

# A Study on Factors Impeding Online Buying of Household Items in Bangalore City

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## Abstract

The tremendous growth of the Internet in India has fuelled the growth of e-commerce in the country. The retail business has been affected like all other businesses. This research paper attempted to study the factors responsible for impeding the online buying of household items by customers. The study was limited to Bangalore city only. The study was conducted during June 2013 and December 2014. The data was collected through questionnaires which were distributed among 500 respondents. Among these, 25 questionnaires were partially filled, and were not included as final responses; 280 completely filled questionnaires were utilized for this study. The non online respondents' profile and descriptive statistics were analyzed. Factor analysis was carried out to find the important factors involved in the non online buying decisions of customers. Some recommendations have been made on the strategies which online retailers can adopt to convert non – online buyers to online buyers of household items by addressing some of their concerns.

**Keywords:** online buying, non online buying, psychographics factors, demographic factors, technological factors, security factors

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The Internet is having a tremendous impact on businesses and it has really impacted the retail sector in India. The availability of Internet channels for reaching out to customers, irrespective of the distance has helped in the growth of the retail business. Due to the impact of Internet on retailing, a completely new business model has developed which is called as E-tailing. Doing retail transactions or business on the Internet is called E-tailing. The number of Internet users in India reached a figure of 354 million by the end of June 2015. Internet penetration in India was 27% as compared to China (51 %) and USA (87 %) (Janu, 2015). Online shoppers were expected to increase from 20 million in 2013 to 40 million in 2016, as an additional 200 million Indians will access the Internet in the next 3 years, with majority of them coming online through smart phones, indicated a new joint study by Assocham and Grant Thornton (Assocham India, 2015).

The online retail industry in India has grown from ₹ 15 billion revenues in 2007-08 to ₹ 139 billion in revenues in 2012 -13. The growth is a result of increase in Internet penetration and also a change in the lifestyles of people and this growth has happened in the categories of books, electronics, and apparels (CRISIL, 2014). As per Marketer (2015), the total retail sales over ecommerce portals in the country was \$5.30 billion during 2014. Marketer is known for providing insights into media, commerce, and digital marketing, and as per the statistics, the online retail sales were expected to grow by 45.2 % over 2015 and were expected to reach a figure of \$7.69 billion.

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Online buying because of its benefits to customers like saving time, 24/7 convenience, variety, discounts, and other factors is becoming quite popular. In online retailing, the customers are able to make a better informed choice because of the availability of detailed product information and price comparisons among brands. The online retailing model has an advantage of reaching out to a larger national market at a lower cost. The telecommunication infrastructure in India has seen growth and at the same time, online payment and security systems are becoming reliable, which is reducing the uncertainty in the minds of buyers. This has made the customer more eager to shop online.

The problems faced by traditional retailers are many, like higher rentals, long process for buying a property, old labour laws, and also a variety of licenses to acquire from various government agencies for starting a retail business. These problems can push some growth towards online retailing. Some of the foreign competitors like Carrefour, Walmart, Tesco, and Metro were allowed to operate in India as wholesalers only. The Indian government had been mulling since a long time to allow 51% FDI in multi brand retail. Finally, the govt. took a decision in 2012 to allow 51% FDI in multi brand retail.

Ninety five percent of FMCG goods in India are sold by MNCs, which may add one or more delivery channel (online) to fulfil customers' needs and also to fight the disintermediation of wholesale channels by new entrants. Consumers who want to save time will be looking towards shifting to online shopping from offline for buying household items. Increasing PC and Internet penetration will fuel the growth of online shopping of household items. Government permitting FDI in multi brand retailing and the entry of global e-commerce players into India will fuel online shopping. This research paper has attempted to study the factors responsible for impeding the online buying of household items by customers. The study was limited to Bangalore city only.

## Literature Review

Jha and Balaji (2015) in their study found that for customers having a high need for tactile input, having a no touch environment can act as an impediment in preventing them from evaluating the product. If the seller is able to provide tactile information along with product information on the company's website, it will help such customer to make a decision to purchase. An apparel online retailer can provide thread count and texture information (tactile information) on the website along with product information to help individuals with the need for tactile information to make the purchase decision.

Sunil (2015) tried to analyze the factors impacting customers to go for offline purchasing and online purchasing. The study identified the following variables that make the consumers go in for online buying like different payment forms ; getting product information ; less price ; discounts, coupons, and special sales ; ease of browsing and speed of selection of products.

In a study across different product categories in FMCGs, Siji (2015) found that there is a difference in sale proneness, prestige sensitivity, value consciousness, and purchase decision involvement. But it was not different for variables like price consciousness, coupon proneness, and loyalty to local retailers across various product categories. According to the study, the customer is more value conscious with respect to personal care products and cosmetics, and can pay a higher price if he/she feels he/she is getting more value. The cosmetics category is influenced by price quality schema more than the household fabric and the personal care products.

Prashar, Vijay, and Parsad (2015) tried to find out in their study the factors that influenced online buyers in India to select a particular web portal. As per their study results, the main motive influencing respondents was the security in transactions.

Banerjee and Shivani (2015) found that the modern organized retail outlets like MTR outlets have increased the consumption expenditure of customers towards grocery. With respect to apparel, it was found that high value retrieving was being done from organized outlets. The authors mentioned that FDI in multi brand retailing will bring in supply chain efficiencies and benefit the existing players in grocery and apparels.

Kanchan and Kumar (2015) found that relatively, men indulged in more online shopping than women. People

with higher education were more likely to do online shopping. Customers with past buying experience preferred online buying. Technology knowledge of customers had a high impact on doing online buying.

Raman (2014) identified certain relations affecting female consumer behaviour towards online shopping like convenience, reliability, and risk. Reliability and risk were found to be positively correlated. As the risk of shopping online increases, the lack of reliability also increases towards online shopping. The female shoppers preferred the established old retail outlets to reduce the risks associated with online shopping.

Sahney, Ghosh, and Shrivastava (2013) tried to explore the determinants of trust for online buying. With respect to trust factors, guaranteed return policies, and security of online transactions, the authors mentioned that no significant differences were found among the different age groups. Perceived image of a website had an impact on developing trust in online buying. The authors suggested that consumer/user data privacy is to be managed by companies to develop trust in online buying.

Sahney, Ghosh, and Shrivastava (2014) tried to explore what critical motivational factors influenced the decision of online buying. Example of online buying of railway tickets in India has been considered. Some of the findings of the study are as follows: No gender differences were identified with respect to motivational factors for online buying. The lower age bracket customers preferred online buying of tickets because of being tech savvy. Middle age bracket customers preferred to save time by booking online tickets. Higher age bracket customers were not comfortable with operating computers for booking tickets. The author suggested that the Indian railway authorities can go for segmented analysis to decide on the promotional strategies for increasing online reservation of tickets.

Thamizhvanan and Xavier (2013) attempted to find the determinant factors influencing youth in India to buy online. Trust has a bearing on the customer purchase intention to buy online. The study found that prior online purchase experience positively impacted online buying. The author suggested that since impulse purchase orientation positively impacts online buying, this can be used by e-tailers for providing attractive deals to entice customers to buy online.

Rakesh and Khare (2012) indicated that online shopping seems to have utilitarian benefits more to men than women. The study showed that value consciousness, by providing deals, did not have much influence on Indian online buyers. As per the authors, instead of discounts, the focus has to shift on safety concerns and quality aspects to attract customers to online buying.

Bijalwan and Sirswal (2013) conducted a comparative study of online retailing with conventional retailing in India. As per the authors, the working capital requirement comes down to the seller by bringing down shop costs and removing intermediaries. The most important cost advantage of e-tailing comes from whittled down shop front costs and elimination of intermediaries and economical distribution. The study also revealed that Internet penetration has aided companies in accessing more customer base.

Shah and Rao (2014) conducted a study in Gujarat to ascertain the factors influencing online buying behaviour. It was found that security factor consideration did not depend on age. The price consideration given for online shopping was related to occupation, and it varied differently with different occupations. Product variety also influenced customers to buy online.

Pawar, More, and Bholia (2014) conducted a study in Satara district of Maharashtra and examined the factors influencing online buying. The study found that insufficient information available on the website affected online buying in addition to having busy signals, acting as a dampener for people to buy online. Bansal (2013) identified different driving forces and barriers to e-commerce in India. The time saved was found to be the most important driving force. The main barriers were found to be quality of product and insecurity about electronic transactions. As per the author, steps taken by the govt. in this direction will mitigate this in the future.

Dawn and Kar (2011) tried to examine the actual scenario prevalent regarding e-tailing in India. They tried to find out the various issues in the e-tailing sector. By conducting a detailed survey of E-tailing organizations, they came up with an e-tailing strategy for effectiveness. Data were collected by interviewing 30 shoppers, senior managers, and e-tailing consultants in Kolkata. The authors suggested that customer care is to be the top priority because online customers are educated and more aware. Also, the authors suggested that safety and security must be ensured for online transactions.

Hernández, Jiménez, and Martin (2011) tried to find out the effect of socioeconomic factors on the Internet buying behaviour of respondents in their study. The findings of the study stated that socioeconomic factors did not condition the behaviour of experienced e-shoppers. The study found that after a shopper becomes experienced in buying through the Internet, then all e-shoppers exhibit the same behaviour.

Zaini et al. (2011) highlighted the three main factors impacting online buying of grocery, that is, convenience, time available, and cost & charges. The results of their study showed the differences in the perception and preferences towards online grocery buying among the three ethnic groups of Malaysia. Malaysian customers did not like the extra charges for the online grocery buying. It was found out that among all the three groups, repeat buying had a strong disagreement. The authors recommended how the online grocery retailers can grow their businesses. The recommendations were to spend time, build brand equity, and repeat purchases and also, enter into alliances with the regular supermarket retailers.

A study on factors impacting behaviour of consumers towards online shopping in India by Dahiya (2010) tried to find out what factors and variables influenced the online buying behaviour of Indians. The data were collected through a questionnaire method across different metros. From the study and factor analysis, the author came out with a conclusion that online buying behaviour was influenced by the following five categories of factors: psychographic factors, demographic factors, online shopping features and policies, security factors, and technological factors. The author also proposed a model for use by future researchers.

The conceptual framework for how to create value and increase customer value in online buying developed by Mishra (2009) discussed the enormous amount of empirical research which has been done earlier and which gives some customer value drivers. The drivers can be used in e-tailing. The author gave a framework considering 3Cs (cost, complimentary benefits, and core benefits) and also proposed some propositions on which future research can be done regarding customer value.

An empirical study conducted by Prasad and Aryasri (2009) tried to look at what all factors influenced web shopping behaviour. They looked at the determinants like customer service and trust, web store environment, convenience, and shopping enjoyment. As per the study, consumer behaviour was found to be important for the e-tailing companies to grow. The authors revealed that security concerns of the customers also needed to be addressed.

Wilson-Jeanselme and Reynolds (2006) tried to find out the factors responsible for the customers to switch from one online retailer to another. The authors recommended that by making the purchase process as quick as possible and comfortable for the first-time customers will help in retaining such customers for a long time. Also, the customers must be segmented based on their preferences and not on traditional ways.

After reviewing the available literature clearly, the constructs or factors given in the Table 1 are found to be impacting traditional buyers' behaviour towards online buying of household items. The factors will be validated using factor analysis.

**(1) Conceptual Model for Non Online Buying :** Using the factors or constructs discussed in Table 1, the conceptual model for non- online buying is depicted in the Figure 1.

**(2) Categories of Factors and Variables :** The categories of factors and their corresponding variables are discussed in the Table 2.

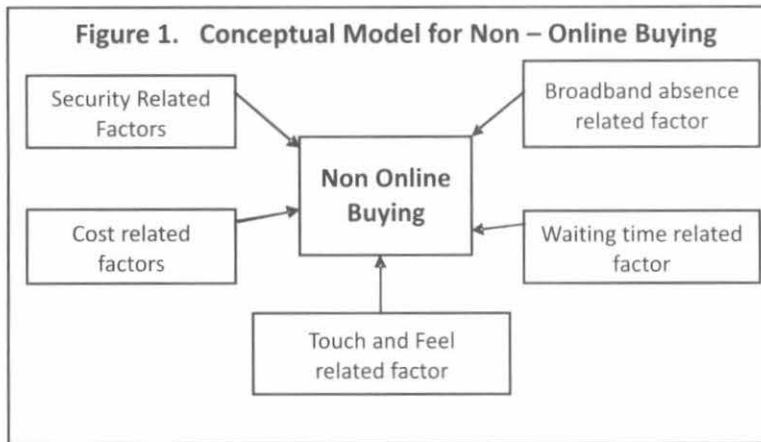
## Research Problem

The two research problems identified are as given below:

**(I)** The increase in double income families has led to crunch of availability of time for shopping for household items for the family. People are all looking for new ways of shopping with their limited available time and also,

**Table 1. Factors or Constructs Impacting Non Online Buyers**

Sl. No	Factors or Constructs Impacting Non Online Buyers
1	Security related factors
2	Cost related factors
3	Touch and feel factor
4	Broadband absence related factor
5	Waiting time factor



**Table 2. Categories of Factors and Variables**

Category of factors	Variables under Factor Category
Demographic factors	Age, income, gender, educational level, occupation, buying place, place where Internet is accessed, and time spent while surfing the Internet
Security related factors	Lack of security and privacy, credit card transactions risky, risk of identity theft
Touch and feel related factor	lack of touch ,feel, and trial
Cost related factors	Items are costlier, discounts not available
Broadband absence related factor	Absence of High speed broadband connections makes online shopping frustrating
Waiting time related factor	Waiting to receive the products
Other psychographic factors	lack of trust, nearness of kirana stores, risk of not getting what is paid for in online buying, bad experience. Website navigation difficult, online buying more complex than traditional buying, returning products difficult

ensure convenience and comfort of shopping by sitting at one place. The retailer's problem is to find a solution to this issue.

(ii) Online shopping of household essentials is still not popular in a vast majority of consumers. The reasons and factors keeping these customers away from online shopping has to be found out, and retailers have to address this issue.

### Objectives of the Study

✦ To identify the factors for non - adoption of online buying of household essentials by major sections of consumers.

**Table 3. Variables of the Study**

Dependent Variable	Buying Behaviour (Non - online )
Independent variables	(a) Demographic variables -- Age, income, gender, educational level, occupation, buying place, place where Internet access is done, and time spent while surfing the internet. (b) Touch and feel, (c) Security, (d) Difficulty in returning goods

- ✦ To know the impact of security factors in online transactions.
- ✦ To analyze the impact of psychological factors impacting customers' online shopping.
- ✦ To find out the impact of ease of transactions on online shopping.

## Research Design

(1) **Variables of the Study** : The variables used in the study are depicted in the Table 3.

### (2) Operational Definitions

✦ **Household Items** : For the current study, fast moving consumer goods (household items) for online buying include the following items: grocery and staples, bread and bakery products, beverages, personal care items, cosmetics, deodorants, perfumes, household items like cleaning articles, detergents, electrical products, room fresheners, repellents, pet food, stationary, and confectionery products.

(3) **Sample and Sampling Technique** : A target population of 500 respondents was ascertained, and questionnaires were distributed among 500 respondents. Among these, 25 questionnaires were partially filled and were not included as final responses ; 280 final responses (that were completely filled) were utilized for this study ( $n = 280$ ). The sample was collected from different locations of Bangalore to make it representative, though in online buying, the geography is not a restriction.

People in the age group between 15 years to 55 years and above were considered as the prospective sample respondents. The respondents were divided into six groups based on years of age: those between 15 to 20 years of age, 21 to 25 years of age, 26 to 35 years of age, 36 to 45 years of age, 46 to 55 years of age, and those above 55 years of age. The household income categories were divided into four: respondents with less than ₹ 3 lakhs per annum, ₹ 3 to less than ₹ 6 lakhs, ₹ 6 to less than ₹ 10 lakhs, and above ₹ 10 lakhs. The occupations considered fall under nine categories: Home makers, salaried (private), salaried (govt), self employed professionals (CA, doctors, lawyers, and consultants), entrepreneurs, and students. Buying of household essentials is considered at different places like kirana stores, supermarkets, hypermarkets, mandis (for perishables), and online grocery stores. Accessing the Internet is considered under different categories like home, cybercafé, college, and office.

The convenience sampling method was used to collect the samples across Bangalore city. The sample comprised of people who engaged in only traditional shopping of household items. The study was conducted in a metropolitan city Bangalore assuming high Internet diffusion rate.

(4) **Tools for Analysis** : The data for the variables for non - online buying were collected using a questionnaire which was developed using a Likert scale. Eight demographic variables and 16 other variables for non-online buying were considered. For each item, a Likert scale was used ranging from *strongly disagree* to *strongly agree* (1 indicates *strongly agree*, 2 indicates *disagree*, 3 indicates *neutral*, 4 indicates *agree*, and 5 indicates *strongly agree*).

During the pilot study, the internal reliability coefficient (Cronbach's alpha) was found to be 0.719 for non

online buyer's questions. The value indicates good reliability. The content validity of the questionnaires was checked by referring to experts from the marketing area. Their recommendations and feedback were included before finalizing the questionnaire.

**(5) Data Collection :** Data were collected using questionnaires filled by the sample respondents. A target population of 500 was ascertained, and questionnaires were distributed among 500 respondents. Among these, 25 questionnaires were partially filled and not included as final responses ; 280 final responses (that were completely filled) were utilized for this study ( $n = 280$ ) . Before collection of the data, the respondents were given assurance that their data would be kept confidential and would be used for research purposes only. Once the data was collected, the next step was data collation and then subsequently data analysis was done. The period of the study is from June 2013 to Dec 2014.

**(6) Statistical Techniques for Data Analysis :** Descriptive statistics - frequency, percentage, and mean score were used to get to know the demographic characteristics of the consumers. Factor analysis was used to determine the minimum number of factors having an effect on the non online buying behaviour of the respondents.

## Data Analysis and Results

The data that was collected has been carefully processed, classified, tabulated, analyzed, interpreted, and concluded. The data collected was analyzed using descriptive statistics (frequency, mean, and percentages) and factor analysis. The purpose of the study was to find out the factors responsible for non - adoption of online buying for purchasing household essentials in Bangalore by major sections of consumers. In the present study, an attempt was also made to find out the differences in the demographic variables namely gender, age, qualification, and income.

**(1) Descriptive Statistics for Non – Online Buying Respondents :** The descriptive statistics for non online buying respondents are given in the Table 4, Table 5, Table 6, Table 7, and Table 8.

If we look at the scores of items related to security in the Table 4, the scores indicate they fall between *neutral* and *agree*. It shows there was apprehension regarding security of online transactions, which acts as one of the factors preventing them from going for online purchases.

The mean score of 3.48 (Table 5) falls between *neutral* and *agree* regarding absence of high speed broadband connection, causing frustrations for shopping online. It indicates that in some parts of the city, the respondents may not be getting high speed broadband connection , which is one of the factors deterring online buying. A mean score of 2.21 (Table 6) indicates that this score falls between *disagree* to *neutral* and nearer to *disagree*, which shows that though the respondents were skillful in using the Internet, it did not influence them positively to indulge in online buying, and there are other factors which impacted their decision of not buying online.

The psychographic factors also impacted the respondents' buying behaviour as per the descriptive statistics depicted in the Table 7. Lack of touch, feel, and trial in online buying has a mean of 3.91 (which is almost *agree* in the scale), indicating that it is one of the factors that impacted respondents' decision of not buying online. Lack of trust in online buying has a mean score of 3.75, indicating that it is one of the factors that impacted respondents' decision of not buying online. Proximity of retail shops and kirana stores (having a mean score of 3.95) indicates that for majority of the sample respondents, the location of nearby retail shops and kirana stores made their traditional purchases simpler. Proximity of the shops is one of the factors influencing them not to purchase online. Risk of not getting what has been paid for (lack of fair dealing) has a mean score of 3.5, indicating that this was a factor impacting respondents' decision for not buying online.

As per the descriptive statistics depicted in the Table 8, the factor “returning products / items is difficult in online buying” has a mean score of 3.9, indicating that an apprehension was there in the minds of the respondents

**Table 4. Descriptive Statistics for Security Related Factors**

	<i>N</i>	Minimum	Maximum	Mean	Std. Deviation
Lack of Security and Privacy in Online Buying	280	1	5	3.42	1.186
Credit Card Transactions are risky in Online Buying	280	1	5	3.65	1.167
Risk of Identity Theft in Online buying	280	1	5	3.41	1.148
Valid <i>N</i> (list wise)	280				

**Table 5. Descriptive Statistics for Broadband Related Factors**

	<i>N</i>	Minimum	Maximum	Mean	Std. Deviation
Absence of High speed broadband connections makes online shopping frustrating	280	1	5	3.48	1.264
Valid <i>N</i> (list wise)	280				

**Table 6. Descriptive Statistics for Skillful While Using the Internet**

	<i>N</i>	Mean	Std. Deviation
Skillful with Internet	280	2.21	1.114

**Table 7. Descriptive Statistics for Psychographic Factors**

	<i>N</i>	Mean	Std. Deviation
There is lack of touch, feel, and trial in online buying	280	3.91	1.110
Lack of trust in online buying	280	3.75	1.124
Items are costlier in online buying as compared to retail stores	280	2.77	1.341
Retail shops and Kirana stores are in proximity	280	3.95	.960
Had a bad experience in online buying	280	2.58	.936
Risk of not getting what I paid for in online buying	280	3.50	.939
Don't like waiting to receive the product in online buying	280	3.33	1.107

**Table 8. Ease of Transactions**

	<i>N</i>	Mean	Std. Deviation
Discounts are not available in online buying	280	2.55	1.106
Returning products / items is difficult in online buying	280	3.90	.990
Website navigation is difficult in online buying	280	2.74	1.114
Online buying is more complex than regular, traditional shopping	280	3.14	1.246

regarding this factor, and therefore, this is one of the factors impacting respondents' decision for not buying online. The Table 8 depicts that the factor "online buying is more complex than traditional buying" has a mean score of 3.14, indicating that this factor has an impact, but the same is not very strong on respondents for not buying online. The variable "website navigation is difficult" has a mean score of 2.74, which means that this factor did not have much impact on respondents' decision of not buying online.



**(2) Findings for Non – Online Buyers :** The findings for non – online buyers are given in the Table 9.

**(3) Factor Analysis for Non – Online Buying :** The variables for non - online buying were subjected to factor analysis to reduce the number of variables to a few numbers which are sufficient to be considered for analysis purposes. Sampling adequacy was checked using KMO and Bartlett's test and is shown in the Table 10. Kaiser-Meyer-Olkin measure of sampling adequacy is more than 0.5 (0.691 in this test) . Hence, the sampling adequacy is found to be sufficient. For the data, the Bartlett's test is highly significant ( $p < 0.001$ ), and therefore, factor analysis is appropriate. The rotated component matrix in factor analysis is depicted in the Table 11. We can see from the rotated component matrix (Table 11) that five components are as depicted below :

**(i) Component 1 :** The variables are :

- ✦ Returning products / items is difficult in online buying (0.717).
- ✦ Website navigation is difficult in online buying (0.648).
- ✦ credit card transactions are risky in online buying (0.545).

The factor derived from the above variables is termed as Security Related Factor.

**(ii) Component 2 :** The variables are :

- ✦ Items are costlier in online buying as compared to buying from retail stores (0.725).
- ✦ I had a bad experience in online buying (0.713).
- ✦ The discounts are not available in online buying (0.702).

The factor derived from the above variables can be termed Cost Related Factor.

**(iii) Component 3 :** The variables are :

- ✦ Lack of trust in online buying (0.771).
- ✦ There is lack of touch, feel, and trial in online buying (0.692).

The factor derived from the above variables can be termed as Touch and Feel Factor.

**(iv) Component 4 :** The variable is :

- ✦ Absence of high speed broadband connections makes online shopping frustrating (0.811).

The factor derived from the above variable can be termed as Absence of High Speed Broadband Connection.

**(v) Component 5 :** The variable is :

- ✦ Don't like waiting to receive the product in online buying (0.713).

The factor derived from the above variable can be termed as Waiting Time.

## Discussion and Implications

This section deals with significant results and implications. As per the findings and implications seen, we can conclude that some items have a main impact on non - online buyers and these are given in the Table 12. As per the

**Table 9. Findings for Non Online Buyers**

Sl.No	Particulars	Remarks
1	Non - online buyers felt there is lack of security of transactions in online shopping.	
2	For non - online buyers, touch and feel is important for buying household essentials.	
3	One of the reasons for non - online buyers not adopting online buying is because they considered it difficult to return goods.	
4	It was found that there was a larger percentage of female (70%) than male (30%) respondents in the sample for non online buyers.	Decisions regarding buying of household essentials goods were predominantly taken by women.
5	Among non - online buyers, two age groups are dominant : Age group of b/w 36 to 45 years, having 29.3 % of the respondents. Age group of b/w 46 to 55 years, having 25.7 % of the respondents.	25.7 % of respondents belonged to 46 to 55 years of age. This age group may be a little averse to switching over to online buying as they may not be comfortable with technology.
6	Among non - online buyers, it is evident that two income groups seem to dominate : Income group of ₹ 3 to ₹ 6 lakhs has 35 % of the respondents. Income group of ₹ 6 to ₹ 10 lakhs has 34.3 % of the respondents. Income group of above ₹ 10 lakhs has 21.4 % of the respondents.	Among the non - online buyers, almost 70% of the respondents belonged to income group of less than ₹ 10 lakhs annual salary.
7	Among the non- online buyers, two groups are dominant, and it is found that graduates accounted for 41.4%, and the post graduates group accounted for more than 50%.	In non online buyers, the minimum educational level is graduation.
8	Among the non- online buyers, two groups are dominant regarding occupation : Salaried ( Private ) respondents constituted 37.9 % of the respondents, Salaried (Govt) constituted 27.9 % of the respondents, The next predominant group is Housewife group, accounting for 22.1 % of the respondents.	
9	Among the non- online buyers, it is found that 49.3 % of the respondents bought at supermarkets ; 17 % bought at both kirana stores and supermarkets; 10.7 % bought at kirana stores ; 10 % bought at hypermarkets.	Supermarkets seem to provide a single stop for all household essentials.
10	Among the non - online buyers, it is seen that 74.3 % accessed Internet at home and 10 % accessed Internet from home and office.	Internet was predominantly accessed from home.
11	Among the non -online buyers, 51.4 % did internet surfing for less than 1 hr ; 51% of the non online buyers surfed the Internet 26.4 % did internet surfing between 1 to 2 hrs ; 12.9 % did internet surfing between 2 to 3 hrs.	for less than one hour daily.
12	Among the non online buyers, regarding security related factors, we are getting a mean score of nearly 3.5 ; Lack of security and privacy in online buying : Mean score of 3.42. Credit card transactions are risky in online buying : Mean score of 3.65. Risk of identity theft in online buying : Mean score of 3.41.	It shows there was an apprehension regarding security of online transactions, which is acting as one of the factors preventing them from going in for online purchase.
13	Among the sample non - online shoppers, the factor "The absence of high speed broadband connections makes online shopping frustrating" gets a mean score of 3.48.	This indicates that in some parts of the city, they may be not getting high speed broadband connections, and it is one of the factors deterring online buying.
14	Among the sample non - online buyers, the factor "Not skillful with the Internet" gets a mean score of 2.21.	A mean score of 2.21 indicates that it is falling between <i>disagree</i> to <i>neutral</i> & nearer to <i>disagree</i> , which shows that though the respondents were skillful with the Internet, it did not positively influence them to do online buying, there are other factors which impacted their decision of not buying online.
15	Among the non - online buyers, the factor "Lack of touch, feel, and try in online buying " has a mean score of 3.91, indicating it is one of the factors to impact not buying online.	A score of 3.91 indicates lack of touch, feel, and try in online buying, and is one of the factors to impact not buying online of the household items.

- 16 Among the sample non - online buyers, the factor "Lack of trust in online buying" has a mean score of 3.75, once again indicating that lack of trust in online buying is one of the factors to impact not buying online. Lack of trust in online buying is one of the major factors to impact not buying online by the respondents.
- 17 Among the sample non - online buyers, the factor "Retail shops and kirana stores's proximity" has a mean score of 3.95, indicating that for majority of the sample respondents, the retail shops and kirana stores were located nearby, which makes their traditional purchases simpler. Proximity of the shops is one of the factors influencing them not to buy online. Proximity of the retail shops and kirana stores is one of the factors influencing the respondents not to buy online.
- 18 Among the sample non - online buyers, the factor "Risk of not getting what has been paid for "(Fair deal may not be there) has a mean score of 3.5, which indicates that this is a factor impacting for not buying online. The perception of online buying being risky is very much there in the minds of non online buyers.
- 19 Among the sample non - online buyers, the factor "Don't like waiting to receive the product in online buying" has a mean score of 3.33. A mean score of 3.33 indicates that the respondents were not comfortable with the fact that they have to wait to receive the product after placing the online order.
- 20 Among the sample non - online buyers, the factor returning products / items is difficult in online buying has a mean score of 3.9, indicating that apprehension was there in the minds of the respondents regarding this factor and ,therefore, this is one of the factors impacting for not buying online. Returning products / items is one of the major factors for respondents not buying online.
- 21 Among the sample non - online buyers, the factor "Discounts are not available in online buying" has a mean score of 2.56, indicating that as per them, the discounts are available in online buying, but this factor only can't make them to decide to buy online. Discounts are available in online buying, but this factor only can't make them to buy online. There are other factors impacting their decision not to buy online.
- 22 Among the sample non - online buyers, the factor "online buying is more complex than traditional buying" has a mean score of 3.14, indicating that the non -online buyers perceived that online buying is more complex than traditional buying, and this can be one of the factor preventing them from adopting online buying. Online buying is perceived to be more complex than traditional buying, and this can be one of the factors preventing them from adopting online buying.
- 23 Among the sample non - online buyers, the factor "Website navigation is difficult in online shopping" has a mean score of 2.74, which means that this factor did not have much impact on not buying online. Respondents were comfortable with website navigation, and this factor did not have any impact on their decisions for buying online or not.

**Table 10. KMO and Bartlett's Test (Non - Online buying)**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.691
Bartlett's Test of Sphericity	Approx. Chi-Square	1005.102
	Df	120
	Sig.	0.000



results of factor analysis and findings, it can be concluded that the factors depicted in the Table 13 have an impact on non - online buying.

## Implications

It is evident from the research study's findings that there are many factors responsible for non online buyers to continue with the traditional way of buying household items and not adopt the online shopping method. Let us look at each of the factors in detail. The perception of lack of security while conducting online transactions was very much present in the minds of the non - online buyers. Some reports have revealed that the consumer data files are

**Table 11. Rotated Component Matrix <sup>(a)</sup>**

	Component				
	1	2	3	4	5
Returning products / items is difficult in online buying.	0.717	0.016	0.385	-0.080	0.053
Website navigation is difficult in online buying.	0.648	0.193	-0.196	0.059	0.206
Credit card transactions are risky in online buying.	0.545	0.069	0.251	0.487	0.036
Risk of identity theft in online buying.	0.538	0.133	-0.093	0.239	0.422
Items are costlier in online buying as compared to retail stores.	-0.049	0.725	0.146	0.293	-0.045
Had a bad experience in online buying.	0.239	0.713	-0.097	0.003	0.199
Discounts are not available in online buying.	0.087	0.702	-0.043	0.028	-0.044
Online buying is more complex than regular, traditional shopping.	0.465	0.479	-0.165	0.199	-0.121
Lack of trust in online buying.	0.068	0.061	0.771	0.077	0.060
There is lack of touch, feel, and try in online buying.	0.068	-0.143	0.692	0.214	0.033
Not skilful with Internet.	0.290	0.028	-0.568	0.276	0.324
Absence of high speed broadband connections makes online shopping frustrating.	-0.087	0.138	0.121	0.811	-0.068
Risk of not getting what I paid for in online buying.	0.374	0.104	-0.133	0.519	-0.119
Lack of security and privacy in online buying.	0.435	0.173	0.183	0.511	0.165
Don't like waiting to receive the product in online buying.	0.061	0.133	0.241	-0.091	0.713
Retail shops and kirana stores are in proximity.	0.224	0.192	0.307	0.043	-0.691
Extraction Method: Principal Component Analysis					
Rotation Method: Varimax with Kaiser Normalization					

<sup>(a)</sup> Rotation converged in 8 iterations.

lost and there have been disclosures of unauthorized access to personal data. Such happenings have caused some consumers to lose their confidence in online buying. It is a matter of increasing awareness among consumers that security and privacy can be enhanced by using relevant security applications in computer systems.

The touch and feel factor is very important for the consumers, since it has been the traditional way of buying household essentials or any other items. This factor can be handled by the online sellers by ensuring that the customers visit the site for the first time and make an online purchase, and the consumers must have a hassle free experience while buying online. Once they get a feeling of assurance of brand quality, the initial inertia would go away. The online sellers can also use testimonials of good-quality delivery of goods made to their existing customers.

The difficulty of returning goods in case a defective item is supplied is a concern among customers as the study indicates. In traditional buying, it is easy to go back to a store and exchange/return the defective items. The online seller must ensure that it has a system in place where defective items are received back fast and are replaced with good-quality items as early as possible to reduce consumer dissonance.

It is observed in the study that the main decision makers for purchasing household goods were the women, and concerns of women regarding online buying have to be addressed. The age group that took majority of the decisions related to the purchase of household items (as per the study) was in the range between 36 to 55 years, and people in this age group, since they are used to the traditional method of buying since a long time, will have resistance to switch over to online buying of household essentials.

The study indicates that 49% of the customers among non – online buyers bought at supermarkets since these provide a single stop for all household items. The online sellers have to ensure that they provide the variety and assortment which matches that of a supermarket.

**Table 12. Items Having Main Impact on Non Online buyers**

Items having main impact on Non Online buyers	
1.	Perception of lack of security and privacy in online shopping.
2.	Lack of touch, feel, and try in online buying of household essentials.
3.	Returning damaged goods difficult in online shopping as compared to traditional shopping.
4.	The age group of non - online buyers was typical : the middle aged group ( 36-55yrs) and this group had a lot of resistance to switching over to online method of buying unless they were convinced of strong reasons and better benefits.
5.	Super markets, which provide a single place shopping for all household items, were preferred by majority of the customers (49%) for their convenience. Supermarkets were the biggest obstacle for buyers switching over to online buying.
6.	As Internet penetration increases, and customers become more net savvy, they will be switching over to online buying.
7.	Proximity of retail shops and kirana stores are there for many traditional buyers and all their needs were being met. At present, no strong reasons existed for them to shift to online buying. This is a challenge for online sellers.
8.	Traditional shoppers perceive that they may not get a fair deal in online shopping, that is, what has been promised may not be delivered.
9.	The perception that online shopping is more complex than traditional shopping was there in the minds of the non-online buyers.
10.	Non - online buyers were aware of the discounts available in online shopping, but they were not fully aware of the long term benefits of discounts by regular shopping at one online seller.

**Table 13. Factors Having an Impact on Non Online Buying**

Factors having impact for non online buying	
1)	Security related factors
2)	Touch and feel factors
3)	Absence of High speed broadband connections is frustrating for online shopping
4)	Waiting time

It was also observed that Internet surfing was done for less than 1 hour by 51 % of the respondents. In future, as Internet surfing time increases, and more and more people become net savvy, the switch over to online buying will happen. Slowly, the Internet penetration is getting increased across the country, there is also an increase in the availability of high speed broadband connections, which can fuel growth in online buying. It is also observed from the data collected that retail shops and kirana stores near to respondents' homes made traditional shopping easier and simpler. By making a phone call, the nearby kirana store delivers goods at home and takes cash payment for the goods delivered. This factor is one of the very important reasons as to why people don't switch to online buying. This factor is a huge challenge for online sellers since many customers don't see any benefit in switching over to online buying of household essentials. Another concern weighing in the minds of traditional buyers is that they may not get what they paid for in online buying, that is, they are plagued with not getting a fair deal. The online sellers must use testimonials of satisfied online customers to convince traditional shoppers.

The consumers also considered online buying to be more complex than traditional buying because they were not yet familiar with the Internet environment, and sometimes, they might have had a bad experience when they tried it for the first time. The online sellers have to make sure that the design of the online store is user friendly, has few steps for making transactions, and it is easy to navigate across the screens. Though non online buyers know that discounts are available in online shopping, it does not seem to be a strong enough factor to pull them to online buying.

The comparisons of the present study with similar studies conducted in the recent past are given in the Table 14.

**Table 14. Comparison with Previous Studies**

Sl.No	Previous Studies	Present study
(1)	Tactile information on the website required for customers to make purchase decisions (Jha & Balaji 2015 ).	Lack of touch, feel, and trial in online buying impacts buying of household essentials.
(2)	Sunil (2015) : The study identified the following variables making consumers go for online buying : different payment forms, getting product information, less price, discounts, coupons, and special sales, easy browsing, and speed of selection of products.	Though non online buyers know that discounts are available in online shopping, it was not a strong enough factor to pull them to online buying.
(3)	Prashar, Vijay, & Parsad (2015) tried to find out the factors that influenced online buyers in India to select a particular web portal. As per the study results, the main motive influencing the respondents was the security in transactions.	The study observed that perception of lack of security and privacy impacted online shopping.
(4)	Kanchan & Kumar (2015) found that relatively, males did more online shopping than females. Higher educated people were more likely to do online shopping. Customers with past buying experience preferred online buying. Technology knowledge of customers had a high impact on them indulging in online buying.	It was observed that the main decision makers for purchasing household goods were women, and concerns of women regarding online buying have to be addressed.
(5)	Sahney, Ghosh, & Shrivastava (2013) found that younger age bracket customers, because of being tech savvy, preferred online buying of railway tickets. Middle aged bought online tickets to save time. Older persons were not comfortable with technology and did not buy online tickets.	Respondents in the age b/w 36- 55 years were decision makers regarding household items, & since they were used to traditional methods of buying since a long time, they had a resistance to switch over to online buying of household essentials.
(6)	Sahney, Ghosh, & Shrivastava (2014) tried to explore the determinants of trust for online buying. With respect to trust factors, guaranteed return policies, and security of online transactions, it was mentioned that no significant differences were there among the different age groups. Perceived image of website had an impact on developing trust in online buying. Consumer /user data privacy was to be managed by companies to develop trust in online buying.	The difficulty of returning goods in case a defective item was supplied was a concern among customers with respect to online buying as the study indicates. Perception of lack of security impacts online buying.
(7)	Rakesh & Khare (2012) indicated that online shopping seems to have a utilitarian benefit more to men than women. The study showed that value consciousness , by providing deals, did not have much influence on Indian online buyers. As per the authors, instead of discounts, the focus has to shift to safety concerns and quality aspects to attract customers to online buying.	It is observed that the main decision makers for purchasing household goods are women, and concerns of women regarding online buying have to be addressed. Though non - online buyers knew that discounts are available in online shopping, but it did not seem to be a strong enough factor to pull them to online buying.
(8)	Shah & Rao (2014) did a study in Gujarat to know the factors influencing online buying behaviour. It was found that security factor consideration did not depend on age. The price consideration given for online shopping was related to occupation, and it varied differently with different occupations. Product variety also influenced customers to buy online.	The study indicated that 49% of the customers among non - online buyers bought at supermarkets since it provided a single stop for all household items. Online sellers have to ensure that they provide variety and assortment matches with that of a supermarket.
(9)	The study on customers' perception and preferences towards online grocery shopping by Zaini et al. (2011) highlighted the three main factors impacting online buying of grocery, that is, convenience, time available, and cost & charges.	The online seller has to match the variety and assortment of supermarkets so that the traditional buyers can be made to switch to online shopping.

(10) Dahiya (2010) tried to find out what factors and variables influenced the online buying behaviour of Indians. From the study, the author concluded that online buying behaviour was influenced by the following five categories of factors: psychographic factors, demographic factors, online shopping features and policies, security factors, and technological factors.

The nearby Kirana stores were preferred for household goods, and online sellers have to provide better value propositions. The present study looked comprehensively at all the factors impacting non online buyers - like security related factors, cost related factors, touch and feel related factors, Broadband absence related factor, and waiting time factor preventing respondents from going for online purchases.

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## Strategies to be Adopted by Online Sellers

- (1) Increase awareness that there is security in online transactions, and there are sufficient security applications in the online transaction systems. Use testimonials of satisfied customers to prove the point.
- (2) Try to attract the non - online buyers for the first time to the site , ensure that their experience is good, and they get quality household items delivered to their home. If the first experience of online buying is good on all counts, then the absence of touch and feel factor in online buying may not influence the customers anymore.
- (3) The middle age group (36 -55 yrs) respondents were reluctant to do online shopping, and this must be addressed with a different strategy. The online sellers must come out with a value proposition which would make them feel that online shopping is more beneficial in the long run. The factors like loyalty programs, quality items, ease of use, 24/7 shopping convenience must be stressed.
- (4) The online sellers have to match a variety and assortment of supermarkets so that the traditional buyers can be made to switch to online shopping.
- (5) Since many traditional buyers depend on the retail and kirana stores near to their homes for convenience, the online seller has to attract the big-ticket purchases done once in a month to online shopping. This will be possible by giving superior value propositions. For small daily requirements, customers will go to the nearby kirana stores, which can't be avoided.
- (6) Some of the perceptions that online buying is more complex, fair deal is not available, returning goods are difficult, website navigation is complex, and so forth can be removed by using testimonials of satisfied customers.

## Limitations of the Study and Scope for Further Research

The study is only limited to Bangalore city, and the results cannot be generalized for the entire country. Some of the respondents may have provided biased opinions. Since online buying of household items is a relatively new phenomenon, sufficient awareness about the same may not be available with the respondents.

Future researchers can extend the study in the future by considering a cluster of geographical locations for more inputs. Studies can be conducted to look at specific distribution problems faced by online grocery stores and how they can come out with strategies to manage the supply chain efficiently, since they are dealing with items that are perishables also and low order sizes. Studies can be done to look at how digital marketing can impact online grocery sales.

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