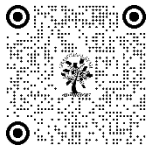


CONSUMER PERCEPTION TOWARDS ONLINE SHOPPING AND ARTIFICIAL INTELLIGENCE

Dr. Avinash Mahadev ¹

¹ Associate Professor, Government First Grade Women's College, Bailhongal, Belagavi, Karnataka



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ABSTRACT

Online shopping refers to the process by which a consumer places an online order for goods and/or services from a web store. Online shopping is becoming more and more popular these days due to its many advantages over traditional retail. Doing business is considerably quicker and easier thanks to the internet. As a result, there have been changes in how people conduct business, with internet purchasing experiencing significant global growth. Going digital is the newest trend in this ever evolving day. Online shopping is becoming increasingly popular among consumers as it offers time savings and a wider assortment of products than traditional brick-and-mortar stores. It is seen as a means of conducting business between buyers and sellers. The benefits of online shopping include grant chain management, online advertising, round-the-clock access, and a wide range of goods and services. Customers can browse online retailers while lounging in their homes or while seated in front of a computer. More purchases are being made directly from the internet and via smartphones. Online shopping is growing more and more popular these days, which is why it's important to conduct research on how people use and perceive it. The main aim of this research is to study the perception of the consumers towards online shopping in Belgaum district.

Keywords: Consumer Perception, Online Shopping, Smartphones

1. INTRODUCTION

Customer perception is the opinions, feelings, and beliefs customers have about your brand. It plays an important role in building customer loyalty and retention as well as brand reputation and awareness.

The process of online purchase of goods or services, so easy and convenient to haggle from the comforts of home or the workplace, online shopping has become more and more popular over time. One of the most enjoyable aspects of purchasing online as it relieves the burden of having to stand in long lines or browse store to store in search of a certain item, especially around the holidays.

In online shopping, artificial intelligence (AI) leverages machine learning and other technologies to enhance the buying experience for both consumers and merchants. Customer support, product recommendations, inventory management, and other tasks can be aided by AI.

- Personalized recommendations

AI examines user preferences and behavior to make personalized product recommendations.

- VIRTUAL TRY-ON

Augmented reality (AR) driven by AI enables buyers to preview how items will fit or appear before making a purchase.

- **CHATBOTS AND VIRTUAL ASSISTANTS**

Natural language processing (NLP) driven by AI enables chatbots to respond to inquiries and offer advice.

- **IMAGE RECOGNITION**

Users can upload photographs to find similar products using AI-powered visual search.

2. REVIEW OF LITERATURE

- 1) Dr. K. Saranya, Dr. D. Anusankari (2023) in their research article "A Study on Perception of Consumer Towards Online Shopping" concluded that there is a strong correlation between the perspective of consumers and the elements that drive their online shopping behavior. While the respondents' perceptions of their online buying behavior are improved by their demographic profile, which includes information on gender, age, educational background, occupation, monthly income, and marital status. According to the respondents, online buying has a significant impact on them, and they are happy with the payment options and shopping methods that the websites provide.
- 2) Dr. Varsha Agarwal (2022) in her research article "Customer Perception towards Online Shopping" she found that as compared to offline buying, online shopping is preferable. The majority of internet shoppers only make one purchase every month. The most popular product category was apparel and accessories, with customer service and experiences being largely neutral and mild. Customers have shown that Amazon is the most widely used and favored online purchasing app. Due to the ease and convenience that internet buying offers to consumers, it is currently chosen over traditional means of selling.

2.1. OBJECTIVES OF THE STUDY

- 1) To know the online shopping behavior of consumers in north Karnataka
- 2) To study the satisfaction level of consumer regarding online shopping.
- 3) To know the preference of consumers towards AI
- 4) To identify what motivates a customer to make an online purchase.

2.2. HYPOTHESIS

H1 consumers are satisfied with online shopping

H2 consumers are happy about the discounts availability in online shopping

2.3. SCOPE OF THE STUDY

The purpose of the current study is to ascertain respondents' perceptions regarding online buying. The study aimed to present the various online shopping applications available. The area of the study is Belagavi district.

3. RESEARCH METHODOLOGY

This research is a descriptive study. It is supported by data from primary and secondary sources. The respondents were given a well-designed questionnaire using Google Form, which was used to collect the primary data. Information from books and websites was gathered as a secondary source. Data is collected from 100 respondents. Data collected were tabulated and systematically processed with the statistical tools like Z test.

4. RESULTS AND DISCUSSIONS

Demographic variable-based questions:

1) Online activities by gender-

Out of 100 respondents 63 are male and 37 are female.

2) Online activities by age group-

Out of 100 respondents, 37 respondents above 35 years of age, 23 respondents are between 30-35 age group, 18 respondents are between 25-30 age group, 12 respondents are between 20-25 age group, and 10 respondents are below 20 years of age.

3) Education-

Out of 100 respondents, 41 are post graduates, 30 are graduates, 18 are under graduates, 11 are professionals.

4) Occupation-

Out of 100 respondents, 65 are employees, 18 are self employed, 10 are students, 07 are others.

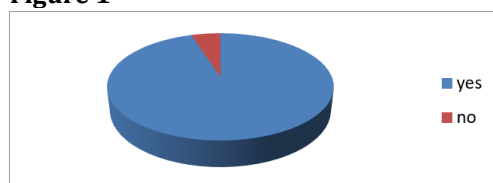
5) Annual income-

Out of 100 respondents, 56 respondents are having annual income between 250000-500000, 24 respondents having annual income between 500000-700000.

5. QUESTIONS BASED ON THE PERCEPTION OF PEOPLE TOWARDS ONLINE

1) Would you prefer to purchase online

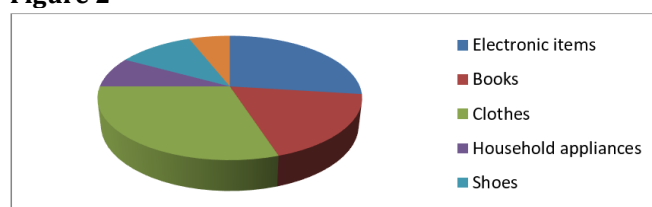
Figure 1



From the above chart out of 100 respondents 95 respondents prefer to purchase online.

2) If yes, what type of things you have mostly purchased?

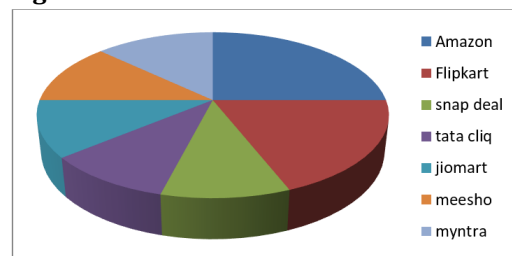
Figure 2



From the above chart out of 100 respondents 30 respondents prefer clothes and 27 respondents prefer electronic items and 18 respondents prefer books to purchase online.

3) Which is online site you visited the most?

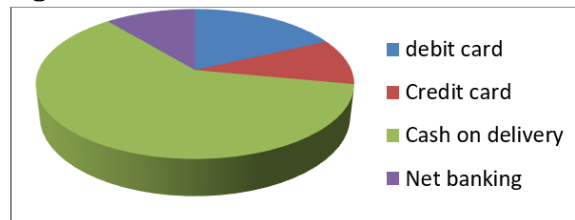
Figure 3



From the above chart out of 100 respondents 25 respondents prefer Amazon and 19 respondents prefer Flipkart and 13 respondents prefer Myntra online sites.

4) Which mode of payment do you prefer

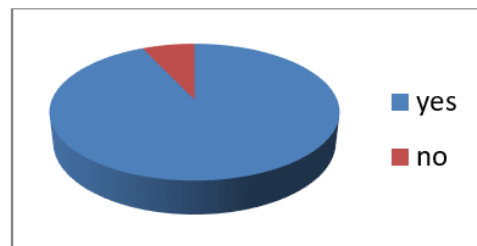
Figure 4



From the above chart out of 100 respondents 61 respondents prefer COD and 18 respondents prefer debit card and 11 respondents prefer net banking.

5) It is easier to buy online rather than going on to shop at shore

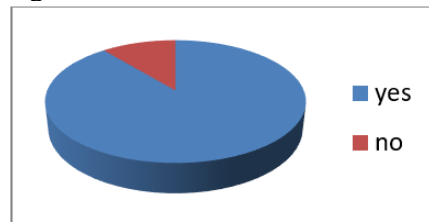
Figure 5



From the above chart out of 100 respondents 94 respondents feel easy to buy online products.

6) Did you happy with larger options available to choose with online shopping?

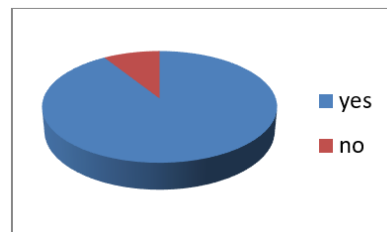
Figure 6



From the above chart out of 100 respondents 89 respondents say that larger options are available.

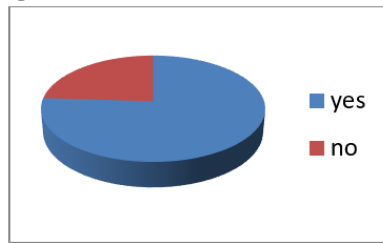
7) Do you prefer to purchase online due to heavy discount available?

Figure 7



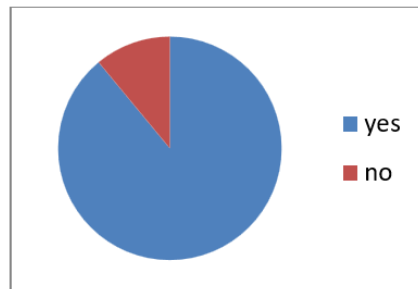
From the above chart out of 100 respondents 91 respondents happy about availability of more discounts.

8) Did you satisfied with product quality of online shopping?

Figure 8

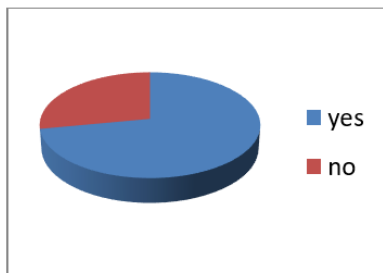
From the above chart out of 100 respondents 76 respondents satisfied about product quality.

9) Do you know and prefer artificial intelligence in online shopping like Virtual Try-On, Chatbots etc..

Figure 9

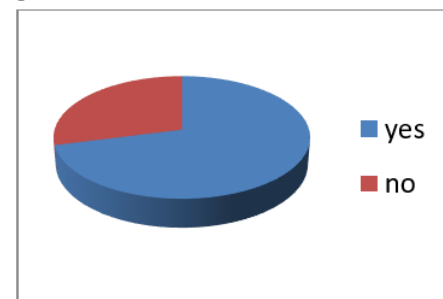
From the above chart out of 100 respondents 89 respondents are aware and prefer AI in shopping.

10) Do you check the rating of the product before buying it?

Figure 10

From the above chart out of 100 respondents 72 respondents check the rating before buy..

11) Do you feel online payment system is more secure?

Figure 11

From the above chart out of 100 respondents 71 respondents feel payment system is more secure.

6. TESTING OF HYPOTHESIS

H1 consumers are satisfied with online shopping.

Z- TEST SCORE

$$Z = \frac{(P-0.5)}{\sqrt{0.95-0.5}} = 14.14$$

$$\sqrt{(P*Q/n)} \sqrt{(0.95*0.05/100)}$$

The Z test score indicates that the proportion of satisfied customers is significantly higher than 0.5($P < 0.001$). So H1 is accepted.

- Majority of the customers prefer online purchasing rather than going to stores.

H2 consumers are happy about the discounts availability in online shopping

$$Z = \frac{(P-0.5)}{\sqrt{(P*Q/n)}} = \frac{(0.91-0.5)}{\sqrt{(0.91*0.09/100)}} = 13.14$$

The Z test score indicates that the proportion of satisfied customers about the availability of discount in inline shopping is significantly higher than 0.5($P < 0.001$). So H2 is accepted.

- Majority of customers consider discount as an important factor in online shopping.
- Online retailers should focus on offering discounts to attract and retain customers.

7. CONCLUSION

One of the simplest ways to purchase necessary goods and brands with the least amount of work is now through online shopping. This is a highly favored method of buying for today's youth. The COVID-19 epidemic has increased the significance and applicability of internet commerce. The purpose of the current study was to ascertain how consumers felt about purchasing online.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

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