



CUSTOMERS SATISFACTION TOWARDS ONLINE SHOPPING WITH REFERENCE TO MADURAI CITY

Dr.N.SUBBURAJ,

Principal, Prof. and Head of Commerce,

Unnamalai College of Arts and Science,

Kovilpatti-628501, Thoothukkudi District, Tamil Nadu.

Email ID:subburajmab2010@gmail.com

ABSTRACT

A fundamental understanding of factors causing customer satisfaction – in online shopping has gained greater prominence with companies replacing their traditional retail outlets with the online interface. Online retailing helps retailers to serve their customers quickly and more efficiently by delivering superior customer value. It is in this regard a fundamental understanding of factors causing customer satisfaction in online shopping has attained greater prominence. The paper aims to apply the modified “SERVQUAL” model in the context of online shopping to describe how customers perceive online shopping quality. This empirical study mainly focuses on examining the major factors influencing online customer satisfaction.

KEYWORDS: Services quality, Customer satisfaction, online shopping, and online customers.

1. INTRODUCTION

Online retailing (also Known as E-Retail) is a Web-Enabled interface allowing the retailer to sell products and services directly to their Customer. With the advancement in information technology and the growth of internet usage, the online retailing environment has undergone a metamorphosis and today it is the most preferred mode of shopping. Online/ internet shopping has become very popular in the areas of apparel, arts, and handicrafts, books, car rentals, computers and electronics, cosmetics and novelties, etc. It has become the most efficient way to offer valuable information. It is in this regard, a fundamental understanding of factors causing customer satisfaction in online shopping has attained greater importance. The present study examines the level of satisfaction of customers using online shopping services in Madurai city. Online retailing helps marketers to serve their customers quickly and more efficiently by offering a portfolio of products and services. Online retailing is becoming a popular tool to attract potential customers and retain the existing customer by delivering customer value. Furthermore, the availability of transaction data helps the retailers to analyse and interpret their target customers purchase behaviour. It has become the most efficient way to offer valuable information. It is in this regard, a fundamental understanding of factors causing customer satisfaction in online shopping has attained greater importance. The present study examines the satisfaction level of customers using online shopping services in Madurai city.

2. ONLINE SHOPPING AND CUSTOMER SATISFACTION

Customer satisfaction is increasingly recognized as the main pillar for success in the business environment and also a key factor for the survival and growth of the retail sector in India. Providing superior service quality enhances customer satisfaction and encourages more participation among customers. High Service quality deliverance leads to overall customer satisfaction. With the widespread adoption of online shopping services, an understanding of factors leading to customer satisfaction is beneficial for business as this knowledge will drive them to focus and further strengthen the critical areas that lead to customer satisfaction and retention. Therefore, it is imperative for online retailers to align their strategies in response to changing customer's needs and developments in technology. The research is undertaken to gain a better understanding of the service quality dimensions that affect customer's satisfaction when online shopping with reference to Madurai city.

3. REVIEW OF LITERATURE

In the literature survey, a review of earlier studies is carried out in the following paragraphs. This review outlines a small number of focussed studies with specific reference to the theme of the study, Pervaiz Ali, Sudha Sankaran, and Peter Stevrin in their study titled online shopping' customer satisfaction and loyalty in Norway analysed satisfaction and loyalty of the online customers in Norway. The results of the survey reveal that the majority of Norwegians are satisfied with online shopping and that only less than half of them stay loyal to their online sellers. The findings of the study state that in the long run customer loyalty can only be attained through customer satisfaction, which can be achieved by providing detailed product information on websites, superior customer service, quality and timely delivery of goods.

Mustafa explored the factors influencing customer satisfaction with online shopping. The findings of the study revealed that that user interface quality, information quality, perceived quality and perceived privacy, the effects of website design are the major factors influencing customer satisfaction on online shopping. Guo X., Ling K.C., Liu M examined the factors determining customer's satisfaction towards online shopping and identified that factors such as website design, Security, Information Quality, Payment Method, E-Service Quality, Product Quality, Products Variety and Delivery Services are the important determinants of customer satisfaction in online shopping.

4. STATEMENT OF THE PROBLEM

The explosion of the internet has revolutionized the retailing sector for evermore has more people prefer to buy products at the comfort of their homes and offices. This sudden surge in the number of people using online shopping services has induced several research efforts aimed at understanding the factors leading to customer satisfaction in an online environment.

Research contributing to understanding the importance of various dimensions that online shopping service quality comprises of and their impact on customer satisfaction is limited. It is against this backdrop; the paper examines the satisfaction level of customers using online shopping service s in Madurai city. Hence, the present research is undertaken to examine the online customer's satisfaction level and identifies the problems faced by customers when online shopping with reference to Madurai city.

5. SIGNIFICANCE OF THE STUDY

Customer satisfaction has been recognized as an important element that drives customer retention and loyalty. Creating satisfied customers is difficult especially in an online environment where the interaction between the company personnel and customer is minimal. Customer satisfaction is critical for establishing long-term client relationships and sustaining profitability, therefore an understanding of the factors leading to satisfied customer is of a paramount importance. For this reason, this study examines customer satisfaction with various service quality dimensions when online shopping.

6. OBJECTIVES

The primary objective of this study is to explore the factors influencing the customer satisfaction with respect to online shopping in Madurai city.

The Secondary Objectives are:

- To identify the preferred product categories of online shoppers
- To identify features that most appeal to customers shopping online
- To identify the problems faced by customers when shopping online
- To put forward few recommendations in order to improve customer satisfaction for continue a usage of the online shopping service.

7. HYPOTHESIS

H1: Easy use and online customer satisfaction are independent.

H2: Service reliability and online customer's satisfaction are independent

H3: Security and online customer's satisfaction are independent

H4: Responsiveness of online retailer and online customer's satisfaction are independent

H5: Assurance and online customer's satisfaction are independent

H6: Communication and online customer's satisfaction are independent

8. RESEARCH METHODOLOGY AND DATA COLLECTION

Research Design: Owing to the nature of the topic being in its emergent stage in India, the research constituted an exploratory study and the survey method was used for the study.

Sample Technique:

Convenience sampling was used whereby respondents who were easily accessible were chosen for the study. The study is cross-sectional in nature.

Sampling Size:

The sample comprised 120 respondents and it was decided that respondents chosen were over 18 years of age. The respondents Madurai city were covered in the study

Questionnaire Design:

The questionnaire is carefully designed to meet the requirements of the research. For the present study, a total of 120 respondents were surveyed using a structured and pre-tested Questionnaire. The questionnaire was the first pilot tested among 30 respondents. A few minor changes were affected by the questionnaire before the final administration. The data were analysed using SPSS

Measurement:

The questionnaire was based on the literature review. The questionnaire was divided into two sections. The first section consisted of consisted of 24 scale items to measure the consumers' perceptions of online shopping service quality regarding their most recent shopping experiences; The 24 items were related to six dimensions of online customer's service quality (Ease of use, reliability, responsiveness, security, Assurance, and communication. The respondents were requested to select the response that best indicates their experiences and perceptions on each statement, using a five-point Likert scale, where 1 – Very Poor; 2 Poor; 3 Satisfactory; 4 Good; 5 Excellent. The second section comprised demographic questions pertaining to age, gender, education level, occupation, and income level.

Data Analysis:

The analysis has been in conformity with the objectives of the study and the hypotheses formulated to achieve the objectives. Collected data were first structured into grouped frequency distributions factor analysis was applied.

9. CUSTOMER SATISFACTION ON SERVICE QUALITY

The relationship between online shopping and customer satisfaction is shown in Figure- 1. For the study, six dimensions were used, while some have been selected and adopted other have been abandoned for the sake of simplicity. The proposed six service dimensions selected for the study are Ease of use, Responsiveness, Reliability, and Assurance, Security and Communication and overall performance. Some of the service quality dimensions have been selected form the "SERVQUAL" model and from other service quality models available.

10. FRAMEWORK OF ANALYSIS

In this study, based on a thorough review of the literature, the conceptual model was developed depicting the dimensions of Service Quality dimensions for which customer satisfaction was measured.

Table 1 Description of Constructs for the Proposed Model

Easy use	U -friendly software, ease of navigation
Service reliability (SR)	The ability to perform the promised service dependably and accurately
Security (S)	Measures to protect the confidentiality and privacy of clients, trustworthy behaviour of employees
Responsiveness (R)	The willingness to help customers and to provide prompt service and the Firm's readiness to provide each customer with personal care. The provision of caring, individualized attention to customers
Assurance (A)	The knowledge and courtesy of employees and their ability to convey trust And confidence.
Communication (C)	The ability of online retailers to provide information which is accurate, clear and easy to understand for online customers

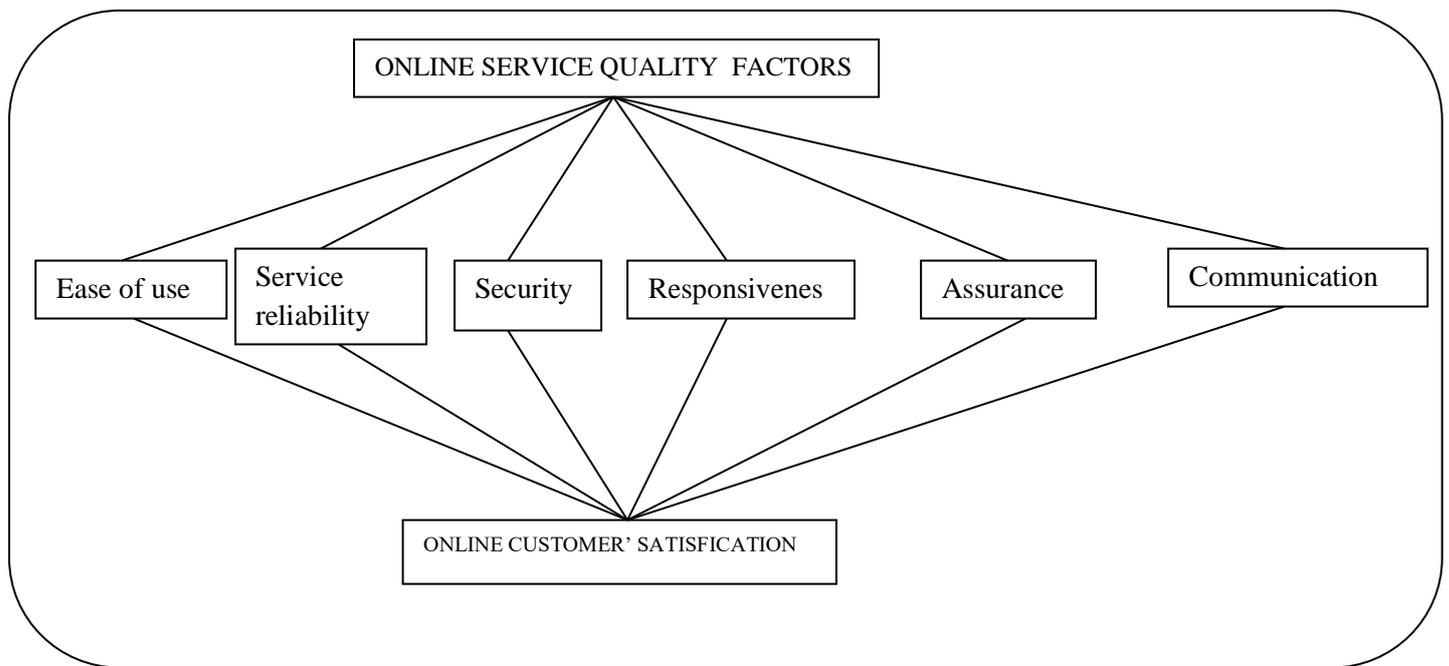
RELATION BETWEEN SERVICE QUALITY ONLINE AND CUSTOMER SATISFACTION**SOCIO -DEMOGRAPHIC PROFILE**

Table- 2 -demographic characteristics like age, gender, reports on the respondent's socio education level, occupation and income level of the sample respondents.

Table 2 SOCIO - Demographic Profile

Factors	Particulars	No. of Respondents	%
Gender	Male	61	50.8%
	Female	59	49.2%
	Total	120	100%
Age Group (in Years)	Upto 25	37	30.8%
	Between 26-45	72	60.0%
	46 and above	11	9.2%
	Total	120	100%
Education Qualification	H.Sc-ITI	24	20.0%
	Diploma	16	13.3%
	Degree	38	31.7%
	PG	32	26.7%
	Others	10	8.3%
	Total	120	100%
Occupation	Private	30	25.0%
	Govt	27	22.5%
	Self employee	12	10.0%
	Professional	19	15.8%
	Students	25	20.8%
	Others	7	5.8%
Total	120	100%	
Income	Less than 20000	28	23.3%
	20001-40000	46	38.3%
	40001-60000	23	19.2%
	60001-80000	12	10.0%
	80001-100000	6	5.0%
	Above 100001	5	4.2%
	Total	120	100%

Gender:

With respect to the gender distribution of respondents, it is reported that the majority of the respondents constituting 50.8% per cent of the sample were males while the remaining 49.2 per cent of the sample were females.

Age:

After a descriptive review and analysis of the data of the 120 respondents under study, it can be observed from Table -2 reveals that the majority of the respondents constituting 60% of the total sample of age group between the age group of 26-45, followed by 30.8% per cent of the total sample belong to the age group of upto 25 years, and rest of the respondents were belongs to the age group of 46 and above are 9.2%.

Education:

Table 2 reveals that the majority of the respondents are studied upto degree level are 31.7% level, followed by post graduation is occupied in second place of 26.7%. the basic education of upto 12+ and technical education of ITI and diploma are belongs to 20% and 13.3% respectively.

Occupation:

Table-2 clearly noted that the sample respondents have been distribution among the occupation. Majority of the employees are working in private and government services are 25% and 22.5% respectively. Third place occupies the students respondents are 20.8%, followed by professionals are 15.8 and self employees 10% respectively. The rest of the 5.8% of the sample respondents are occupies in other categories.

Income:

Income is a prominent and vital role of every respondent and their families to run in the life. And savings is the base for investment. Table- 2 reveals that the earning of income through salaried between Rs.20001-40000 and less than 20000 are amount to 38.3% and 23.3% respectively. Middle income group between Rs. 40001-60000 and Rs.60001-80000 are 19.2% and 10% respectively. the income level of respondents between Rs.80001 and above are amounting to 9.2% upper income group.

10.1 ONLINE PURCHASE BEHAVIOUR

Online shopping is a recent phenomenon in e-commerce and it is reshaping consumers' purchase behaviour. Online shopping is the process whereby consumers buy goods, services, etc. directly from a seller over the internet in real time without an intermediary service. Online consumer behaviour is diverse from traditional consumer behaviour. The Table-3 below provides an insight into the purchase behaviour of online shoppers in Madurai city

Frequency of online shopping	No of Respondents	%
Mode of purchase		
Regularly	47	39.0%
Often	39	32.5%
Sometimes	19	16.0%
Rarely	15	12.5%
Total	120	100%
Mode of payment		
Cash on Delivery	44	36.5%
Debit card	24	20.0%
Credit card	22	18.0%
Net Banking	30	25.5%
Total	120	100%
Features Of Shopping		
Payment Options	15	12.5%
Product Variety / Availability	34	28.0%
Quick & Quality of Delivery	24	20.5%
Security	23	19.0%
User Friendly	24	20.0%
Total	120	100%
Hours Spent /Per Day		
Up to 2 hours	31	25.8%
3-5	45	37.5%
6-8	37	30.9%
More than 8 hours	7	5.8%
Total	120	100%
Category of products		
Apparels	18	15.0%
Health & cosmetics	15	12.5%

Electronics	24	20.0%
Home appliances	13	10.5%
Computer related	14	12.0%
Mobile phones and accessories	19	16.0%
Sports	11	9.0%
Books	6	5.0%
Total	120	100%

As per the details furnished in table 3, it can observe that most of the sample respondents use the internet for more than 3-5 hours per day is (37.5%), followed by 6-8 hours per day internet use of the respondents 30.9% and upto 2 hours to use the internet per day 25.8% respondents. Features of shopping portals that the respondents consider most important are: product variety / availability constituting 28%, speed & quality of delivery representing 20.5 percent, security (20 %) payment options (19 %) and user-friendly interface, the most preferred payment options of the respondents are cash on delivery constituting 36.5% and internet banking representing 25.5%. It can be further found that the majority of the respondents 20% selected purchasing consumer electronics products as the preferred category of products to purchase online, while 16% indicated that mobile phones and accessories Preferred category AS A of products to purchase online.

10.2 RELIABILITY STATISTICS CRONBACH'S ALPHA

The Cronbach's Alpha for comparing the internal reliability of items both in expectation and perception of service quality was used. A reliability coefficient of .70 or higher is considered acceptable in most social science research. As can be observed from Table -4, Cronbach's Alpha results of .821 for the items are above the suggested threshold of .70. The results show the internal consistency between variables.

Table 4 Reliability Statistics Cronbach's Alpha

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
.879	0.821	24

10.3 FACTOR ANALYSIS

The 24-item scale was then subjected to factor analysis using the principal component method with varimax rotation to identify key online shopping service quality dimensions, as perceived by customers shopping online. Principal component factor analysis with a Varimax rotation was employed to examine those dimensions. Tables- 5 shows the principal component analysis with varimax rotation, which gives us a clear picture of the rotated component matrix of factor loadings, as six factors.

Table 5 Rotated Component Matrixes (A)

Service Dimensions	Reasons	Component				
		1	2	3	4	5
Easy of use	Easy of navigation /User friendly	0.814				
	Availability of more products /brands	0.802				
	Online shopping is a time saved		0.781			
	Online payments		0.769			
Service Reliability	Product quality and safety	0.844				
	Reliability of product information	0.802				
	Transaction efficiency			0.674		
	The online retailer has good reputation			0.672		
Online payment Security	Security protection of online payment safe and secure		0.781			
			0.762			
	The website can protect personal information for customer			0.621		
	The website provides quick confirmation and transaction				0.608	
Responsiveness	Treated kind and politeness	0.870				
	Quick service via website	0.837				
	Information clarity and accuracy		0.722			
	Quick response to client queries			0.642		
Assurance	Quick access to the shopping when ever to receive the complaint	0.875				
			0.743			
	On time Delivery		0.731			
	Purchase Decision through Information				0.608	
Communication	well communication for return	0.834				
	Tracking Order	0.807				

	Time taken for delivery with charges		0.742			
	Special offers and gifts through Email and mobile alerts		0.731			

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization

From the above Table -5, it can be observed, the shopping through Online Shopping is time saving process (0.781), User friendly interface (0.814), Availability of more products /brands(0.653), Transaction efficiency (0.674), Product quality and safety (0.844 Online payment is safe and secure), (0.762), Website can protect customer personal information (0.621), Security protection for online payment process (0.781) Quick response to client queries (0.642), The representative instantly available to receive the complaint 0.743, well communicated Product return policy (0.834) all of which have high load values on component 1 indicate that ease of use, confidentiality and shopping system security have more weight age on component 1 compared to other factors.

Other factors like online Payments services (0.769), Reliability of product information (0.802) Website provides quick confirmation of transaction (0.608), Employees are kind and courteous (0.870), information clarity and accuracy (0.722) information provided was useful to make purchase decision (0.608), Employees are quick and efficient in-service delivery (0.731) have high load values on component 2 indicate that ease of use, shopping system security, responsiveness, and assurance have more weight age on component 2 compared to other factors.

The online retailer has good reputation (0.672), Quick access to the website whenever I try (0.875) and Quick service via website occupies second place (0.837) Email and mobile alerts on Special offers and discounts/gifts (0.731) have high load values on component 3 indicate that assurance and communication have more weight age on component 2 compared to other factors. Order tracking details (0.807) Time taken for delivery and Delivery charges (0.742) have high load values on component 3 and 4 indicate that communication has more weight age on components 4 and 5 compared to other factors. According to the results, the often-mentioned service quality factors leading to dissatisfaction are online retailers' information and communication systems, while user- friendly interface, ease of use, safety and security, reliability and assurance are the major factors causing satisfaction among customers using online shopping services.

Table 6 Summary Of H

S.No.	Factors	Determining significant	Hypothesis /Results
	Determining the online customers satisfaction		
H1	Easy use	Yes	Accepted
H2	Service reliability	Yes	Accepted
H3	Security	Yes	Accepted
H4	Responsiveness	Yes	Accepted
H5	Assurance	Yes	Accepted
H6	Communication	No	Rejected

It can be observed from Table -6, With regards to online service quality factors, ease of use, service reliability, the responsiveness of online retailers and security are the major determinants of customer satisfaction when using online shopping services. The findings indicate that communication with regards to order and tracking details, delivery time did not s have much influence on customer satisfaction. The results of this study clearly indicated that ease of use, service reliability, responsiveness, Assurance, and security contributed significantly influencing customer satisfaction when online shopping.

11. FINDINGS

- The majority of the respondents are male (50.8 %) and belong to the age group of between 26 to 45 years Constituting a majority with 60%. among the total respondents of the study, the Majority of the respondents representing 31.7% of the sample hold a bachelor's degree closely followed by master's degree representing a 26.7%. The findings to establish the fact that individuals engaged online shopping is in educated with a graduates and post graduates holders.
- Majority of the respondents, with a cumulative percentage of 47.5 percent of the total sample are salaried employees out of which, 25 per cent of the respondents are salaried employees in private service, 22.5 per cent are employees in government service.
- Majority of the respondents constituting 38.3 per cent earn Rs 20001-40000, while 23.3% are earning less than 20000, it is understood from the table-2, that the majority of the respondents (37.5) are spending 3-5 hours per day to access the Internet.

- the study observed that the majority of the respondents consist of whenever to purchase quick access to the shopping 0.875 and to treated as kind and politeness of the customers 0.870 and services through website 0.837 as the most preferred features when online shopping.
- The majority of the respondents representing 36.5% preferred cash on delivery as mode of payment followed by net banking with 25.5\5.
- The present study has been analysed emphasis that the following factors analysed and the results are find out through the hypothesis are easy of use, service reliability, responsiveness, assurance, and security contributed significantly influencing online customer satisfaction.

12. CONCLUSION

The findings and results reflect the preferences and purchase behaviour and satisfaction level of customers doing online purchases in Madurai city. In this study service quality factors such as Ease of use, service reliability and security are the major determinants of customer satisfaction towards online shopping. Bearing in mind the growing volume of business transactions, it is inevitable that retailers invest in improving and upgrading online security to ensure safe transactions and shopping experiences for customers. The findings reveal that online retailers need to reduce the customer perceived risks by making shopping portals easier to navigate, providing secure payment options ensuring quick and quality of delivery to gain and maintain customer trust and loyalty. Efforts need to be taken to educate the online buyers on the steps that need to be undertaken while making an online purchase. Most of the online retailers have a customer feedback system. The feedback of an online buyer should be captured to identify flaws in service delivery and work towards proving a high customer value.

REFERENCES

1. Eri, Y., Islam, M.A., Daud, K.A.K. Factors that influence customers' buying intention on shopping online. *International Journal of marketing studies*, 3(1), 2011, 128.
2. Mustafa I. Eid. Determinants of e-commerce customer satisfaction, trust, and loyalty in Saudi Arabia, *Journal of electronic commerce research* 12(1), 2011, (78-93.)
3. Guo X., Ling K.C., Liu M. Evaluating factors influencing customer satisfaction towards online Shopping in China, *Asian Social Science*, 8(13) (2012), 40-50.
4. Lai Wang Wang, Quoc Liem Le. Customer Satisfaction towards Online Shopping at Electronics Shopping Malls in Vietnam- A Conceptual Model to Enhance Business Success through Efficient Websites and Logistics Services, *Journal of Stock & Forex Trading*, 5(1), 2015, 1-10.
5. Muruganatham S, Nandhini S, Nivetha B and Nandhini A. A study of consumer satisfaction towards online shopping with special reference to Coimbatore City *International Journal of Applied Research*, 3(12), 2017, 171-174.
6. Lakshmanan A. and V. Karthik. Consumer Behaviour and Satisfaction towards online Shopping - A Study with reference to Tiruppur District, *International Journal of Interdisciplinary Research in Arts and Humanities (IJIRAH)*, 2018, Volume 3, Issue 1.