

A STUDY ON FEMALE CONSUMERS' PERCEPTION TOWARDS ONLINE GROCERY SHOPPING WITH SPECIAL REFERENCE TO KALYAN-DOMBIVLI CITY

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ABSTRACT

Grocery shopping is primarily dominated by the female consumers in the Indian market. Couple of decades ago, Indian consumers had the only option of neighbourhood grocery and kirana shops to purchase the grocery from, with limited variety. However, today the scenario has changed completely. Now, consumers have multiple options like Supermarkets, Mini-marts, Specialty stores and even E- Grocers, which have added more comfort and convenience to their lives. Change in lifestyles, growth of internet and rising number of smartphone owners have opened the doors of online market for many entrepreneurs. Bigbasket.com, Grofers.com, Localbanya.com, Zopnow.com are the few names, who have grabbed this opportunity by launching online grocery platforms. This paper aims to analyse the perception of female consumers towards shopping groceries through online platforms. A questionnaire has been developed and primary data of 110 female respondents were collected. This survey was carried out in Kalyan & Dombivli area situated in Maharashtra, India.

Keywords: Online Grocery, Consumer Perception, Shopping

1. Introduction:

Indian retail is one of the fastest growing markets in the world. It is expected to grow to \$ 1.3 trillion by 2020, from \$ 672 billion in 2016 – as per IBEF report in April, 2017. Food & grocery segment accounts for 66 percent of the total revenues in the retail sector. In recent years, Indian consumers have become very comfortable with shopping online, be it books, electronics or apparels. Considering these trends, analysts and investors see a huge potential for Online Grocery market in India. India's online grocery market is currently estimated to be less than \$100 million at present, but is expected to reach billions in the coming years. Sales of groceries don't get affected by state of the economy. Customers may stop going for the movies, restaurants or holidays, but will not stop purchasing toothpaste, soap and vegetables. As per the report of U.S. Department of Agriculture (USDA), published in 2014 "the growth in India's online retailing for food and groceries is a function of the rise in total internet users from 120 million to 213 million in the past year as well as a fall in mobile handset prices and a rise in smartphone penetration." However, compared to other online categories, grocery products involves few major challenges such as, inability of giving big discounts due to low gross margins, high cost of delivery, creating different supply chain and delivery models for different locations, lack of consumer trust in the freshness and quality of a perishable product etc. Emerging online grocery players are trying to overcome these challenges and working towards changing the perception of consumers with new marketing campaigns and investment in improving the distribution capabilities.

2. Review of Literature:

Shoppers often visit many stores; however they have a prime affiliation to a 'main store' which takes care of the greater part of their purchases (Rhee and Bell, 2002).

As per the survey conducted (by George Adamidis et al, 2006) "the good quality of the products offered" and "a money back guarantee" seems to be the better risk relievers for the e-grocers, whereas "the competitive prices of the products", "safe dealings through the Internet" and "loyalty to well-known products" are considered as very attractive and effective incentives for increasing the number of online shoppers.

Continuous increase in the number of smartphone and internet users in Asia-Pacific region has helped enhancing the online grocery sales. In a survey, 37% respondents of this region said that, they use online ordering and delivery services. (Nielsen report on Grocery, 2015)

Gone are the days where women go to the market place to buy the groceries. With growing trend of employed women, online shopping has become more convenient and preferable shopping option. (L. Zhou, L. Dai and D. Zhang, 2007).

3. Objectives of the study:

1. To study female consumers' perceptions towards shopping of groceries online.
2. To know the factors influencing female consumers while shopping groceries.
3. To understand the preferences of the female consumers regarding the attributes of online grocery shopping.

4. Significance of the study:

This paper helps to understand the kind of influence online Grocers are having over female consumers' buying behavior. It is an attempt to understand female consumers' response towards online grocery shopping.

5. Research Methodology:

Research Design selected for this research is descriptive design and the Universe is Kalyan - Dombivli area. Data was collected in two ways, i.e., Primary data and Secondary data. The data collection method used for collection of primary data was survey method and the data collection instrument used is structured questionnaire. The sampling technique used is non-probability purposive sampling. The sample size is 110.

6. Data Analysis and Interpretation:

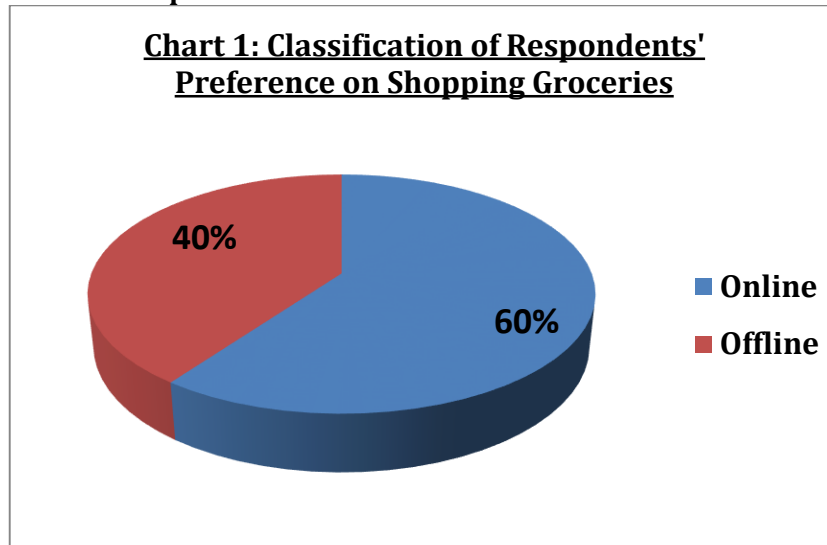


Figure 1.1

Source: computed by the researcher on the basis of data collected from field work (2016-17)

From the Chart 1 it is observed that, out of total respondents 60% respondents preferred shopping groceries online, whereas 40% preferred offline mode.

Hypothesis 1

H0: There is no significant impact of age group on online shopping of groceries

Ha: There is significant impact of age group on preference of online shopping of groceries

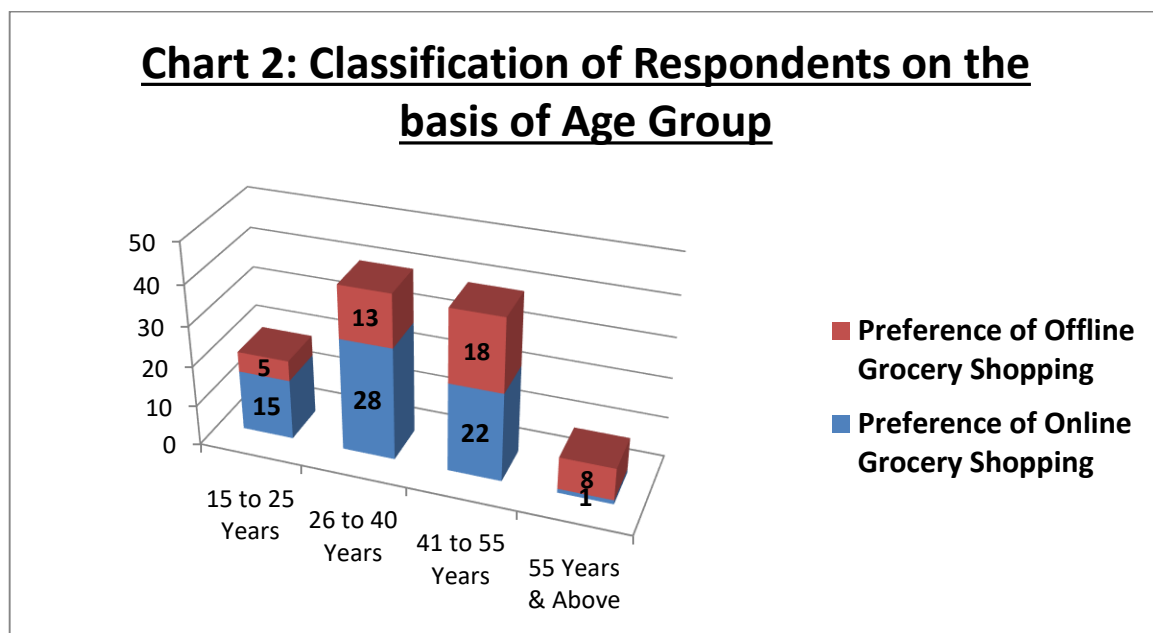


Figure 1.2

Test: Chi Square Test

Probability	Alpha	Calculated Value	Degree of Freedom	Critical Value	P-Value
0.5	0.5	12.42943	3	7.815	0.00604

From the above table, it is observed that P-value (0.00604) is less than the Alpha (0.5) therefore null hypothesis H0 is rejected. Thus, age group significantly impacts the preference of online shopping of groceries.

Hypothesis 2

H0: There is no significant impact of occupation on online shopping of groceries

Ha: There is significant impact of occupation on preference of online shopping of groceries

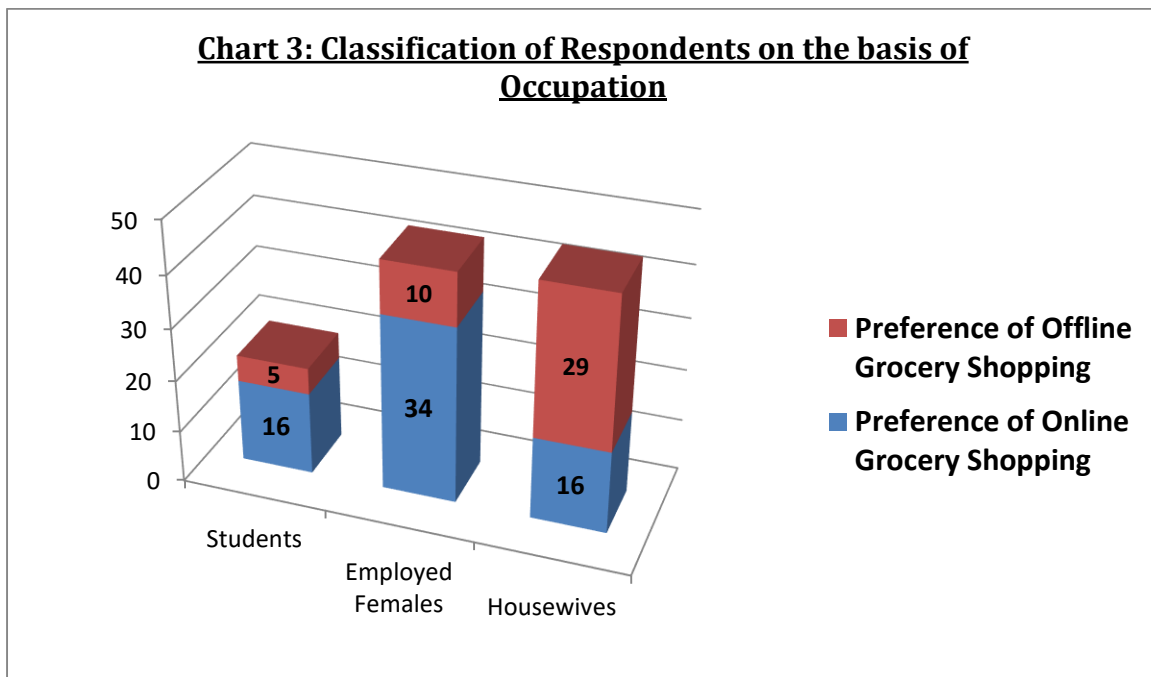


Figure 1.3

Test: Chi Square Test

Probability	Alpha	Calculated Value	Degree of Freedom	Critical Value	P-Value
0.5	0.5	18.9671	2	5.991	0.000076

From the above table, it is observed that P-value (0.000076) is less than the Alpha (0.5) therefore null hypothesis H0 is rejected. Thus, occupation significantly impacts the preference of online shopping of groceries.

Hypothesis 3

H0: There is no significant impact of Frequency of Purchasing on preference of online grocery shopping.

Ha: There is significant impact of Frequency of Purchasing on preference of online grocery shopping.

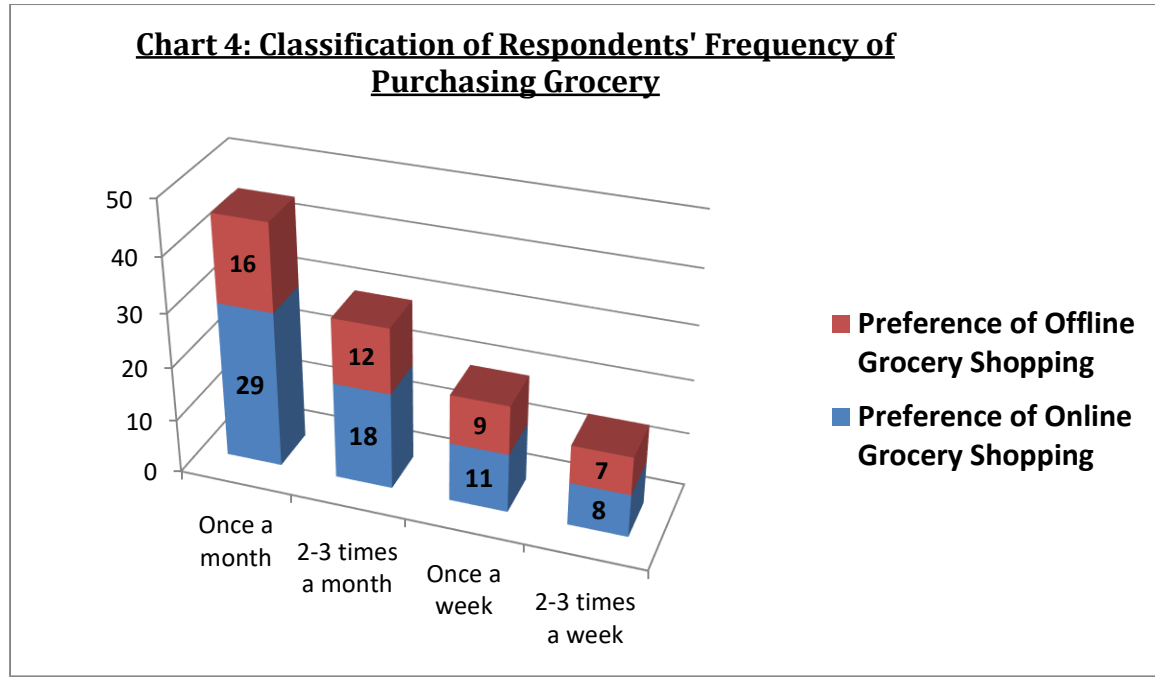


Figure 1.4

Test: Chi Square Test

Probability	Alpha	Calculated Value	Degree of Freedom	Critical Value	P-Value
0.5	0.5	0.85648	3	7.815	0.83591

From the above table, it is observed that P-value (0.83591) is greater than the Alpha (0.5) therefore null hypothesis H0 is accepted. Thus, Frequency of Purchasing does not have significantly impact on the preference of online shopping of groceries.

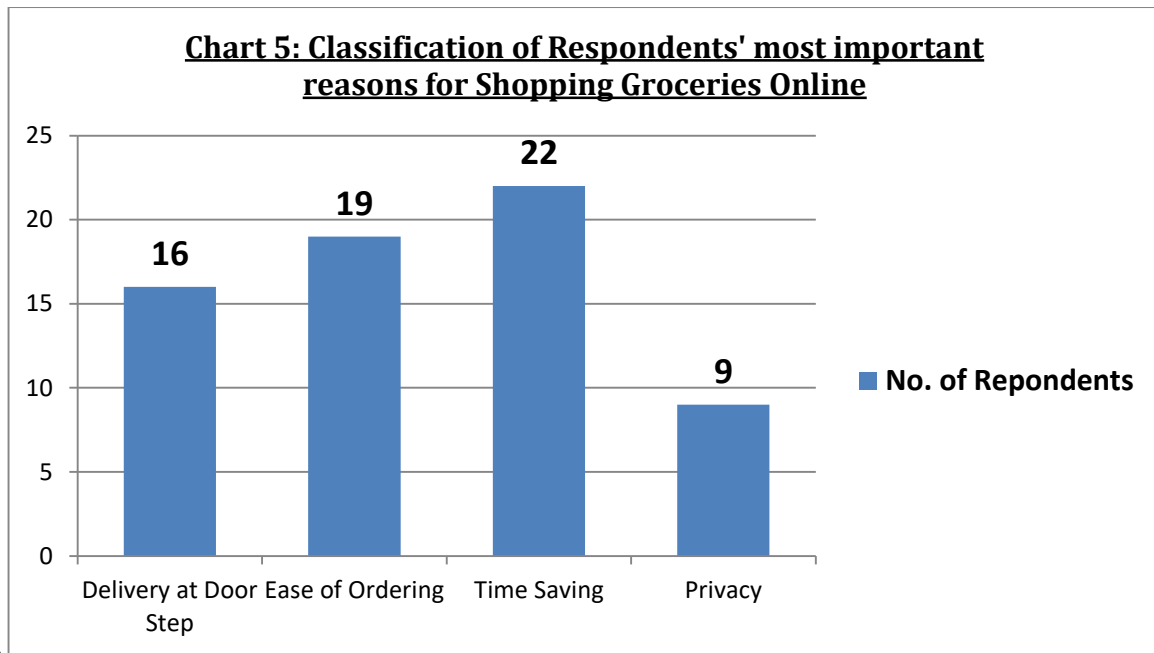


Figure 1.5

From the Chart 5 it is observed that, out of total number of respondents who preferred purchasing groceries online (66), majority (22) respondents mentioned 'Time Saving' as a reason, followed by 'Ease of Ordering' (19), 'Delivery at door step' (16) and 'Privacy' (9)

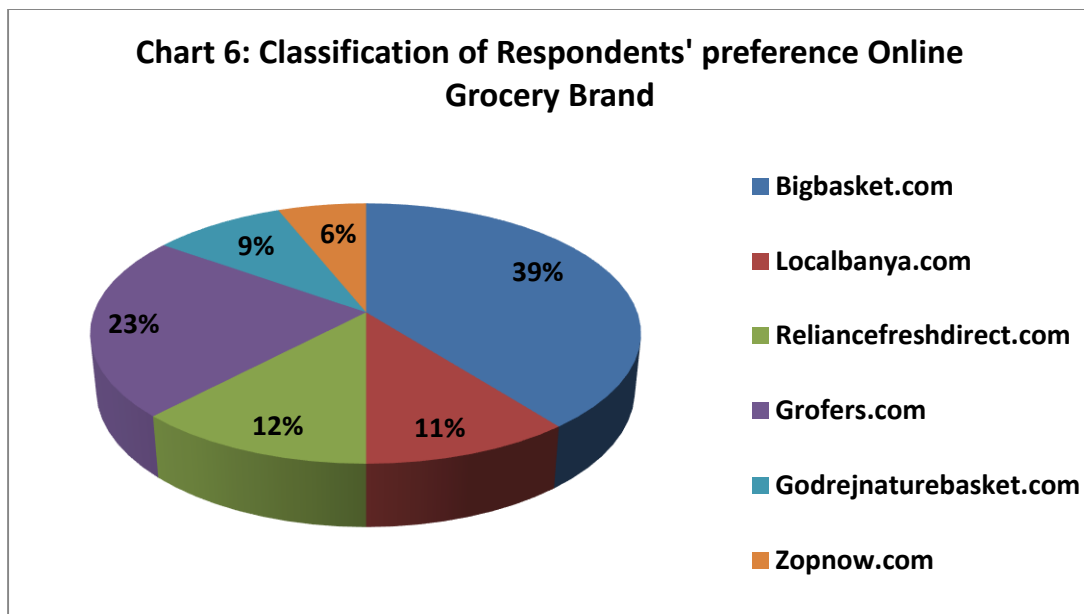


Figure 1.6

From the Chart 6 it is observed that, out of total respondents who preferred purchasing groceries online, 39% prefers purchasing it from Bigbasket.com, 23% from Grofers.com, 12% from Reliancefreshdirect.com, 11% from Localbanya.com, 9% from Godrejnaturebasket.com, and 6% from Zopnow.com.

7. Conclusion and Findings:

Online grocery provides convenience, ease, privacy and saves time, but still some housewives and employed females (40% respondents – Chart 1) prefers purchasing the grocery from physical stores because of the factors such as trust, opportunity to bargain, credit facility and self-satisfaction of checking products tangibly before actual purchase. Among those who preferred online platform, majority of them are in the age groups of 26 to 40 years and 41 to 55 years (Chart 2). Because of the hectic schedule, employed females forms majority in the occupation chart of preferring online grocery shopping (Chart 3). Majority of the females who prefer purchasing groceries online, do it so once in a month (Chart 4), mostly in the first week of every month. Majority of the Females preferred online grocery because of Time Saving and Ease of ordering (Chart 5). When it comes to online grocer's brand, BigBasket and Grofers are the most preferred brand due to their advertising and promotion efforts (Chart 6). Other players also working hard to be in the top three list. Rising number of internet & smartphone users along with the trend of employed females, the online grocers have bright prospects to boost & expand their business.

8. Limitations:

1. The research was limited to Kalyan - Dombivli area only and if the same research would have been carried in another city, the results may vary.
2. The feedback received from the respondents may be biased sometimes towards particular product or brand.
3. The feedback received depends on respondents' perception, awareness, knowledge,

9. References:

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