

# **A STUDY ON MILLENNIAL GENERATION's PREFERENCE ON ONLINE SHOPPING**

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## **ABSTRACT:**

This study studies the online shopping preference of millennial generation. The main objective of the study is to study and understand the online buying behaviour of the millennial generation. Nowadays, Companies are using the internet to put across and communicate the information. Simultaneously it helps the companies to give an idea about their products and instantly getting the feedback of customer's fulfilment to get stimulated turnover for future. The findings of this study shows that the most of the respondents prefer physical shopping rather than online shopping.

*Key words: Online shopping, online portals, Indian customers, Millennial Generation*

## **INTRODUCTION:**

The introduction and implementation of internet technologies has created new market for manufacturers and service providers and also has provided new arena for innovative marketing strategies by the professionals. There are various reasons of shifting the customers buying patterns towards online retail shops. The facility of comparing your product with competitive products on the basis of price, colour, size and quality is one of the biggest benefits of online shopping.

The other popular names for online shopping are virtual store, e-shop, web-shop, internet shop, web-store and online storefront etc. These days Mobile commerce or m-commerce is

also one of the popular means of shopping. The facilities of various coupon and discount scheme are also fascinating the customers in online shopping.

From the past few years, on-line shopping is the prevalent way of doing dealings in the field of E-Business and it is going to be the future of shopping in the human race. The increasing consumer base, principally of youths, is playing a significant role in the online shopping. Through this means, the shopper can buy the product from wherever he wants. Because of wide communication network e-commerce has become the new mediator between the companies/manufacturers and their customers.

Shopping online has been quite common thing these days and there are many websites that help you shop online. People prefer the online shopping sites for purchasing many items from daily groceries to clothing. Though there are thousands of online shopping sites, people prefer to shop only through credible and popular websites.

Companies are using the internet to put across and commune the information. Simultaneously it helps the companies to give an idea about their products and instantly getting the feedback of customer's fulfilment to get stimulated turnover for future.

The following table gives a glimpse of the top ten leading e-commerce sites of 2015.

Sl.No	Top 10 Online Websites	
1	Flipkart	Flipkart is ranked as the topmost online shopping website in the country among other sites. The reason for this is, the range of products they offer, quality of the products, services they provide etc. The service is really trustworthy.
2	Amazon	Though it is a US ecommerce company, it gained the trust of the customers in very short time because of its wide range of products and even more than what flipkart is having.
3	Snapdeal	It is preferred for shopping by masses as it sells its products cheap rates. It offers everything from daily local deals to online product deals. They even offer you the products with free shipping facility
4	Ebay	It offers diverse and wide variety of products with international shipping facility. It even helps the third party to sell their items in their website from old to new. It is one of the oldest and popular ecommerce websites of the world.
5	Jabong	This site offers variety of clothes and other accessories. But it has stood as a paradise site for shopping clothes. You can find western wears, desi kurtis and lots more in this site.

6	Myntra	As equal to Jabong, women shoppers like shopping in myntra too. It is a leading retailer of fashion and lifestyle products such as shoes, T-shirts, watches and many more at discounts.
7	Shopclues	It is one of the best online stores that offer variety of products such as computer accessories, jewelry, toys, clothes, books, cosmetics and gifts etc. It is known for its warehousing and good products.
8	Homeshop 18	It has equal importance as other online shopping sites among the users. This site has loyal customers to find the cheapest and remotest products from the site as it offers it.
9	infibeam	The rare things of electronics, books and other things can be found on this site. Though it occupied last positions in top 10 online shopping websites listing, it is not definitely bad.
10	Firstcry	It has been one of the largest online stores for kids. It sells nearly 70000+ products from international as well as the Indian brands. So, people prefer this website for shopping for their kids.

## **II. Literature Review:**

Chowdhury and Ahmad (2011) conducted a study on ‘factors affecting consumer participation in online shopping in Malaysia’. His major focus of the study was to describe the relationship between independent variables and dependent variable using Pearson’s correlation method. The limitation of this study was that it only used four variables (ability, benevolence, integrity, and trust) in explaining the consumer participation but did not take other important variables into account (e.g., cost switching vendors and the presence of third party). The study provides a useful insight on the significant role of trust in students for online shopping. Yuliharsi, Islam and Daud (2011) conducted a study on ‘Factors that Influence Customer’s Buying Intention on Shopping Online’. The variables that were tested included usefulness of internet shopping, ease of use, compatibility, privacy, security, normative beliefs, self-efficacy, attitude and student’s buying intention. Pearson correlation analysis provided statistical information about the relationship of each independent variable with dependent variables. It was studied that web advertising favourably influences the purchasing of a company’s products. Karim (2013) conducted a study on online shopping behaviour of customers and documented that online vendors can assure their consumers for transaction security and avoid long delays in completing online orders and the hassle of returning goods for better online shopping experience.

Morris (2013) conducted a study on ‘More Consumers Prefer Online Shopping’ Shoppers increasingly want what’s called a “seamless omnichannel experience,” meaning one in which retailers allow them to combine online and brick and mortar browsing, shopping, ordering and returning in whatever combo they would like.

### **III .Objective:**

- The primary objective of this study is to understand the online buying behaviour of millennial generation.
- To understand products preferred when they shop online.
- To understand the awareness of online marketers.

### **IV. Methodology:**

- ✓ This study is based on primary data which was collected through random sampling and the data was collected with structured questioner.
- ✓ 5 point Likert scale was used to arrive at mean score in order to rank the data.

### **IV. Sample Size:**

The Sample size of our study is 100 Respondents.

## **ANALYSIS & INTERPRETATION OF DATA**

### **Demographic Profile of Respondents:**

<b>Sl. No.</b>		<b>Frequency</b>	<b>Percentage (%)</b>
<b>I</b>	<b>GENDER</b>		
	Male	<b>38</b>	<b>38.00%</b>
	Female	<b>62</b>	<b>62.00%</b>
<b>II</b>	<b>EMPLOYMENT STATUS</b>		
	Working	<b>44</b>	<b>44.00%</b>
	Student	<b>25</b>	<b>25.00%</b>
	Both	<b>31</b>	<b>31.00%</b>
<b>II</b>	<b>INCOME STATUS</b>		
	Self	<b>76</b>	<b>76.00%</b>
	Pocket Money	<b>24</b>	<b>24.00%</b>

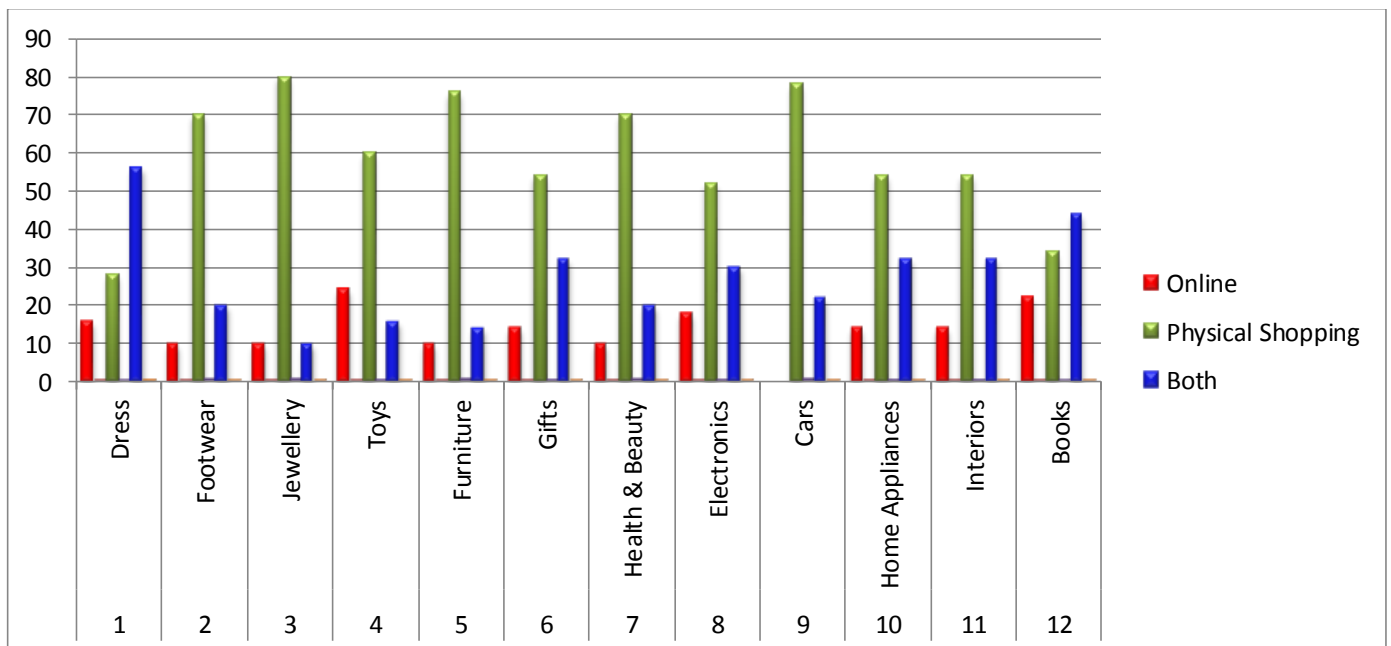
The above table shows the demographic profile of the respondents;

1. 62% of respondents are female and 38% of respondents are Male.
2. Majority 44% of the respondents are working, 31% of the respondents are students as well as working and 25% of respondents are students.
3. The income status of 76% respondents is self income and the rest 24% of respondents income is from their pocket Money.

**PRODUCTS PREFERRED IN ONLINE SHOPPING:**

SL.NO	PRODUCTS	ONLINE		PHYSICAL SHOPPING		BOTH	
		Frequency	%	Frequency	%	Frequency	%
1	Dress	16	16.00%	28	28.00%	56	56.00%
2	Footwear	10	10.00%	70	70.00%	20	20.00%
3	Jewellery	10	10.00%	80	80.00%	10	10.00%
4	Toys	24	24.00%	60	60.00%	16	16.00%
5	Furniture	10	10.00%	76	76.00%	14	14.00%
6	Gifts	14	14.00%	54	54.00%	32	32.00%
7	Health & Beauty	10	10.00%	70	70.00%	20	20.00%
8	Electronics	18	18.00%	52	52.00%	30	30.00%
9	Cars	0	0.00%	78	78.00%	22	22.00%
10	Home Appliances	14	14.00%	54	54.00%	32	32.00%
11	Interiors	14	14.00%	54	54.00%	32	32.00%
12	Books	22	22.00%	34	34.00%	44	44.00%

**Graphical representation of the above table:**



The above table analyses the shopping preference of different products preferred by the millennial customers with respect to online shopping. Here, overall the online shopping preferred by the customers is very less when compared to physical shopping.

**Online brands people are aware of:**

Sl.no	Online Websites	Aware & Shopped		Aware & Not Shopped		Unaware	
		Frequency	%	Frequency	%	Frequency	%
1	Flipkart	84	84.00%	12	12.00%	4	4.00%
2	Jabong	52	52.00%	44	44.00%	4	4.00%
3	Myntra	57	57.00%	40	40.00%	3	3.00%
4	Snap Deal	51	51.00%	49	49.00%	0	0.00%
5	Shop Clues	27	27.00%	37	37.00%	36	36.00%
6	Shop Nineteen	7	7.00%	37	37.00%	56	56.00%
7	Yepme	29	29.00%	52	52.00%	19	19.00%
8	Homeshop 18	28	28.00%	56	56.00%	16	16.00%
9	LimeRoad	20	20.00%	40	40.00%	40	40.00%
10	Ebay	19	19.00%	63	63.00%	18	18.00%
11	Amazon	60	60.00%	40	40.00%	0	0.00%
12	Fashion & You	10	10.00%	39	39.00%	51	51.00%
13	Craftsvilla	17	17.00%	50	50.00%	33	33.00%

The above table shows the percentage of respondents aware of the online brands / online websites that they are aware & shopped, aware & not shopped and unaware.

Here flipkart tops the list with 84 out of 100 respondents are aware & Have shopped in the website.

Eventhough 56 out of 100 respondents are aware of Homeshop 18 but haven't shopped in this online brand.

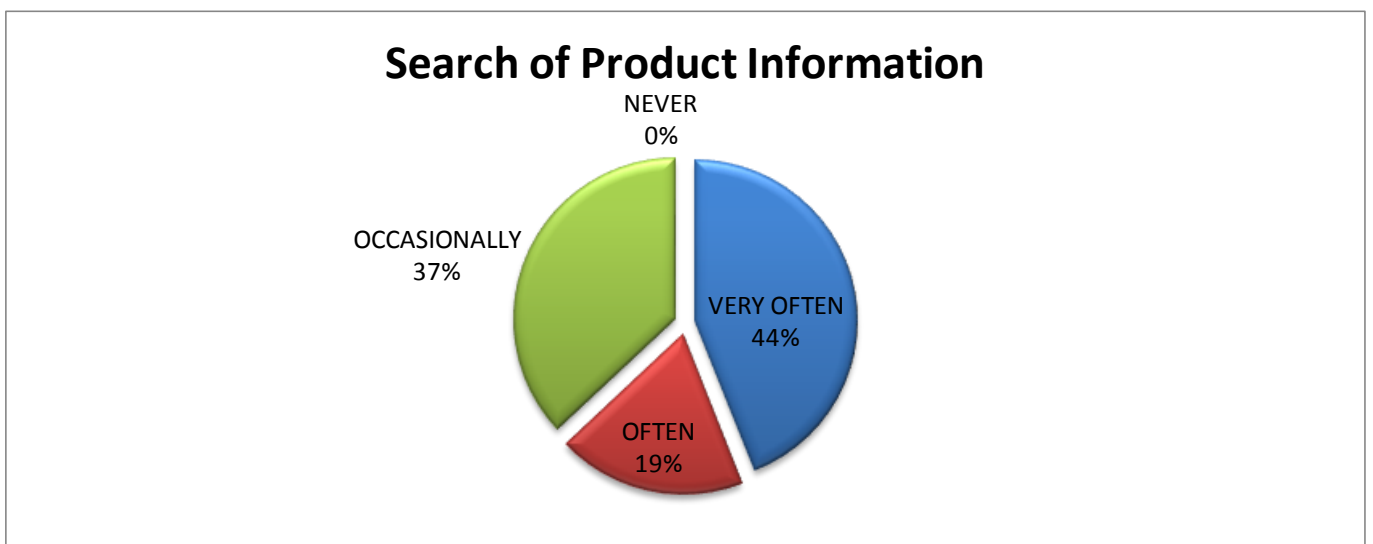
And 56 out of 100 respondents are unaware of Fashion & you.

**Graphical representation of the above table:**



**Search of Product information:**

It has been documented that out of 100 people, 44 people are very often for searching a product's information. It has also shown the interest of the respondents for a specific category of products on online shopping.

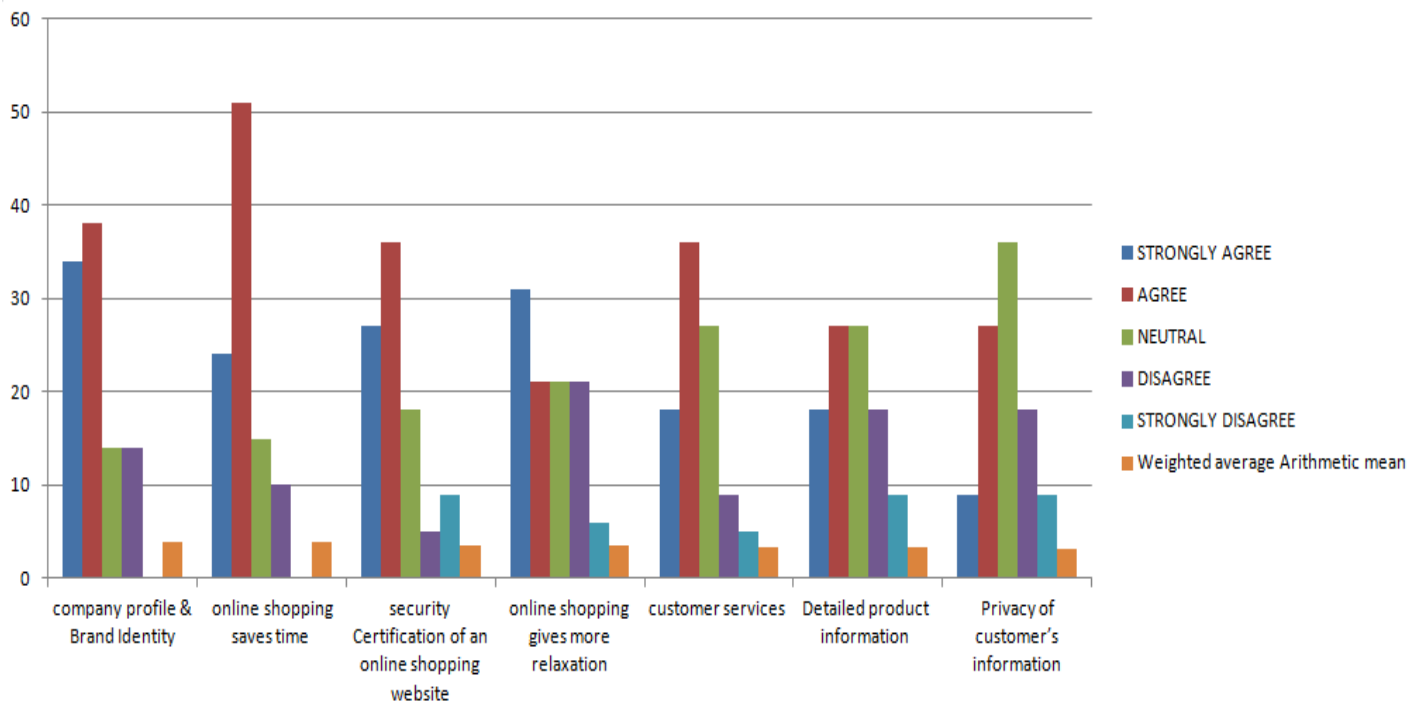


**Factors considered by the respondents during online shopping:**

Sl.No		Mean Score	Rank
1	Do you consider company profile & Brand Identity in market during online shopping?	3.92	1
2	Does online shopping saves time?	3.89	2
3	Do you consider security Certification of an online shopping website?	3.52	3
4	Does online shopping give more relaxation?	3.5	4
5	Do you consider customer services provided by online shopping websites?	3.38	5
6	Do you think that detailed product information of a product affects the selection of online shopping website?	3.24	6
7	Do you think that privacy of customer's information affects the online shopping decision?	3.06	7

The above table analyses the considerations by the respondents regarding online shopping. 5 point Likert scale was used to quantify the considerations of the respondents. Accordingly the respondents agree the major considerations such as the company profile, brand identity, online shopping saves much of time & security certificate of the online shopping website affects the online shopping of the respondents. Relatively they disagree that other factors such as customer services provided by online shopping portal, detailed information about the product information & privacy of customer's information doesn't affect online shopping.





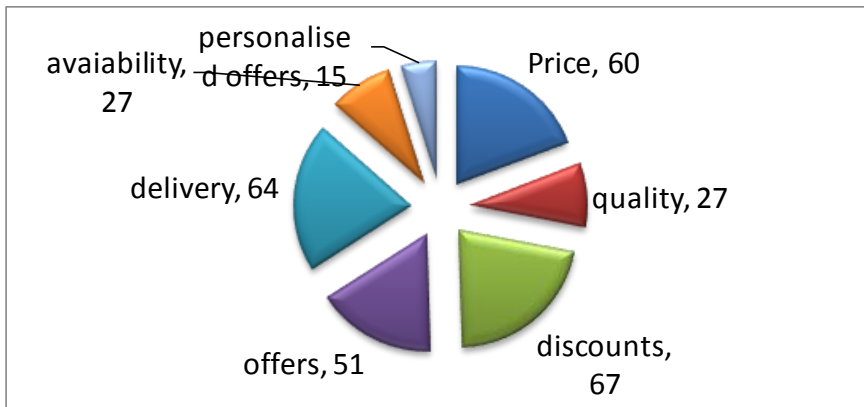
**Respondent's preference over online shopping:**

FACTORS	FREQUENCY	PERCENTAGE (%)
Discounts	67	67.00%
Delivery	64	64.00%
Price	60	60.00%
Offers	51	51.00%
Quality	27	27.00%
Availability	27	27.00%
Personalised Offers	15	15.00%

The above data analyses the factors that are considered by the respondent for online shopping. The main factors are:

1. 67% of respondents prefer online shopping because of the Discounts they offer.
2. 64% of respondents prefer online shopping because they deliver the product to the door step on time and thus it saves time.
3. 60% of respondents prefer online shopping because of the price factor, the price offered by the online shopping portals is comparatively lower when compared to physical shopping.

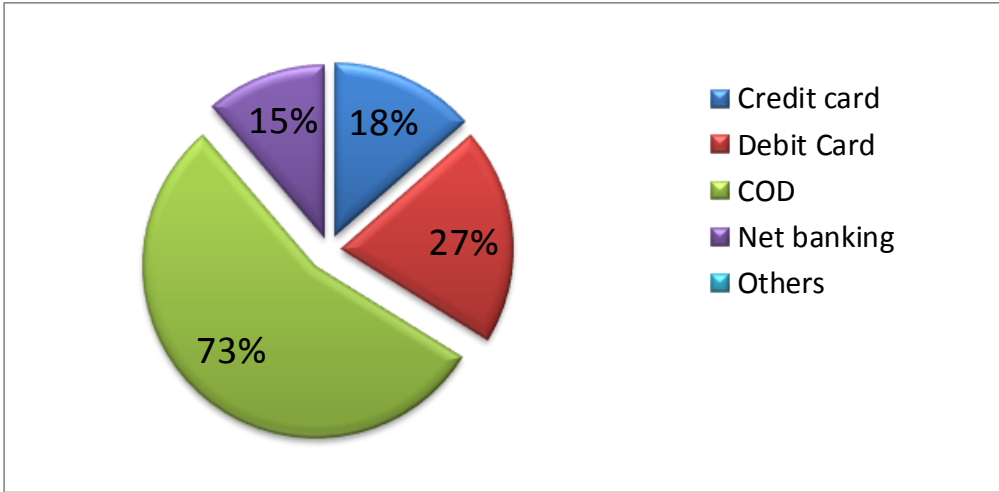
4. 51% of respondents prefer online shopping because of the offers the online websites offer. They are comparatively good when compared to physical shopping / traditional shopping.
5. 27% of respondents prefer online shopping due to the quality & availability of the products
6. And merely 15% of the respondents prefer online shopping due to the personalised offers the online shopping brand offer.



**MODE OF PAYMENT PREFERRED BY THE RESPONDENTS:**

Mode of payment	Frequency	Percentage (%)
Credit card	18	18.00%
Debit Card	27	27.00%
COD	73	73.00%
Net banking	15	15.00%
Others	-	-

Here the above table shows that 73% of the respondents prefer Cash on delivery rather than credit card, Debit card and Net banking.



**Satisfaction of Customers:**

Sl.No		Mean Score	Rank
1	Price	4	1
2	Offers	3.96	2
3	delivery	3.76	3
4	Quality	3.75	4
5	Discounts	3.7	5
6	Availability	3.54	6

The above table analyses the level of satisfaction of respondents regarding online shopping. 5 point LIKERT SCALE was used to quantify the satisfaction of the respondents regarding online shopping. Accordingly the overall satisfaction is little above average for all the factors. Relatively respondents are more satisfied regarding price and offers by the online companies but regarding availability they are highly dissatisfied and are more or less satisfactory regarding other factors.



#### **Conclusion of the Study:**

1. In our random sampling 62 out of 100 respondents were female and 38 were male respondent.
2. The overall performance of the millennial generation towards online shopping is less when compared to physical shopping.
3. Flipkart is ranked first when compared to any other online shopping brands by the respondents.
4. Cash on delivery is the most preferred mode of payment than any other mode.
5. Price factor plays an important role in satisfying the respondents in online shopping, where as the actor of availability of products is highly dissatisfying the respondents.