online shopping.

Framework of Analysis:

The collected data were analyzed through Garret's Ranking, Technique.

Garret's Ranking Technique:

Garret's Ranking is used to analyze the products which the consumers prefer through online shopping.

$$\text{Percent position} = 100(R_{ij} - 0.05)/N_j$$

R_{ij} = Rank given for the factor of Individual.

N_j = Individual Ranked.

The rank obtained are converted into score with the help of Garrets table for each problem , the scores of individual respondents are added together and divided by the number of respondents whose score are added. The mean score for all the factors are arranged in ascending order and the ranks are given in the order of importance.

Garret's ranking technique is applied for analyzing the preference of the consumers about products purchasing through online.

Results and Discussion

Preference towards online shopping by the consumers will be analysed with the help of in the Garret's Ranking Technique.

Consumer Preference Wise Distribution:

Online shopping is convenient and quick. But it is not suitable for all the products. Each customer has his own preference towards the product according to their level of comfortability and satisfaction. Following table explains the preference of consumers. It is analyzed with the help of Garret's Ranking Technique.

Consumer Preference Wise Distribution of Respondents

S. No	Preference	Garret's mean score	Rank
1.	Groceries	36.84	XI
2.	Fast food	33.78	XII
3.	Cosmetics	39.42	X
4.	Books	66.02	I
5.	CDs/DVDs	56.02	IV
6.	Toys	46.28	VII
7.	Furniture	44.12	VIII
8.	Clothes	53.72	VI
9.	Electronic Goods	54.92	V
10.	Movie Ticket	59.3	III
11.	Airplane Ticket	66	II
12.	Jewellery	41.58	IX

Source: Primary Data

The above table reveals the customer preference towards online shopping. In this regard, 'Books' has been ranked first by the respondents with a mean score of 66.02, Airplane and Railway ticket has been ranked second with a mean score of 66. Most of the people prefer online shopping for Books and tickets. The third rank is given to movie ticket with its mean score of 59.3. The least preference is given to fast food with a mean score of 33.78. This shows that the consumers are not interested in buying fast food through online. This is because most of the sample respondents are interested in buying the books through online because they can access variety of books by sitting before the computer.

Policy Implications

Following are the Policy implications offered by the researcher.

- ✦ Online shopping is easy but it can be made more secure.
- ✦ More Privacy should be implemented.
- ✦ Product displayed sometimes differs with the product supplied. It should be improved.
- ✦ Online Shopping is yet to catch up in our towns. Internet penetration is not enough.

Conclusion

The researcher made a thorough analysis over the Study of customer preference towards online shopping with reference to Nagercoil town. It is of the opinion that, though there are a number of products available in the market, large number of respondents mostly prefer to purchase Books through online shopping. Because variety of Books are available while searching online web stores.

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