CONSUMER PERCEPTION TOWARDS ONLINE GROCERY SHOPPING IN COIMBATORE: AN IN-DEPTH ANALYSIS

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ABSTRACT:

The proliferation of internet usage and the rise of e-commerce have dramatically altered consumer behavior, especially in the retail sector. Online grocery shopping, once a niche market, has now become a significant part of the retail ecosystem. This study explores consumer perceptions of online grocery shopping in Coimbatore, focusing on the factors influencing consumer attitudes, preferences, and challenges faced. Using data from 150 respondents, the study provides insights into the advantages and limitations of online grocery shopping, with implications for retailers and policymakers aiming to enhance e-commerce in the grocery sector.

Keywords: e-commerce, consumer behavior

INTRODUCTION TO E-GROCERY

Background: Grocery shopping is an essential and routine activity for every household, yet it is often perceived as a time-consuming and cumbersome task. The advent of online grocery shopping has revolutionized this daily chore, providing consumers with the convenience of ordering groceries from the comfort of their homes. With the growing adoption of digital technologies, the online grocery market has seen rapid expansion, particularly in urban areas like Coimbatore.

Importance of the Study: Understanding consumer perceptions towards online grocery shopping is crucial for retailers to tailor their offerings to meet consumer needs effectively. This study examines the factors that influence consumer decisions, the benefits and drawbacks of online grocery shopping, and the challenges consumers face. The findings will help online retailers in Coimbatore optimize their services and improve customer satisfaction.

INDUSTRY AND COMPANY PROFILE

Overview of the Online Grocery Market: The online grocery market in India has witnessed substantial growth, driven by factors such as increased internet penetration, busy lifestyles, and the convenience of home delivery. Companies like BigBasket, Grofers, and Reliance Fresh have emerged as key players, offering a wide range of products from fresh produce to packaged goods. The competition among these players has led to innovations in service delivery, product offerings, and customer engagement.

Case Study: BigBasket BigBasket, one of India's largest online grocery platforms, operates on an inventory-based model, ensuring product availability and timely delivery. The company's success in Coimbatore is attributed to its focus on customer satisfaction, extensive product range, and strategic partnerships with local vendors. This case study highlights the operational strategies that have enabled BigBasket to dominate the online grocery market in Coimbatore.

RESEARCH METHODOLOGY

Research Design: This study adopts a descriptive research design, aimed at capturing consumer perceptions towards online grocery shopping. The research involves both qualitative and quantitative data collection methods, including surveys and interviews.

Data Collection: Primary data was collected through a structured questionnaire distributed to 150 respondents in Coimbatore. The questionnaire covered various aspects such as consumer demographics, shopping frequency, factors influencing online grocery shopping, and challenges faced. Secondary data was sourced from industry reports, academic journals, and market analysis.

Sampling Technique: The study employed convenience sampling, targeting consumers who have experience with online grocery shopping. This non-probability sampling technique was chosen due to its ease of access and cost-effectiveness, although it may limit the generalizability of the findings.

FINDINGS AND ANALYSIS

Demographic Profile of Respondents: The majority of respondents were female (68%), and most belonged to the 21-40 age group (77.3%). This demographic is particularly significant as it represents the primary user base for online grocery shopping, driven by convenience and time-saving factors.

Shopping Behavior: The study found that a significant portion of respondents (44%) shopped online for groceries occasionally, with 36.7% doing so rarely. This indicates that while online grocery shopping is gaining traction, traditional grocery shopping still holds a significant share.

Advantages of Online Grocery Shopping: Respondents highlighted several benefits of online grocery shopping, including time-saving (38% agreed), convenience (36.7% agreed), and easy accessibility (44% agreed). The ability to compare prices and access a wider selection of products were also noted as significant advantages, suggesting that online platforms are effectively addressing consumer needs for variety and value.

Challenges Faced by Consumers: Despite its advantages, online grocery shopping is not without its challenges. Common issues reported by respondents included concerns about the freshness and quality of products (34% disagreed on quality), the inability to physically inspect items before purchase, and occasional delivery delays. Additionally, some consumers expressed scepticism about the security of online payment methods.

Consumer Preferences: The study revealed that consumers in Coimbatore prioritize price, product availability, and delivery speed when choosing an online grocery platform. Promotions and discounts were also significant motivators, with festival offers being particularly appealing.

DISCUSSION

Factors Influencing Consumer Perception: The analysis shows that consumer perceptions towards online grocery shopping are influenced by several factors, including ease of use, the convenience of delivery, and the availability of a wide range of products. However, concerns about product quality and security remain barriers to more widespread adoption.

Impact on Traditional Grocery Stores: The growth of online grocery shopping has implications for traditional grocery stores in Coimbatore. While some consumers continue to prefer the tactile experience of shopping in physical stores, the convenience and competitive

pricing offered by online platforms are gradually shifting consumer preferences. Traditional retailers need to adapt by integrating digital solutions or offering enhanced in-store experiences to retain their customer base.

Recommendations for Online Retailers: To address the challenges identified in this study, online grocery retailers should focus on:

- **Improving Product Quality:** Ensuring the freshness and quality of perishable items through better supply chain management.
- **Enhancing User Experience:** Streamlining website navigation, improving mobile app functionality, and offering personalized shopping experiences.
- **Strengthening Security:** Implementing robust security measures to protect consumer data and build trust in online payment systems.
- **Expanding Delivery Options:** Offering same-day or scheduled delivery services to meet consumer demands for convenience.

CONCLUSION

This study highlights the growing acceptance and potential of online grocery shopping in Coimbatore. While consumers appreciate the convenience and time-saving aspects of e-grocery, challenges related to product quality, security, and delivery logistics need to be addressed. As the market continues to evolve, online retailers must focus on enhancing the overall shopping experience to increase consumer satisfaction and loyalty.

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