



## A STUDY ON CONSUMER BUYING BEHAVIOR TOWARDS ELECTRONIC GADGETS THROUGH E-COMMERCE PLATFORMS

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### ABSTRACT

Digital economy is rapidly penetrating to all spectrums of business. Cashless economy, payment gateways, online transactions, ease of purchase, wide range of product offerings have become the order of the day. Customers have stated taking informed decisions. The products and services are presented to customers in better way with the help of technology. Price wars, stiff competition, variety and open markets have increased the bargaining power of customers. Every company makes a sincere effort to reach its customer base by offering products and services at the most affordable price tags. E-commerce companies such as Flipkart, Amazon, E-bay, Myntra and many more have virtually occupied the market space and slowly replacing the conventional stores. Electronic gadgets occupy a special place in the online platform. It is believed that the online platforms provide better description about the products which helps the customers to make an informed decision about buying the products. Mobile phones, MP3 players, audio systems, Walkman series, iPod, tablets are the most commonly bought products on the e-commerce sites. The present study makes an effort to study the various behavioral aspects of consumers while buying an electronic gadget through e-commerce platform. The study employs 217 respondents across Bangalore city to capture their views on buying gadgets. Factor analysis is performed to identify the predominant factor that influence the customers to buy gadgets through online / e-commerce sites. Better description about the product is found to be the key element for choosing e-commerce sites for purchase of electronic gadgets.

### Keywords:

*E-commerce, Buying behavior, price, Description, replacement, offers*

### Introduction:

The growing interdependence of the world economy and international character of many business practices have contributed to the development of universal emphasis on consumer. Modern technological developments have no doubt made a great impact on the quality, availability and safety of goods and services. A consumer is who purchases or ultimately consumes goods and services. Growing practice of electronic transactions includes both e-commerce and e-consumers. Consumers check the various facilities available before buying the electronic gadgets, and also the description and features available with the electronic gadgets.

Online platform is changing the way consumers shop and buys goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the online platform with the aim of cutting marketing costs, thereby reducing the price of their electronic gadgets and services in order to stay ahead in highly competitive markets. Companies also use the online platform to convey, communicate and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers.

Customers use the online platform not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the electronic gadgets from a particular store. Most of the products or services which consumers buy or pay for are durables and services.

A consumer before buying any electronic gadgets online, he will check the authenticity of the online shopping website as how much the site is trustworthy and reliable as in online shopping the consumer or buyer is not able to see the seller and cannot check the electronic gadgets until it has been delivered to him.

The online platform is growing at an exponential rate. At the same time, technology has enhanced the capacity of online companies to collect, store, maintains, transfer and analyze vast amount of data from and about the consumer who visit their web sites (Suman, 2018)

The consumers attitude and perception towards online platform, male and female response show similar trend in online platform, majority of the response in all the age group shop online for convenience followed by wide variety and discount deal , and also found to be great potential for youth segment.( Manish Kinker,2018 )

Online platform is the easy solution for busy life in today's world. In the past decade, there had been a massive change in the way of customer's shopping. Despite consumer's continuation to buy from a physical store, the users or buyers feel very convenient to online platform. (Prashanth Raman, 2017)

Online platform saves crucial time for modern people because they get so busy that they cannot or unwilling to spend much time shopping. Another reason for increase in online shopping is providing fast door to door delivery within a day or two days, return and replacement guarantee, cashbacks etc. make users to go for online shopping. (Bhoomi Ahuja, 2018)

### Rationale for the study:

There are millions of people online any time and they all are a potential consumer in the online market. It is important to identify as to what are the various factors that influence the buying behaviour and perception of a consumer towards electronic gadgets that become obsolete over a period of time and new technological advancements take place. Hence the study provides a framework as to what is the motivating factor that drives the customers towards e-commerce platforms.

### Objectives of the study:

- To study the consumer's preference towards buying electronic gadgets through E-commerce platforms
- To identify the key elements that determines the consumers' decision to buy electronic gadgets from e-commerce platforms

### Research Design:

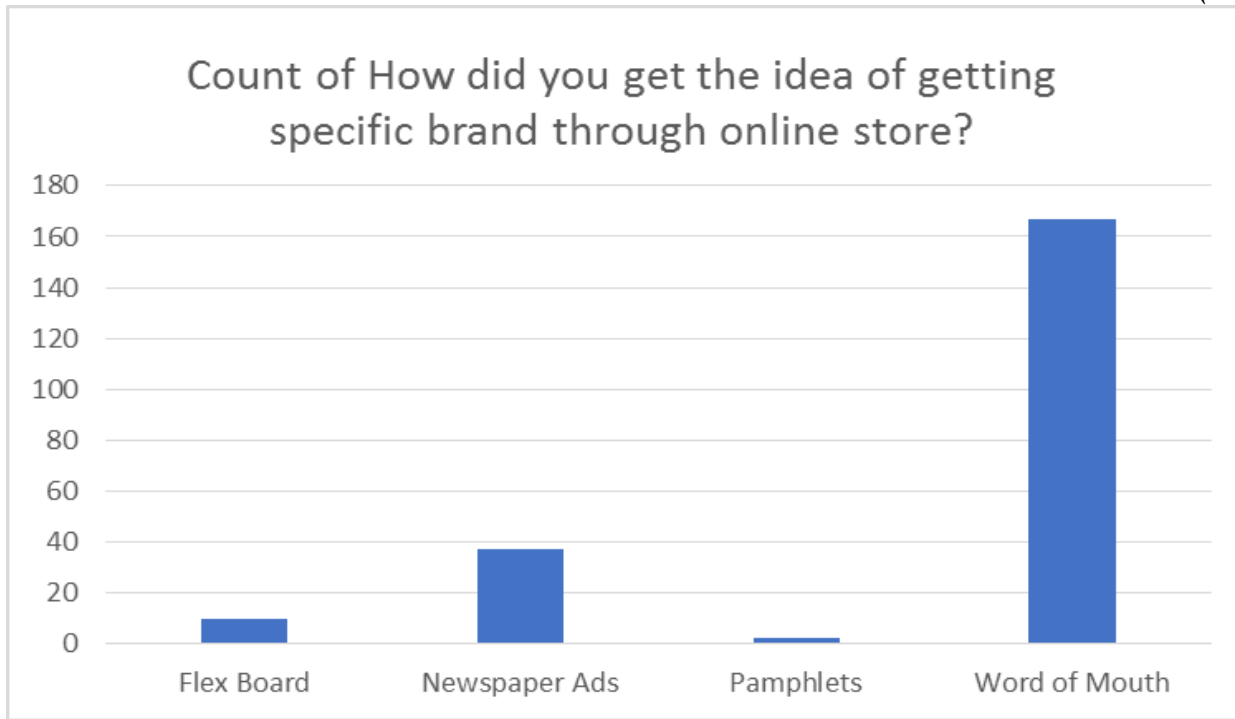
The present study is Descriptive in nature. The study is carried out in Bangalore city by sourcing 217 respondents through convenience sampling technique. The primary data is captured by administering structured questionnaire. The data is analysed using SPSS 25.0 package. Demographic attributes of the respondents are analysed using simple percentage method. Bar graph and line charts are used to represent the data. Factor analysis is used to identify the critical components that effects the consumers' buying decision towards electronic gadgets through e-commerce platforms.

### Results and Discussion:

#### A. Demographics of Respondents

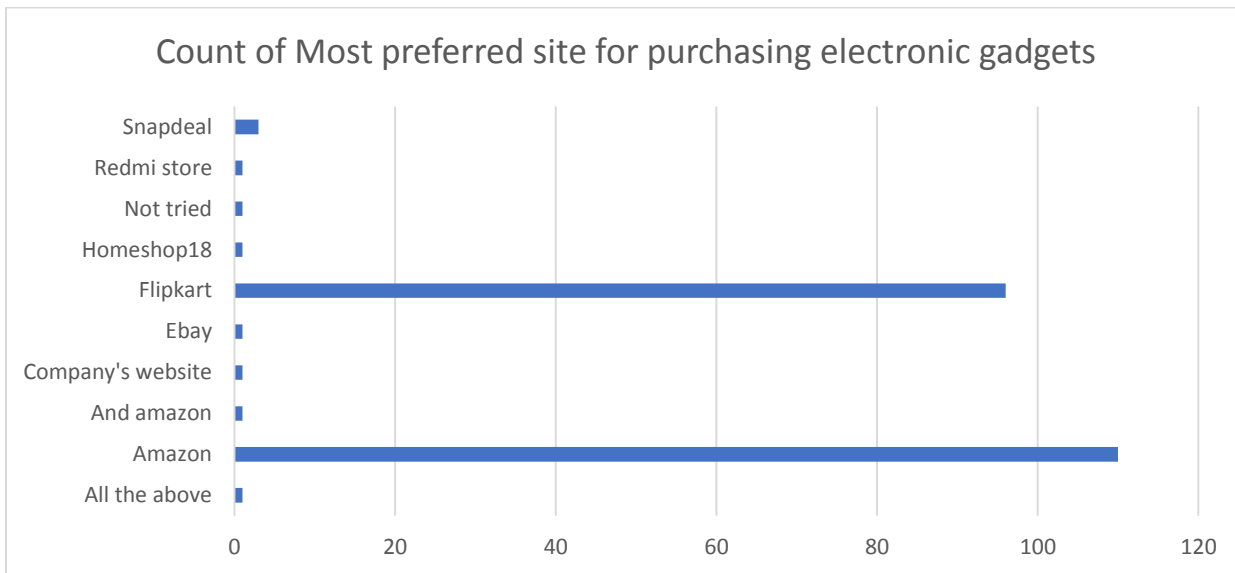
Age	18-25	180	82.9%
	26-35	15	6.9%
	36-45	22	10.13%
Gender	Male	160	73.7%
	Female	57	26.26%
Marital status	Single	192	88.47%
	Married	25	11.5%
Income	Below 100,000	170	78.34%
	100,000-500,000	17	7.8%
	Above 500,000	30	13.82%

#### Source of information for choosing e-commerce platform:



Word of mouth plays a significant role in driving customers towards e-commerce platforms.

**Most preferred e-commerce site for buying electronic gadget:**



Amazon and Flipkart are the most preferred E-commerce sites for buying electronic gadgets.

Communalities		
	Initial	Extraction
Trustworthy	1.000	.497
User friendly	1.000	.627
Secured Payment	1.000	.633
Better Discounts	1.000	.684
Better Choice	1.000	.710
Better Description	1.000	.733
Better Design	1.000	.613

**Factor analysis:**

To identify the key elements that determines the consumers' decision to buy electronic gadgets from e-commerce platforms

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.888
Bartlett's Test of Sphericity	Approx. Chi-Square	901.036
	Df	21
	Sig.	.000

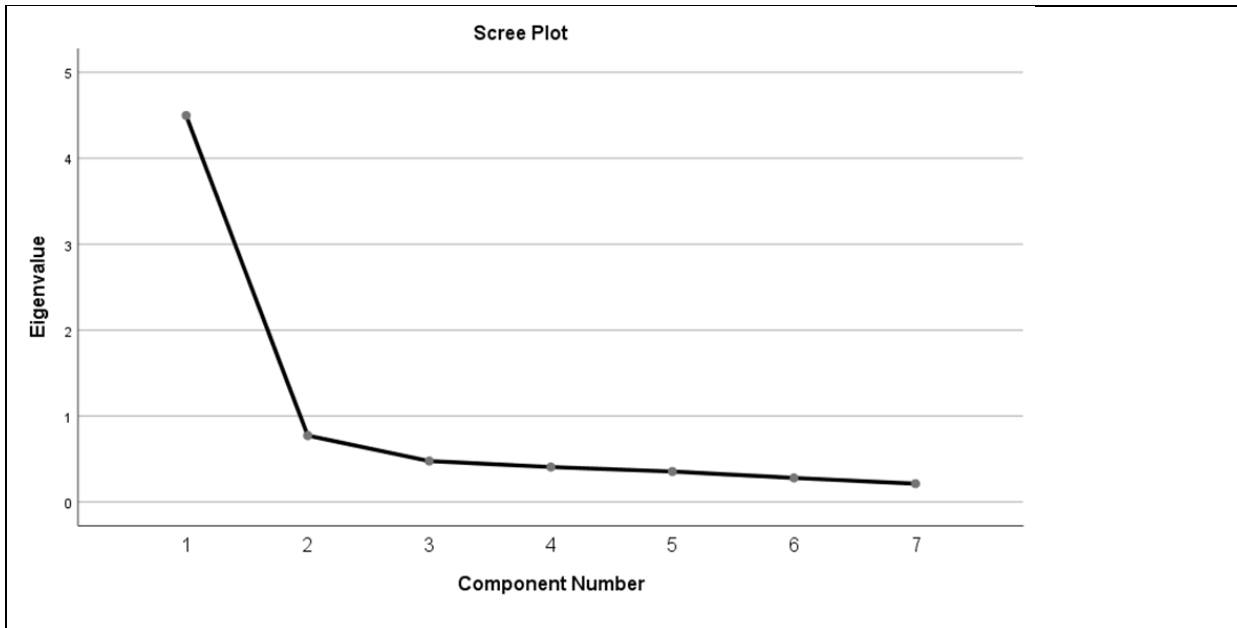
Since the KMO value is 0.888 which is above the threshold value of 0.5, it implies that sample is adequate enough to perform the analysis.

Extraction Method: Principal Component Analysis.

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.497	64.245	64.245	4.497	64.245	64.245
2	.773	11.037	75.282			
3	.476	6.801	82.083			
4	.407	5.813	87.896			
5	.355	5.065	92.961			
6	.280	4.001	96.961			
7	.213	3.039	100.000			

Extraction Method: Principal Component Analysis.

**Component Matrix<sup>a</sup>**

	Component 1
Trustworthy	.705
User friendly	.792
Secured Payment	.796
Better Discounts	.827
Better Choice	.843

Better Description	.856
Better Design	.783
Extraction Method: Principal Component Analysis.	
a. 1 components extracted.	

From the principle component analysis, it can be inferred that one component is extracted.

The predominant factor that affects the purchase of online gadgets from online platforms will be "**Better Description**".

**Reliability test:**

**Scale: ALL VARIABLES**

Case Processing Summary			
		N	%
Cases	Valid	216	100.0
	Excluded <sup>a</sup>	0	.0
	Total	216	100.0
a. List wise deletion based on all variables in the procedure.			

Reliability Statistics	
Cronbach's Alpha	N of Items
.906	7

**Reliability test:**

Since Cronbach's alpha value is 0.906 which value above the threshold value of 0.7 it can be inferred that the constructs of the questionnaires possess required internal consistency.

**Key Findings of the study:**

- Male respondents show more interest buying electronic gadgets compared to their female counterparts.
- Young population i.e., the people in the age group between 18 to 25 are more prone to buy electronic gadgets from e-commerce platforms.
- Customers prefer electronics gadgets through online platform as they get "Better description" about the product they are buying. This infers that, consumers are more concerned about the product description as the online platforms do not have the product demonstration before buying.
- The maximum respondents prefer amazon to buy their electronic gadgets, and followed by the flipkart.
- Income group below 1lakh are more interested in buying electronic gadgets from online platform the maximum number of respondents fall in plot of below 1 lakhs followed by income between 1 lakh to 3 lakh

- Majority of the online shoppers are students & servicemen who between 10 years to 30years of age who are powerful internet users in the country.
- The most preferred mode of payment while purchasing online is Cash on Delivery & Card transactions
- Online shopping is most preferred by the customers at the time of availability of offers and discounts.
- Online platforms has a better Product description & display, Customer feedback & Rating system, Exchange/Return/Replacement & Refund policy & after-sales service when compared to traditional brick and mortar stores.
- Word of mouth continues to remain the most powerful medium to drive customers towards e-commerce platforms

#### Conclusion:

Despite the basic characteristics of consumers, the behaviour pattern of consumers are more or less similar to each other, particularly in the aspects like quality, preference and decision making. We found the predominant factor that affects the purchase of online electronic gadgets from online platform will be the “Best Description”. The consumers are particular about the appropriate system of distribution and hence there is a great need for change in the electronics buying system. It may not be always correct to say that consumers behave in the same way as it much depends on type of products, quality of the products and price of the products. Consumer attitude towards electronics based on age group, income group and price leads major role while purchasing the electronic gadgets.

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