

**CONSUMER PREFERENCE TOWARDS ONLINE GROCERY STORES IN
COIMBATORE CITY**

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Abstract

A company's success or failure can be determined by the inclinations of its customers. A product can endure for years and sell millions of copies if people generally find it appealing. The advent of online shopping makes it possible for customers to buy products while seated in front of a computer. Online shopping is preferred by customers because it saves time and offers high-quality products at reasonable prices.

Key-words: *Consumer preference; online grocery; online store.*

Introduction

In recent years, the retail landscape in Coimbatore has witnessed a significant transformation with the advent of online grocery stores. The increasing reliance on digital platforms and the growing tech-savvy population have contributed to a shift in consumer behaviour, particularly in the way people shop for groceries. This study aims to explore and understand the consumer preferences towards online grocery stores in Coimbatore city.

Coimbatore, known for its vibrant culture and economic dynamism, has become a focal point for various industries. As the city evolves, so do the shopping habits of its residents. The factors influencing consumer preferences in this context are multifaceted. Convenience, time efficiency, product variety, pricing, and the overall online shopping experience play pivotal roles in shaping the choices of consumers in Coimbatore. Additionally, the challenges and opportunities presented by the unique characteristics of the city's demographic and geographic features contribute to the complex dynamics of online grocery shopping. This study endeavours to delve into the intricacies of consumer behaviour in Coimbatore concerning online grocery stores. By employing various research methods, including surveys, interviews, and data analysis, we aim to provide valuable insights into why consumers in Coimbatore are increasingly opting for online grocery shopping, what factors influence their choices, and what challenges they might encounter in this evolving retail landscape.

As we navigate through the findings of this study, we hope to offer a comprehensive understanding of the consumer preferences towards online grocery stores in Coimbatore, shedding light on the factors that drive this trend and the implications for both consumers and businesses operating in this dynamic market. One prominent factor influencing preferences is the emphasis on quality and freshness, given Coimbatore's cultural inclination towards locally sourced and organic products. Online grocery stores catering to these preferences by ensuring a diverse range of high-quality, locally procured goods may garner increased favour among consumers. Exploring consumer preferences towards online grocery stores in Coimbatore unveils a unique perspective shaped by the distinctive characteristics of this regional market.

Objectives:

- i. To find out demographic profile of the response for the preference in online grocery shopping;
- ii. To investigate the key factors influencing consumer preferences in online grocery shopping;
- iii. To assess the impact of user interface design, product variety, and delivery reliability on consumer choices.
- iv. To provide actionable insights to assist businesses in optimizing their online grocery platforms based on identified consumer preferences

Statement of the problem

As consumers increasingly turn to digital platforms for their everyday needs, it becomes imperative to identify and comprehend the factors influencing their preferences in the online grocery sector. This project aims to investigate the specific elements that shape consumer choices, including but not limited to user interface experiences, product variety, delivery reliability, and pricing structures. By pinpointing these preferences, businesses can strategically tailor their online grocery services to align with consumer expectations, ultimately fostering customer satisfaction and loyalty. Consequently, the problem at hand revolves around the need for a comprehensive understanding of consumer preferences in the online grocery space to inform strategic decision making and enhance the overall efficacy of businesses operating in this dynamic market

Scope of the study

The scope of this study is defined by a comprehensive exploration of consumer preferences towards online grocery platforms, with a focus on elucidating the key factors influencing their choices and behaviours in this rapidly evolving market. The examination encompasses diverse dimensions, including user experience, product variety, delivery reliability, and pricing strategies employed by online grocery services. By scrutinizing these aspects, the study aims to provide a nuanced understanding of the intricate interplay between consumers and online grocery platforms. Geographically, the scope extends to capture a broad spectrum of consumer demographics, considering variations in preferences across regions and cultural contexts. This inclusivity ensures that the findings resonate with a diverse array of consumer segments, offering insights applicable to a global audience.

Research methodology

Empirical research used for the study, simple random sampling with 50 respondents analysed with primary data through well-structured questionnaire and secondary data collected through published research studies, government reports, industry statistics. The tools used for the study are percentage analysis, ranking analysis and chi square analysis.

Limitation of the study

The study may be limited by a sample bias, as it relies on a specific demographic or group of participants, potentially not fully representing the diverse range of online grocery consumers. Findings may be region-specific, and variations in consumer preferences based on geographical locations may not be fully captured, limiting the generalizability of the results. Technological Proficiency: Limitations may arise if participants vary in their technological proficiency, affecting the reliability of responses and potentially excluding certain segments of the population. Consumer preferences are dynamic and subject to change over time. The study may have limitations in capturing evolving trends and shifts in preferences due to its specific time frame.

Review of literature

Shipra Agrawal, (2021)¹ analysed the purpose of this paper is to understand consumer perception towards online grocery shopping and measure sustainability. 120 respondents were surveyed in order to learn more about customers' perspectives on online grocery shopping and the elements that influence their decision-making process. The data collected through the primary as well as through secondary form was analysed using various tools and descriptive statistics. Finally, the adequacy and efficacy of the study have been looked over and certain proposals have been recommended.

Sabari Shankar R and Nareshkumar S (2018)² in their study, they said that the online shopping has become an integral part of consumer. To understand the impact of demographic factors on consumer perception of online grocery shopping. Research methodology is the collection of methods which are used to perform research. Simple percentage analysis has been used to find and analyse the response percentage to the factors of the survey. The concluded that purchasing through online.

An Overview

Jio Mart

JioMart is an Indian e-commerce platform launched by Reliance Industries Limited, led by billionaire Mukesh Ambani. Introduced in 2020, JioMart operates as a grocery and household essentials delivery service, aiming to connect local retailers with consumers through an online marketplace. The platform leverages the widespread presence of Reliance's Jio network and relies on a "phygital" model, blending physical retail with digital technology. JioMart enables customers to order a variety of products, including groceries, fresh produce, and daily necessities, through its website or mobile app. It emphasizes a vast selection, competitive pricing, and timely delivery. By collaborating with neighborhood stores, JioMart strives to empower small businesses and create a seamless shopping experience for consumers. The platform's integration with WhatsApp enhances accessibility, allowing users to place orders conveniently via the messaging app. JioMart's expansion aligns with Reliance Industries' broader strategy of digital transformation and diversification into the e-commerce sector. As it continues to evolve, JioMart holds the potential to reshape India's retail landscape, combining the strengths of traditional retail with the efficiency of online shopping.

Big Basket

BigBasket is one of India's leading online grocery platforms, established in 2011. It operates as a comprehensive e-commerce solution for grocery shopping, offering a wide range of products including fresh produce, household essentials, and more. The platform allows customers to conveniently order groceries through its website or mobile app, with a focus on delivering quality products to their doorstep. BigBasket emphasizes a diverse product selection, accommodating various preferences and needs. The platform features a user-friendly interface, enabling customers to easily browse through categories, choose items, and complete their purchases. It has also introduced subscription models and loyalty programs to enhance customer retention. To ensure the freshness and quality of perishable items, BigBasket employs robust supply chain management and logistics.

Amazon

Amazon is a global e-commerce and technology giant founded by Jeff Bezos in 1994. Initially started as an online bookstore, Amazon has expanded its offerings to become one of the largest and most diversified online retailers in the world. The company operates across various segments, including e-commerce, cloud computing, digital streaming, artificial intelligence, and more. Amazon's e-commerce platform allows customers to buy a vast array of products, ranging from books and electronics to household goods and clothing. Amazon's success is attributed to its relentless focus on innovation, customer satisfaction, and a robust logistics network.

Flipkart

Flipkart is a prominent Indian e-commerce platform that has significantly shaped the online retail landscape in the country. Founded in 2007 by Sachin Bansal and Binny Bansal, who were former employees of Amazon, the company quickly gained traction and became one of the leading players in the Indian e-commerce sector. The platform initially started as an online bookstore, but it swiftly expanded its product range to include a wide array of categories such as electronics, fashion, home appliances, and more. This diversification contributed to Flipkart's rapid growth, attracting a large customer base seeking a convenient and reliable online shopping experience. One of the key factors that set Flipkart apart is its focus on customer-centric initiatives.

Reliance

Reliance Industries Limited, commonly known as Reliance, is a conglomerate based in India with a diverse portfolio spanning across various industries. Founded by Dhirubhai Ambani in 1966, the company has grown to become one of the largest and most influential corporations in the country. Here is an overview of Reliance Industries Limited. Reliance's journey began in the textile industry, where it initially established its presence. Over the years, under the leadership of Dhirubhai Ambani, the company expanded its operations into diverse sectors, including petrochemicals, refining, oil and gas exploration, telecommunications, retail, and digital services. One of Reliance's notable achievements is its dominance in the petrochemical and refining sector. The company operates one of the world's largest refining complexes at Jamnagar in Gujarat.

Data analysis and interpretation

Table no.1

s.no	Particulars	Classification	No of respondents	Percentage
1.	age	Below20 years	24	48
		21-30 years	20	40
		31-40 years	6	12
		Above 41 years	0	0
		Total	50	100
2.	gender	Male	33	66
		Female	17	34
		Total	50	100
3.	Education qualification	School level	4	8
		Under graduate	27	54
		Post graduate	12	24
		Diploma	4	8
		Total	50	100
4.	Domicile	Rural	27	54
		Urban	21	42
		Semi urban	2	4
		Total	50	100
5.	Occupation	Student	27	54
		Government employee	6	12
		Private employee	11	22
		Business	6	12
		Total	50	100
6.	Marital status	Married	13	26
		Unmarried	37	74
		Total	50	100
7.	Monthly income	Below 10,000	19	38
		10,000-25,000	22	44
		26,000-35,000	6	12
		Above 35,000	3	6
		Total	50	100
8.	Reasons for prefer shopping online grocery	Product availability and variety	14	28
		Quality and freshness	16	32
		Pricing	9	18
		Offers	11	22
		Total	50	100

Source: Primary Data

Interpretation

Table no1 above makes it evident that the respondents' overall profile reveals that:

- 48% of the respondents are below 20 years, 40% of the respondents are between 21-30 years, 12% of the respondents are of 31-40 years and 0% of the respondents are above 41 years.
- 66% of the respondents are male and 34% of the respondents are female.

- 8% of the respondents are at the school level, 54% of the respondents are at under graduate level, 24% of the respondents are at post graduate level, 8% of the respondents are at diploma level.
- 54% of the respondents are rural, 42% of the respondents are urban.
- 54% of the respondents are student, 12% of the respondents are government employee, 22% of the respondent are private employee, 12% of the respondents are business people.
- 26% of the respondents are married, 74% of the respondents are unmarried.
- 38% of the respondents have a monthly income of below Rs.10,000, 44% of the respondents are between Rs.10,001-20,000, 12% of the respondents are between Rs. 10,001-25,000, 12% of the respondents are between Rs.26,001-35,000, 10% of the respondents have a monthly income of above 35,000.
- 28% of the respondents, 26% of the respondents do Product availability and variety, 32% of the respondents do Quality and freshness 18% of the respondents do Pricing 22% of the respondents do Offers

Table no.2 describes respondents rating towards the features in online grocery which are classified as quick search, easy navigation, clear product categories, appealing visuals.

S.no	Features	Rank	1	2	3	4	Score	Mean	Rank
		Value	4	3	2	1			
1	Quick search functionally	No	32	6	8	4	166	0.296	I
		Score	128	18	16	4			
2	Easy navigation	No	7	25	13	5	134	0.239	III
		Score	28	75	26	5			
3	Clear product categories	No	17	12	17	4	142	0.254	II
		Score	68	36	34	4			
4	Appealing visuals	No	13	15	13	9	117	0.209	IV
		Score	52	30	26	9			

From the above table it is clear that out of total respondents for the study among the various features. Most of the respondents have given top priority to mobile notification followed by features quick search functionally, Easy navigation, Clear product categories, Appealing visuals.

It's concluded that the respondents have given top priority to mobile notification.

Findings of the study

- Most (48%) of the respondents are belonging to the age group in below 20 years.
- Majority (66%) of the respondents are male.
- Majority (54%) of the respondents have qualified to under graduate.
- Majority (54%) of the respondents are rural people.
- Majority (54%) of the respondents are students.
- Majority (74%) of the respondents are unmarried.
- Most (44%) of the respondent's income level is Rs.10,000-25,000
- Most (32%) of the respondents prefers shopping online grocery.

Suggestions

- Consumers prioritize online stores that offer high-quality products and ensure freshness, especially for perishable items like fruits and vegetables.
- Price plays a significant role in consumer preferences, with many looking for discounts, offers, and competitive pricing compared to traditional brick-and-mortar stores.
- Consumers prefer online grocery stores that offer flexible delivery options, including same-day delivery, scheduled deliveries, and express delivery for urgent orders.
- Providing multiple payment options, including cash on delivery, online payment gateways, and digital wallets, enhances consumer satisfaction.

Conclusion

Consumer preferences towards online grocery stores in Coimbatore are driven by a combination of factors including convenience, variety of products, quality assurance, price competitiveness, delivery options, user experience, payment flexibility, trustworthiness, sustainability, and positive reviews. With the increasing adoption of online shopping in the city, consumers prioritize platforms that offer a seamless shopping experience, competitive pricing, reliable delivery services, and a diverse range of high-quality products while demonstrating a commitment to sustainability and customer satisfaction.

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