



Comparative Analysis on Online Vs. Offline Shopping

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Abstract: Shopping, a term deeply embedded in human history, has witnessed a transformative shift with the advent of online platforms. The dominance of the internet has propelled online shopping into mainstream consumer behavior. Technological advancements have afforded sellers unprecedented opportunities to connect with customers swiftly, efficiently, and economically. The rapid emergence of online shopping has garnered substantial attention in recent times, prompting numerous studies.

Several research endeavors have spotlighted the distinction between high-touch products, where consumers seek sensory experiences like touch, smell, or trial before making a purchase. This necessitates offline shopping as these sensory aspects are challenging to replicate in the online shopping realm. This research paper is dedicated to scrutinizing the notable differences between online and offline consumer groups concerning demographics, technology usage, product availability, and consumer attitudes.

Keyword; online, offline, products, shopping.

Introduction

Shopping has embedded itself into everyday life, serving as a means to fulfill necessities or indulge in desires. It acts as a stress reliever, a channel to satiate desires, and an avenue to infuse vibrancy into mundane routines. The term "shopping" is deeply ingrained in human history, and while modern times associate it with retail experiences, ancient equivalents were rooted in concepts like 'trading,' 'bartering,' and 'market.'

In the contemporary landscape, traditional shopping faces competition from its digital counterpart – online shopping. The advent of the internet has revolutionized the way consumers access markets. The dichotomy between these two forms of shopping, with their distinct characteristics, is a subject of interest. Traditional shopping allows consumers to physically engage with products, touching, smelling, or trying them before purchase – an aspect challenging to replicate in online shopping.

In today's fast-paced world, online shopping has gained immense popularity. The surge in technology has empowered sellers to efficiently reach customers, making online shopping a prevalent method. The convenience it offers, allowing purchases from anywhere at any time, contributes significantly to its appeal. While the internet dominates the retail market's attention, offline purchases persist, with customers valuing the tangible experience of examining and possessing a product immediately after payment.

Consumer loyalty hinges on delivering quality, value, and satisfaction consistently. Understanding how consumers decide between online and offline mediums for purchases is crucial in this competitive landscape. Internet shopping has emerged as the third most popular online activity, following email usage and web browsing. The behavior associated with online shopping, known as online buying behavior, involves the purchase of goods over the internet using a web browser.

Previous studies have explored the differences in products suitable for online shopping, particularly high-touch items that necessitate sensory experiences. However, research in the field is limited, and while online shopping gains traction, its impact on traditional shopping requires further examination.

Online shopping, also known as e-shopping, is a form of electronic commerce facilitating direct consumer-seller transactions over the internet. It has various aliases, including e-web store, e-shop, internet shop, and virtual store. Conversely, traditional shopping emphasizes physical interaction, allowing consumers to inspect products before purchase. The terms 'online' and 'offline' signify connected and disconnected states in the realm of computer technology and telecommunication.

In essence, online shopping offers a global marketplace accessible to sellers and consumers worldwide, removing geographical constraints. Logistic companies further facilitate global reach. While traditional shopping provides a tactile experience, online shopping stands out for its convenience, diverse payment methods, and extensive product search capabilities.

Both forms of shopping have their merits, catering to different consumer preferences. Understanding the factors influencing consumers' choices between online and offline shopping is paramount in navigating this evolving retail landscape.

Literature review:

- **1979** – It all began when Micheal Aldrich ‘invented’ online shopping. Using videotext, a two way message service, it revolutionized businesses. We now know this as e-commerce.
- **1982** – Mintel, a videotext online service accessible by telephone lines, could be used to make online purchases, train reservations, check stock prices, chat and search a telephone directory. It is considered the most successful pre WWW online service.
- **1984** – The first ever shopper buys online at a Tesco store.
- **1985** – Nissan carries out the first online credit check.
- **1987**– SWREG was founded. This offered businesses a chance to sell products online. As it is today, SWREG offers many payment options, as well as customization and distribution into international markets. Users can purchase items with their currency of preference using all major debit and credit cards.
- **1989** – In the USA the first online grocery store starts trading.peapod.com.
- **1991** – The internet is commercialized and we saw the birth of E- commerce.
- **1994** – Netscape launches the first commercial browser, which was once the dominant browser in terms of ‘visitors’. It lost out in the first browser web.
- **1997** – Began the era of comparison sites.
- **1998** – PayPal is founded. This enabled transactions of money without sharing financial information and gave customers the flexibility to pay using their PayPal account balances, bank accounts, PayPal credit and other credit cards. Today, people can now pay across their favorite apps in a single touch (one touch) on any platform, eliminating the need for usernames and passwords each time you pay.
- **1999** – The first online only shop began, ‘Zippos’ although it was later bought by Amazon for\$1.2 billion.
- **2001** – Amazon launches mobile services.
- **2003** – US online shopping hit \$50 billion, in the same year Amazon posted their first yearly profit of \$35.3million.
- **2005** – Social commerce emerges. Consumers begin to recommend items to friends via Face book and twitter.
- **2007** – A pew Internet research study found that 81% f the Americans they surveyed had searched online for a product they intended to buy, with 15% doing so almost every single day.66% of online users said they had actually bought something online.
- **2008** – Increase in growth of online shopping by 17% from the last year in the US, with ecommerce sales figures around \$204 billion. In the same year Group on is launched as is Magneto – so anyone could have a go at creating their own online store.
- **2013** – UK shoppers spent a whopping £91billion online.
- **2014** – In 2014, 198 million U.S. consumers bought something online in the first quarter alone, (com Score) which is 78% of the U.S. population age 15 and above.
- **2015** – Today’s shoppers combine online shopping with real life shopping, using access to Wi- Fi and the show rooming trend. They often make purchases in a retail stores at the same time as using mobile devices to buy something online. In fact, this Forbes report tells Forbes report tells us that 74 per cent ofpeople use their mobile.

Advantages of Online Shopping

- ✚ **Convenience of online shopping:** Customers can purchase items from the comfort of their own homes or workplace. It is also easy to cancel the transactions.
- ✚ **No pressure shopping:** Generally, in physical stores, the sales representatives try to influence the buyers to buy the product. There can be some kind of pressure, whereas the customers are not pressurized in any way in online stores.
- ✚ **Online shopping saves time:** Customers do not have to stand in queues in cash counters to pay for the products that have been purchased by them. They can shop from their home or work place and do not have to spend time travelling. The customers can also look for the products that are required by them by entering the key words or using search engines.
- ✚ **Comparisons:** Companies display the whole range of products offered by them to attract customers with different tastes and needs. This enables the buyers to choose from a variety of models after comparing the finish, features and price of the products on display, sometimes, price comparisons are also available online.
- ✚ **Availability of online shop:** The mall is open on all time. So, time does not act as a barrier, wherever the vendor and buyers are.
- ✚ **Online shopping saves time:** To attract customers to shop online, e- tailor’s and marketers offer discounts to the customers. Due to elimination of maintenance, real-estate cost, the retailers are able to sell the products with attractive discounts to online. Sometimes, large online shopping sites offer store comparison.

Factors affecting Online Shopping

- ✚ **Delay in delivery:** Long duration and lack of proper inventory management results in delays in shipment. Though the duration of selecting, buying and paying for an online product may not take more than 50 minutes, the delivery of the product to customers doorstep takes about 1-3 weeks. This frustrates the customers and prevents them from shopping online.
- ✚ **Lack of significant discounts in online shops:** Physical stores offer discounts to customers and attract them so this makes it difficult for e-tailors to compete with the offline platforms.
- ✚ **Lack of touch and feel of merchandise in online shopping:** Lack of touch-feel-try creates concerns over the quality of the product on offer. Online shopping is not quite suitable for clothes as the customers cannot try them on.
- ✚ **Lack of interactivity in online shopping:** Physical stores allow price negotiations between buyers and the seller. The showroom sales attendants the representatives provide personal attention to customers and help them in purchasing goods. Certain online shopping mart offers service to talk to a sales representative.
- ✚ **Lack of shopping experience:** The traditional shopping exercise provides lot of fun in the form of show-room atmosphere, smart sales attendants, scent and sounds that cannot be experienced through a website. Indian generally enjoy shopping. Consumers look forward to it as an opportunity to go out and shop.
- ✚ **Lack of close examination in online shopping:** A customer has to buy a product without seeing actually hoe it looks like. Customers may click and buy some product that is not really required by them. The electronic images of a product are sometimes misleading. The colour, appearance in real may not match with the electronic image. People like to visit physical stores and prefer to have close examination of good, though it consumes time. The electronic images vary from physical appearance when people buy goods based on electronic image.

Advantage of Offline Shopping

You have not to wait for the services or products which you buy. Since you buy it directly from a seller, you find your services or products in your reach instantly. No need to wait for arrival of your bought services and things. Since you find the products in your hands instantly in offline shopping, you can check the quality instantly and give your feedback at the time of buying. You can access after sale service part better and quicker as you can contact the seller whenever you feel a need of that. Talk to face to face and show your cause to contact them like the faulty parts of your bought products etc. so you get quicker reaction from seller directly either it's a matter of returning the product or an exchanging the same.

Factors Affecting Offline Shopping

You find less variety or options for the products or services, you're buying offline. Since there are limitations of availability of offline shops and each shop has a limitation of space so you have not such huge choice to choose as you find in an online shopping. You can access an endless shopping website and find huge options for a single item you want to buy. Since you have physical limitations to go shop to shop at once, you may end with empty hands after a shopping session if you do not find the product of your choice. And for the same product, you need to go outside frequently and make a lot of effort to find the products of your choice. It is a tiring process to find a product of your own choice. As far as money concerned, the price of same product may be costlier in an offline shopping and even you find a discount and others similar offer, the price in online shopping will be lower one in an online shopping. Also you find fewer freebies as compared to an online shopping. In a brief, if you are more concerned about the money, you should go for online shopping mode and for those who are more concerned for the service after sale or similar services; you should opt for offline shopping.

Difference Between Online and Offline Shopping

There are some differences between online and offline shopping:

- ✚ Online shopping as the name suggest is done over internet and therefore you do not have stand in line or go anywhere from your home to purchase the stuff you like whereas in offline shopping if you want to buy you have to go nearby mall or shop and then purchase the item you like from there.
- ✚ In online shopping one can look many products and that too multiple times without buying them and therefore it offers lot of flexibility whereas in case of offline shopping one does not have too much of choices as one has to buy the product which is available at shop and if that product is not available then either you buy the product which is your second choice or wait for that product to come and then buy.
- ✚ In online shopping if one is buying products like shoes or clothes then one cannot try the product before placing the order and therefore the chances of actual product being different from perceived product is high whereas in case of offline shopping there is no such risk because consumer try it first and then buy and therefore there is no scope of difference between actual and perceived product.
- ✚ Online shopping is transparent in the since that one can compare the price of product over different websites to ensure that he or she buys the product at cheapest price, however in case of offline shopping one does not have this luxury because the buyer has to purchase the product at a price which is quoted by seller as there is no way of

finding whether the price quoted by seller is fair or not.

- In case of online shopping thousands of different products are available at one place or website where as in case of offline shopping this is not possible and hence if you want to buy mobile and trousers then you have to go to different shops as these products are different and hence it leads to time wastage. Hence one can say that when it comes to time saving online shopping definitely scores over offline shopping.

Objectives of Study

The present study broadly compares the online and offline shopping, specifically the objectives are:

- To analyses the significant difference between the online and offline consumer groups in terms of demographic, technology use, availability and attitude of the consumer.
- To examine the factors influencing the consumer to switch from the offline shopping to online shopping and online to offline shopping.
- The factor influencing the consumer to shop solely online and solely offline.
- To analyses whether the qualification of the consumer affect the online shopping and offline purchasing.

Research Methodology

It enumerates the description of the sampling plan, research instruments used for the collection of data pre- testing of questionnaire, the use of statistical tools and techniques for the analysis of the collected data.

• Scope:

Scope was limited to the geographical boundary of the Moga district of Punjab.

• Need of Study:

It is very difficult task to know the consumer behavior about online shopping and offline shopping. So, I conduct a survey to compare online and offline shopping modes..

• Research Design

It is an arrangement of plan, which guides the collection of data and analysis of data. The purpose of research design is to ensure that the data collected is accurate and relevant. Any research work requires clarity of objective to be achieved effectively research. The descriptive design used for this survey.

• Selection of Population

The study has been conducted in the Moga area. The population for this research is student, job consumers and home consumers.

• Research Instruments

For the purpose of research, questionnaire was used to interview the respondents. The questionnaire was developed so as to obtain responses relevant to objects of the research. While designing the questionnaire every attempt was made to make it precise so that the purpose of filling up the responses does not consume time. To find the general attitude, perception, beliefs and intention of people towards their perception, a questionnaire was developed. The questionnaire, which was administered to the respondents for the purpose of collection primary data, was a structured one.

• Data Collection Method

Primary Data: Questionnaire development is the critical part of primary data collection method. For this I will prepare a questionnaire in such a way that it will be able to collect all relevant information regarding the project.

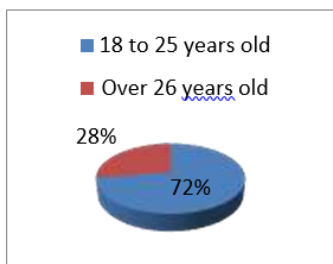
Secondary Data: It will be collected to add the value to the primary data. This may be used to collect necessary data and records by different websites, magazines, annual reports, journals, reference books, and newspapers etc.

• Limitations of the survey

Due to resources and time constraints the study was limited to the only Moga area. Since the sample size was 40. So finding and concluding of the study are only suggestive not conclusive in spite of the best and honest efforts. Lack of customer support, while asking the consumer they were behaving rudely and not responding to the questions. Basically based on primary data, hence we cannot argue that the research is applicable in each condition, time and place.

Data Analysis and Interpretation

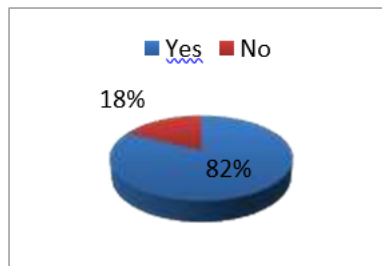
1) Age



Options	Respondents	Percentage
18 to 25 years old	29	72%
Over 26 years	11	28%
Total	40	100%

2) Gender

Options	Respondents	Percentage
Yes	33	82%
No	7	18%
Total	40	100%



3) Do you trust on Online Shopping?

Options	Respondents	Percentage
Online shopping	40	100%
Offline shopping	00	0
Total	40	100%



4) Which option do you prefer to choose?

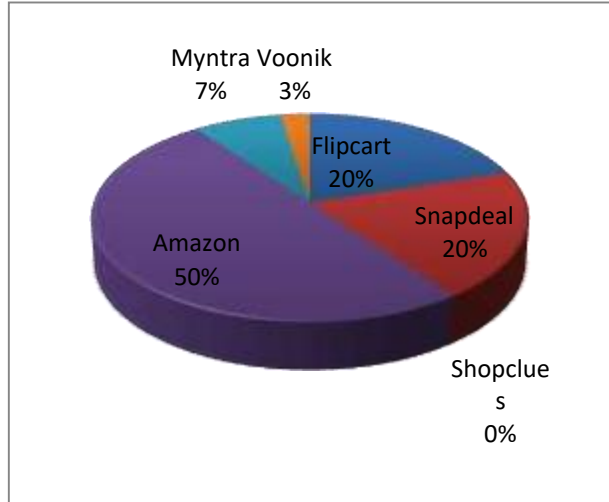
Options	Respondents	Percentage
Online shopping	40	100%
Offline shopping	00	0
Total	40	100%



5) If you prefer Online Shopping on which Website did you shop ?

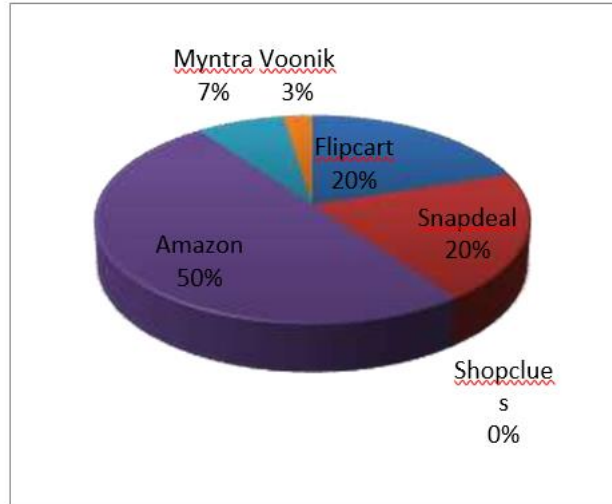
Options	Respondents	Percentage
Flipcart	8	20%
Snapdeal	8	20%
Shopclues	0	0%

Amazon	20	50%
Myntra	3	7%
Voonik	1	3%
Total	40	100%



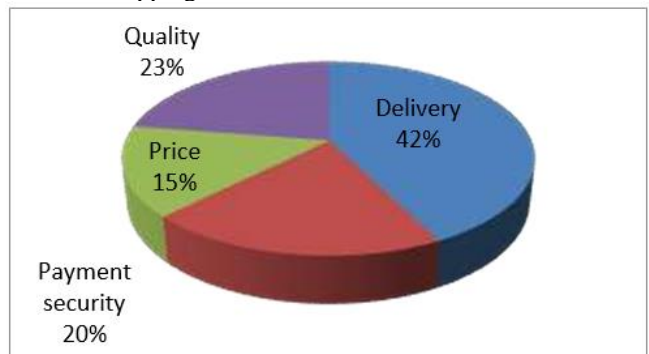
6) What are the most important criterion when you buy in Offline Shopping ?

Amazon	20	50%
<u>Myntra</u>	3	7%
<u>Voonik</u>	1	3%
Total	40	100%



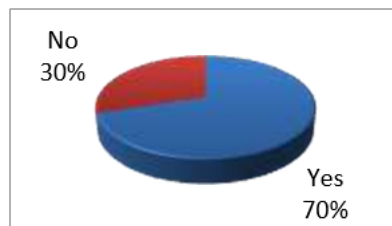
7) What are the most important criterion when you buy in Online Shopping ?

Options	Respondents	Percentage
Delivery	17	42%
Price	6	15%
Quality	9	23%
Payment security	8	20%
Total	40	100%



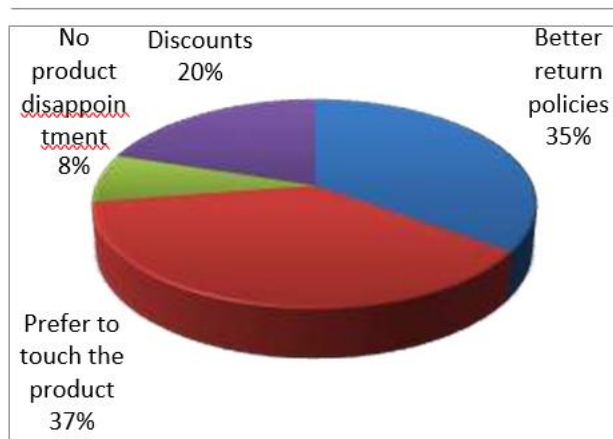
8) Do you like Bargaining ?

Options	Respondents	Percentage
Yes	28	70%
No	12	30%
Total	40	100%



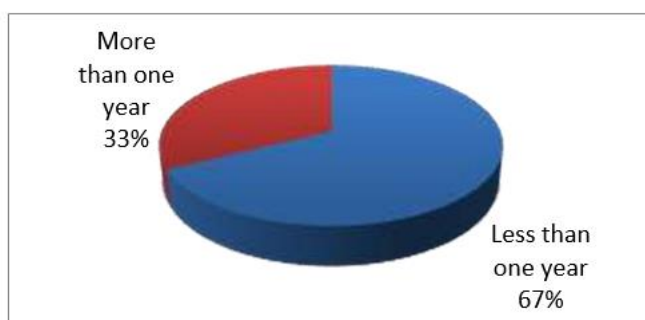
9) Please tick the reason why you choose Offline Shopping ?

Options	Respondents	Percentage
Better return policies	14	35%
Prefer to touch product	15	37%
No product disappointment	3	8%
Discounts	8	20%
Total	40	100%



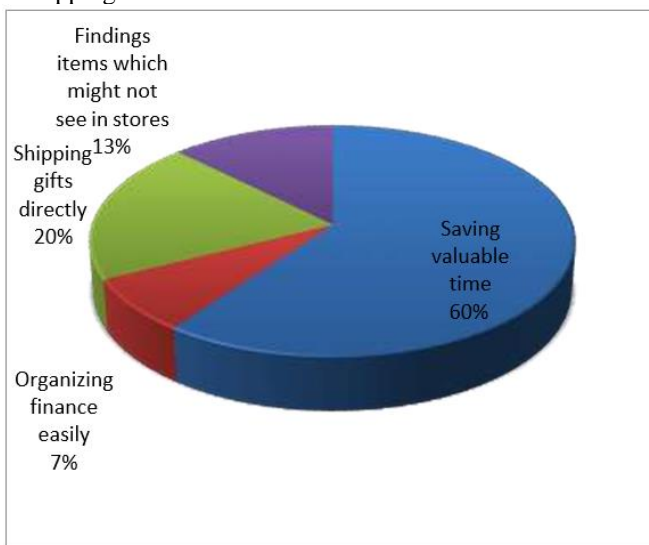
10) How long have you been using internet Services ?

Options	Respondents	Percentage
Less than one year	27	67%
More than one year	13	33%
Total	40	100%



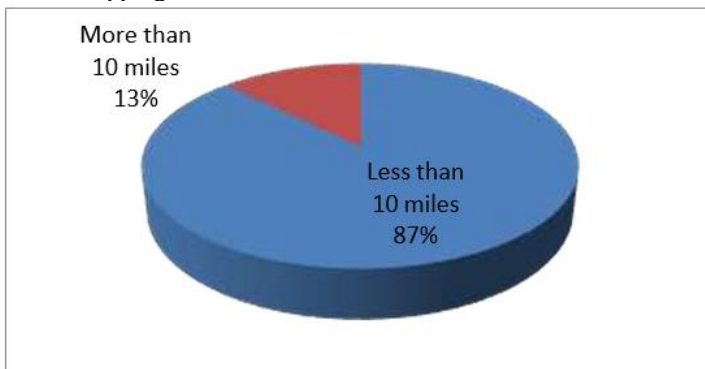
11) Please tick the reason why you choose Online Shopping ?

Options	Respondents	Percentage
Saving valuable time	24	60%
Organizing finance	3	7%
Shipping gifts directly	8	20%
Finding items which might not see in stores	5	13%
Total	40	100%



12) How far are you willing to travel to shop in Offline Shopping ?

Options	Respondents	Options
Less than 10 miles	35	87%
More than 10 miles	5	13%
Total	40	100%



Findings of Study

The primary object of this study was to compare online and offline shopping modes. The findings are:

- ❖ The survey showed, 72% consumers are 18 to 25 years old and 28% consumers over 26 years.
- ❖ The survey showed, 60% consumers of online and offline shopping are male and 40% consumers are female.
- ❖ Out of data surveyed, 82% consumers trust on online shopping and 18% consumers are not trusted on online shopping.
- ❖ The maximum consumers are satisfied with online shopping and 100% consumers prefer to online shopping.
- ❖ The survey shows that, 50% of online shopping consumers use Amazon, 20% Of online shopping consumers use Flipcart , 20% of online shopping consumers use Snapdeal , 7% of online shopping consumers use Myntra , 3% of online shopping consumers use Voonik for shopping.
- ❖ Analysis showed 45% consumers think that quality,22% consumers think that price,18% consumers think that payment facility and 15% consumers think that salesman advice is the most important criterion when they buy in offline shopping.
- ❖ Analysis showed 42% consumers think that delivery,23% consumers think that quality, 20% consumers think that payment security and 15% consumers think that price is the most important criterion when they buy in online shopping.
- ❖ Out of data surveyed 70% consumers like bargaining while 30% consumers do not.
- ❖ The surveyed showed 37% consumers think that they can touch the product,35% consumers think that there are better return policies,20% consumers think that there are discounts on their shopping and 8% consumers think that there is no disappointment about the product in offline shopping.
- ❖ The surveyed showed 60% consumers think that they can save their valuable time,20% consumers think that there is the facility of shipping gifts directly,13% consumers think that they can see those items that might not see by them in stores and 7% consumers think that they can organize their finance easily in online shopping.
- ❖ Analysis showed 67% consumers are using internet from less than 1 year while 33% consumers are using internet from more than one year.
- ❖ Analysis showed 87% consumers are willing that they can travel less than 10 miles and 13% consumers are willing that they can travel more than 10 miles for offline shopping.

Conclusion

Online shopping is a new experience and has greatly impacted the lives of consumers in its short time of existence. Online shopping has made consumers more effective and efficient in their shopping behavior and has driven businesses to a new level, forcing many to make the necessary adjustments and changes to reach the new market of knowledgeable consumers. The results of this survey underscore the need for businesses to take the online market seriously. The survey conducted revealed a positive attitude and behavior toward online shopping even by those consumers who still like traditional stores. These consumers are mostly in low and high age groups. Those consumer groups have time to spend in traditional stores and malls and value the offline shopping experience for social reasons, such as meeting with friends. These consumers appear to be more knowledgeable by gathering information online and then purchase it from traditional stores. Rapid growth of e-commerce has resulted in a E-transformation in the global retail infrastructure. Internet has emerged as a cost effective means of doing business. Despite being faced with numerous bottlenecks, Thanks to rising internet and higher incomes and more savvy population. Secured online payments, better to Electronic Stores, return policies and exciting discounts could help the Perceptions of Shopping Benefits. Considering the demographic profiles of online users; gender, age and education have significant association to web shopping in the current Indian scenario.

The overall results prove that the respondents have perceived online shopping in a positive manner. This clearly justifies the project growth of online shopping in the country. However, the frequency of online shopping is relatively less in the country. Online shopping organizations can use the relevant variables and factors, identified from the study, to formulate their strategies and plans in the country. The organizations can prioritize the consumer implicit and explicit requirements in online shopping environment. The results can also be used by various organizations to identify their target customer segments. The results of the study can be utilized by practitioners in relooking or revamping their strategies for online shopping. Online websites should pay more attention to the female segments as results prove that females shop more in online shopping as compared to men.

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