

The Changing Landscape in Shopping Trends

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Abstract

This paper examines the reasons why Online Shopping nowadays has become a trend among our fellow Filipinos, young and adults alike. A theoretical model that explains consumer channel switching intentions is constructed and tested based on a sample of 250 actual consumers. The analysis indicates that the overall channel-switching tendency from offline to online is approximately 60% across four product categories, including gadgets, clothing apparel, flight tickets, and home essentials. The logistic regression analysis across product categories shows that consumers' differences in channel risk perceptions, price search intentions, evaluation effort, and waiting time between online and offline channels have significant impacts on their tendency of switching from offline to online shopping. The results also indicate that those attracted to purchase online perceive significantly lower channel risk, search effort, evaluation effort, and waiting (delivery) time online than offline and express significantly higher price search intentions online than offline. Although consumers attracted to offline channels also perceive lower search costs and higher price search intentions online than offline, their perceived online search effort and price search intentions are significantly lower than those attracted to online channels.

Keywords- Online shopping, offline shopping, changing landscape, shopping trends

I. Introduction

People in today's world are used to go online in order to shop for the products that they need. They don't need to go through a lot of frustration in order to shop online. They can easily access online stores through their personal computers or mobile device and order what they want. The ordered products would be delivered to the doorstep as well.

The increase in technology provides good opportunities to the seller to reach the customer much faster, easier, and in an economic way. Online shopping is emerging very fast in recent years. Now a day the internet holds the attention of the retail market. Millions and millions of people shop online. On the other hand, the purchasing of products from the traditional market is continuing for years. Many customers go for purchasing offline so as to examine the product and hold possession of the product just after the payment for the product. In this contemporary world, customer loyalty depends upon the consistent ability to deliver quality, value, and satisfaction. Some go for offline shopping, some for online and many go for both kinds of shopping. The focus of the study is on the consumer's choice to shop on the internet and at the traditional stores at the information gaining period. However online shopping is easier for people and less price than offline shopping.

In the developed countries like the United States, United Kingdom, Germany, and the likes; it has become almost a norm to make purchases on the online platform especially for apparel products. However, in a developing country like India, the majority of people still depend on the brick and mortar stores to make purchases in different categories. Although in

the last few years, online shopping has become quite a craze among the masses especially among teenagers and youngsters, in absolute numbers, offline shopping is still way ahead of its online counterpart.

In the present day context, learning and analyzing consumer behavior is extremely vital for the success of a business, be it online or offline. Consumers drive the market. All the business activities are carried out keeping in mind the interests of consumers. Online shopping, which is a recent phenomenon in the Philippine context has gathered steam in the last few years backed by increasing penetration of the internet has resulted in consumers spoiled for choice. Internet is helping the promotion of products through online advertisements.

Customers also see empathy in business service. Empathy is a communication that helps employees build a good relationship with their customers. It would also help the business know the customer's demands. In line with this, empathy is also relevant to customer service experience, which helps to gain a number of satisfied customers as well as customer's trust and loyalty towards the store. Furthermore, empathy makes it possible to understand other people's perceptions and opinions. Knowing the opinions of customers is important for a business to be aware of their service is meeting the customers' needs and wants as well as their positive and negative feelings. Empathy is sharing what a person thinks or how a person thinks towards something, and it is necessary for a company to know these.

II. Statement of the Problem

It is important to look into the situation from an academic research point of view so as to question the reasons behind the condition of online shopping in the country. This research may fill the gap between the choice of online shopping and offline shopping. There are certain problems, why people do not do online shopping and go to the market to shop for things? What are the major reasons behind online and offline shopping? This study helps the consumer to get an idea about online shopping.

With the current demographics, is online shopping there to stay and a business model that is reliable for those aspiring entrepreneurs.

III. Methodology

The primary method includes the observation method, interview/questionnaire method, and case study method. The secondary method is the method by which already collected data. The present study is based on a combination of both qualitative and quantitative data. The qualitative data is collected through sampling from the consumer. The random consumer is selected for the sampling purpose. The sample individual is selected from different age groups, different sex, and social status. The different group of people including students, employees and unemployed, housewives, etc. is considered as a sample for the study.

(a) Sampling: The target group is of different ages, different age groups people are considered because to know whether which group of people is involved more in the online

shopping and which group of people is not confined to shop online. There are four divisions of the age group in the questionnaire to examine, which group is going for more online shopping and which group is going for more offline shopping.

(b) Sample size: Determining the size of the sample that is needed for a particular piece of research. For this research 250-sample size is taken for the interviews. Among the 250 respondents, 150 responders are using online and 100 respondents are using offline.

Name:										
Age:										
Sex:										
1. How often do you shop online?										
	a. extremely often									
	b. quite often									
	c. moderately often									
	d. slightly often									
	e. not at all often									
2. What type of products do you usually buy online?										
	Pls. Specify:									
3. Which online store do you usually add to cart and buy?										
	Pls. Specify:									
4. What usually attracts you to shop online?										
	Pls. Specify:									
5. Why would you go traditional shopping instead of online?										
	Pls. Specify:									

Figure 3.1 Sample Questionnaire

IV. Theoretical/Conceptual Framework

Some researchers carried out a study in which they examined the purpose of the customer to purchase goods online during their shopping. Mainly there are three variable in their study those affects the consumer to purchase online or to go offline. Those are the accessibility features of the shopping sites, the type of the products and they are characteristic, and the actual price of the product. The study revealed that the accessibility and the convenience of the shopping sites create the intention in the customer to purchase or not. When there is the difficulty faced by a consumer to purchase online then the customer switch to offline shopping for the purchase behavior and the consumer face difficulty in offline purchasing then they go to online purchasing.

After relating both the medium of shopping the consumer said that online shopping is more convenient for them and gives more satisfaction that inspires the consumer to purchase online on the internet. Iyer and Eastmen (2014) found that the population of seniors who are more literate, more knowledgeable, and who are more aware of the technology and those who have a positive behavior towards online shopping and the internet are more into online shopping. But the population of seniors who are less aware of the internet and the shopping sites are less involved in the shopping sites because they do not have a positive attitude towards online shopping rather they are much more interested in offline shopping and the seniors who are more involved in the internet uses more online sites for purchasing the goods over the internet. The senior who has more knowledge about the internet and the shopping sites compares both the shopping i.e. online and offline shopping for their purchasing of goods. However, their knowledge and the use of the internet by them have no connection with their age and their satisfaction level while purchasing online.

In 2003 PJ Danaher and other scholars focused on the loyalty of the 100 brands over the online shopping and offline shopping of 19 products of the grocery. They compared the grocery items of both the shopping with the starting model, which is a new segmented Dirichlet model, this model has very dominant features which give the exact classes for the brand choice and also gives the real model for the purchasing behavior. The outcome of the study revealed that the reality of the high brands by the high market shares bought online shopping much greater than the expected. But in the case of the small share brand, it is just reversed. However, in traditional shopping, the expectations and the observations are not at all links to the brand share.

It has been explored the opinion of the consumer who is purchasing online and the consumer who is purchasing from the offline market. The objective is to know why the traditional customer chooses to shop online and what are the factor influences then to purchase online and what is the factor for them to not use the sites for shopping. He has done a survey of 264 respondents in a small mall and then those data were analyzed by him. All the customer of this study is literate and has knowledge of computer and internet. The survey consists of some questions like demographic profile, computer knowledge, and knowledge over the internet. The outcome of the study was that the consumers of online shopping use to shop online more than one time in a month and the consumer of offline shopping shop one to five times in a year from shopping sites.

Another study concentrated on consumer's perception of the product sold online and the issues considered important to online shopping. This study was conducted among the

online shoppers at Coimbatore, which is in Tamil Nadu state. It is to analyze the impact of consumer opinion and attitude. The questionnaire was made to collect the data from the population; these questionnaires were given to college going students. The total sample size is 150 respondents. The finding of this study shows that improvement and accessibility influence the customer's intention to shop online.

V. Findings

There are critical points that should have been considered why a consumer would go online or traditional shopping; convenience, variety, discounts, availability of unique products, and customer experience.

Now, that's one of the benefits of purchasing through an online medium. Unlike in the case of offline purchase, in the case of online shopping, consumers don't need to travel all the way to the brick and mortar shop, jostle with other consumers during festive seasons rush, and face difficulty finding proper parking space for their vehicles. Online shops are open 24*7 and products are delivered to the residences or offices of the customers according to their choice. So a consumer can just wake up in the middle of the night and place an order for a smartphone or some apparel. This is one of the major reasons for the popularity of online shopping.

An online shop is a customer's delight. No offline shop can offer as much variety in different product categories as an online shop can. Since online shops do not have to bother about space crunch, they can make available large varieties of products at the same place. This large variety gives consumers vast choice, which was not available before the advent of this medium.

Discounts are major reasons for consumers especially youngsters purchasing online. Since online sellers don't need to go for costly decoration of their shops, employ a large number of salespeople, and due to disintermediation, they can offer products and services at a considerable amount of discounts compared to their brick and mortar counterparts.

Nowadays it has become almost a fashion for manufacturers of electronic devices and other product categories to launch their brand new products exclusively on a particular shopping portal. These products are not at all made available in any offline shops and only the specific online portal gets the exclusive right to sell the product. In that case, customers are left with no options but to purchase these products on that portal.

It's said; shopping is not only about just going through the motion and making the purchase. The shopping process itself, where we sift through products and feel the colors, textures, and feel them can be extremely enjoyable. Apart from that, shopping in India is known to be a family outing on weekends or holidays where the entire family goes out together, purchase products, catch some movies, visits a restaurant to take their meals. It becomes virtually a get-together for families on weekends or holidays which otherwise is not possible because of the hectic work schedules of the family members. Online shopping can't offer a similar experience. You might be able to purchase products more easily online, but the experience of spending valuable time with your family members is something that can't be replicated by them.

VI. Conclusion

The majority of the respondents, who are online buyers, aged 19 to 30. Researchers ascertained that it is important for online store services to meet the customer expectations for the sake of their satisfaction, on the basis of the five dimensions of service quality. Online selling is a trend in this generation with the rise of e-commerce. The researchers found out that the gap between the customer expectations and perceptions when it comes to online selling is tangibility which means that there are some products that customers expected to have better quality while they receive a product that is not beyond their expectation and they feel somehow dissatisfied. Tangibility, specifically the product quality and size, is what the customers look forward to when they are purchasing an item online so it is most normal for them to expect more when it comes to tangibility. The more they expect, the higher the chance that they would get dissatisfied or satisfied. Based on the results, there is a significant difference between customer expectations and profile variables except for the age of the respondents. There is also a significant difference between customer perceptions and profile variables except for the age and location where the respondents live. Based on the results, most of the respondents were satisfied with the service provided by online selling. On contrary, still some respondents found a gap in some of the services given by their preferred online store because it didn't meet their expectations. To resolve this issue, there should be an action plan to gain customers' full trust in online stores and websites to be able to fill the gap.

The present literature shows that there are significant differences between consumer purchase styles in the online and offline medium of shopping based on certain parameters. Despite the rapid growth in online sales in India and the projection of further uptick in this medium of shopping, the majority of consumers in India still prefer the so-called 'real' shopping experience of brick and mortar shops. As different studies show it's mostly the youngsters who are fueling the amazing growth story of online shopping in India. The advent of the online medium of shopping has no doubt hit the offline stores hard. Large discounts offered by the e-tailers have indeed put enormous pressure on their bottom line. Adding with that the ever-increasing price of the Indian real estate sector has put the viability of brick and mortar business in doubt. On the other side, despite the ever-growing customer base of online retailers, none of them have broken even yet. The offering of huge discounts on products and services has proven to be the bane for them. The huge amount of venture capital and private equity funds that used to drive these companies have also dried up recently. The concept of Omni channel strategy has started taking center stage whereas retailers are trying to remain present in both online and offline channels to tap the demands of a maximum number of customers.

VII. Recommendations

Indeed online shopping is here to stay; yet, it involves a considerable amount of patience in understanding the needs of customers.

For more effective communication with customers, they should have a strong interactive media where there is a back and forth flow of information. This is through social media that provides a direct marketing approach. Since most people use Facebook every day, as part of giving individual attention to customers, they should allow customers to message them through their different social media pages, customers find it very easy for them to ask concerns through social media rather than the application. To be able to improve assurance, they hear directly the customers' feedbacks, they could build kiosks in some events and give out surveys, in return, and they could provide some small sample products and freebies.

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