

ANALYSIS OF CUSTOMER AWARENESS TOWARDS ONLINE SHOPPING AND E-PAYMENT

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Abstract

Electronic banking or e-banking is the term that describes all transitions takes place among companies, organizations and individual and their banking institutions. The purpose of this article is to study the level of Customer Awareness towards online shopping and E-payment in Uttar Pradesh. This study is based on the descriptive research design. A total of 100 Customers participated out of 130 Customers in the research conducted using the method whereby participants answered the standardized questionnaire. The study concludes that most of the customers are satisfied with E-Payment in certain factors like wide reach, more convenient, time saving and Alternative choice Payment method. However, there are several barriers identified to the adoption of this payment method like most of the customers are dissatisfied with security of E-Payment and network issue. The study recommends that government, e-tailers and the online community involve in online shopping, could engage more creative awareness on online shopping. Attention could be paid to mitigating the identified challenges of online shopping experience.

Keywords: *online shopping, payment systems, e-payments, e-wallets*

1. Introduction

In now days the traditional way shopping has been changed, it converted from physical into virtual form. The biggest reason behind it is emergence of e-commerce that introduce online shopping. The emergence of e-commerce has created new monetary wants that in several cases can't be effectively consummated by ancient payment systems. Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser or a mobile app. Before now, while emphasis of a business turnover was about durable good on the internet, today nearly every product or even service can be bought and sold via the internet. The internet, which is seen as a new marketing channel presents a different and unique shopping environment for consumers, provides a different shopping platform by which customers can shop without having to visit the stores which can be very exhausting.

The rapid growth of online marketing has given a new dimension to the customer shopping experience. In this day and age everyone wants to shop online due to its numerous benefits, such as convenience, effectiveness, easy to use, swift services, 24-hour day and 7-day week availability and so on. People just want to stay in the comfort of their homes or offices to place orders for

products or services in order to avoid staying in long queues and to save time also. Online shopping is the widely and frequently used channel for stress free shopping. It is in fact, a well-known channel of shopping within the web community. Shopping Online is receiving a very wide acceptance in recent times, whether it's for household products or services, or office requirements. It is becoming very obvious that Online shopping is the fastest and easiest way to make all your purchases, be it at home or in the office, or in a different country. This is particularly true for developed nations, where every store has its own website that one can buy from online.

E-payment

Electronic payment systems are merely electronic version of existing payment systems like cheques and credit cards, while, others are supported the digital currency technology and have the potential for definitive impact on today's monetary and medium of exchange.

Major e-payment systems

Studying various systems of electronic payments. Online payment systems that have been developed in past few years and these systems can be broadly classified into account-based and electronic currency systems. Account-based systems allow users to make payments via their personal bank accounts; whereas the other system allows the payment only if the consumer possesses an adequate amount of electronic currency. These systems offer a number of payment methods that include:

- Electronic payment cards (debit, credit, & charge cards)
- E-wallets
- Virtual credit cards
- Mobile payments
- Smart cards
- Electronic cash (E-cash)

Online banking, also known as internet banking, e-banking or virtual banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website. E-Banking refers to the banking services provided by the banks over the internet. Some of these services include paying of bills, funds transfer, viewing account statement, etc. Banks also deliver their latest products and services over the internet. Internet banking is performed through a computer system or similar devices that can connect to the banking site via the internet. Nowadays, you can also use internet banking on your mobile phones using a Wi-Fi or 3G connection.

2. Literature Review

Nwokah & Gladson- Nwokah (2016) they observed that though online shopping experience in Nigeria is very recent not having ten years' experience, it is increasingly growing. The adoption

of online e-tail from the both sides of the buyers and sellers are rapidly increasing. Customers' intention to continue shopping online is of a very high side. Though, it still has its numerous challenges. The study recommends that Nigeria Government, e-tailers and the online community involve in online shopping, could engage more creative awareness on online shopping.

Garge, Goel and Garge (2018) examine in their study concludes that most of the customers are satisfied with E-Payment in certain factors like wide reach, more convenient, time saving and Alternative choice Payment method. However, there are several barriers identified to the adoption of this payment method like most of the customers are dissatisfied with security of E-Payment and network issue.

Nath & Jain (2020) analyzed and findings of the literature review indicate a number of factors that affect the consumers' preference for shopping online. The literature also shares the different views of the barriers faced by the B2C e-commerce players in the Indian market. Certain models have also been previously formulated in terms of indicating the relationship between factors influencing the customer's behavior with the perceived usefulness and perceived ease of use of the TAM for B2C e-commerce. Most of the research papers reviewed have covered the studies conducted to conceptualize the consumer behavioral model for online shopping without laying much emphasis on the product category type. Therefore, there is further scope of developing the behavioral model covering the dimensions of experiential factors along the line of a specific product category.

D. V.P. Singh Kushwaha (2019) studied and examine attitude of common people of India towards online shopping. Circumstance, comparison to other part of world, in India is very much different. Issues of literacy, Acquaintance with internet use, computer literacy plays vital role in this regard. This paper is nowhere related to field work or survey it only reflect attitude of common people as experienced in day to day life. E-commerce players in India are still not adhering to e-commerce laws and regulations of India. For instance, Indian e-commerce, FDI regulations and cyber due diligence are still not complied with by many national and international e-commerce players. Even foreign direct investment (FDI), taxation and other regulations are not followed by many national and international e-commerce players in true letter and spirit. For instance, Indian government has already referred the cases of Flipkart and Snapdeal to the Enforcement Directorate for alleged violation of foreign direct investment (FDI) regulations. Similarly, a probe against Walmart in India for market access lobbying has been ordered by Indian government. Online shopping has come up as a boon for all type of consumers and it has something to offer for everyone. Despite of this fact that it is highly convenient and time saving and to certain extent it is also cost cutting exercise as one need not to step out of his / her home for doing shopping. The main area of concern is the limited internet usage and language problem. A lot of stress need to be given on these two parameters so that this IT revolution can be of use to everyone in India and then only it can be a success in true sense of terms. Otherwise, it will just end up being a style statement of few who wants to be away from the crowd and then it will lose its applicability in the real world.

Jaiswal & Singh (2020), their research paper aims in identifying the major factors or attributes that affect the customers, evaluating their overall experience while shopping on the digital platform and also their impact on online customer satisfaction. This study aims to explore the determinants of online customer experience of Indian shoppers and its effect on the satisfaction of the customers. For the purpose, 325 e-shoppers were surveyed through online mode using snow ball sampling technique. To achieve the objective, exploratory factor analysis was used and multiple regressions were applied. Furthermore, the findings suggest that economic value, customization, post-purchase experience and customer services are the major factors on which customers evaluate their overall online experience and satisfaction.

In the e-commerce era, customer experience has gained a tremendous significance and so it is essential to understand the determinants that affect the reach of online customer experience. Although there are several determinants that influence customer experience, on the basis of the studies it was found that source economic value, customization, customer service and post-purchase experience are the most prominent determinants of online customer experience influence. This study provides us with an insight of various factors of positive customer experience which influence customer shopping on the digital platform. It also helps in determining the variables that lead to more customer satisfaction on the digital platform. Although this study was conducted carefully but certain limitations were unavoidable due to accessibility of different techniques. First and foremost, the construct customer experience itself is very wide; hence, it was not possible to touch every aspect of the same as it would require too lengthy and cumbersome questionnaire and an extensive time for its exploration. Second, this study cannot be generalized for the whole population of the country as it includes online shoppers from Varanasi district only. As far as the future scope is concerned, it is advised to investigate every aspect of online customer experience in isolation. Areas such as social and affection related to customer experience have been least enquired about; therefore, attempts should be made to conduct studies in these areas.

Ilyas et al.,(2020), his study emphasizes the factor of customer satisfaction as a determinant of consumer loyalty and repurchase intention. Therefore, creating optimal customer satisfaction, service excellence, promotion and massive advertising, guaranteeing the safety and ease-of-use apps, and ease of shopping, especially for e-commerce industry, is a serious concern.

it can be concluded that first, branding is an essential strategy in marketing, especially in e-commerce business. A strategy that requires a considerable investment value, but offers long-term benefits, if done with policies with the right measurements. The success of embedding a brand in consumers' memories will result in repeated consumption of the brand. Consumers still use Shopee as their first online shopping choice due to positive testimonials from the environment or because they have been satisfied with previous transactions. Finally, satisfaction has a positive effect, but does not significantly affect repurchase. It can be assumed that realizing the customer satisfaction must be the primary target. The non-significance of indirect relationship can be assumed that the competitive factor within the same business activities as Shopee will lead people to transact on competitive online platforms. So, that it is essential for Shopee to keep working hard in carrying

out new strategies to highlight the characteristics of the Shopee application further so that brand-awareness value is increasingly embedded in the minds of the public.

I.Singh & Road (2019), study results of factor analysis showed that in online shopping Product Information, Online Payment, Convenience and Variety, Consumer Attitude, Easy Accessibility, Flexibility, Price, Consciousness and Challenges of online shopping have been identified as important factors. So it can be concluded that there are many factors which consumers keep in mind while purchasing on-line. So owners of websites should keep in mind these factors to make their shopping websites more popular, and make their customer more satisfied resultant of which sales and profitability can be improved.

Walugembe et al., (2015), their study indicates that credibility and trust is what customers are looking for in the situation where they will be buying what they don't physically see, this will probably make customers to be committed to a supermarket and have the willingness to see it prosper. The study indicated that trust can contribute to readiness to accept e-shopping, therefore supermarkets preparing for e-shopping have to position themselves as credible and trustworthy so that they can attract customers who are interested in adopting e-shopping. This study indicates that credibility and trust is what customers are looking for in the situation where they will be buying what they don't physically see, this will probably make customers to be committed to a supermarket and have the willingness to see it prosper.

Gurme (2017), studied the awareness of customer online shopping usage with reference to Pune area and to identify and analysis the impact factor influencing awareness and usage of online shopping in Pune area. The current research, data was collected through a questionnaire of online shopping awareness and usage of customers. In this, simple percentage method analysis has been used for data analysis. On the base of result or analysis shows that online shopping in India is vastly affected by various demographic factors like age, gender, and income.

Abu-Alsondos et al., (2023), found in their study also that online retailers and policymakers looking to boost Jordanians' comfort level with making purchases over the Internet. The findings of this study will be invaluable to international online retailers that are considering entering the Jordanian market. They will reveal not only the most important aspects affecting consumers' perceptions of online shopping in Jordan, but also the level of maturity of this sector.

. This pandemic is prompting consumers to switch from conventional shopping methods to internet shopping. While the pandemic is still going on, many companies without an internet presence cannot contact their customers. They are suffering quite serious financial losses as a direct consequence of this. If businesses want to survive these remarkable times and be prepared for whatever the future may hold, they must have a strong online presence. But for this to happen, a thorough analysis of the factors influencing consumers' views about online shopping is required. To accomplish the goals and objectives of this study, the author also conducted a thorough literature review. Using an inclusion/exclusion criteria, 100 recent, relevant, and reputable papers were selected for this review, which was followed by data extraction and analysis. The results of earlier studies were collated and organized into topics; in this instance, the themes related to the present stage of growth of the online shopping domain in Jordan as well as recurrent elements impacting consumer attitudes about online shopping. In addition, the topics were organized into

groups based on the conclusions of earlier studies. The main elements that affect people's views regarding internet shopping in Jordan were found by this research.

Nath & Jain, (2020), examined and their literature review indicate a number of factors that affect the consumers' preference for shopping online. The literature also shares the different views of the barriers faced by the B2C e-commerce players in the Indian market. Certain models have also been previously formulated in terms of indicating the relationship between factors influencing the customer's behavior with the perceived usefulness and perceived ease of use of the TAM for B2C e-commerce. Most of the research papers reviewed have covered the studies conducted to conceptualize the consumer behavioral model for online shopping without laying much emphasis on the product category type. Therefore, there is further scope of developing the behavioral model covering the dimensions of experiential factors along the line of a specific product category.

Garg et al., (2018) centralized their study on level of Customer Awareness towards online shopping and E-payment in Haryana. The study concludes that most of the customers are satisfied with E-Payment in certain factors like wide reach, more convenient, time saving and Alternative choice Payment method. However, there are several barriers identified to the adoption of this payment method like most of the customers are dissatisfied with security of E-Payment and network issue.

Vadivu S. (2015) concluded that, having access to online shopping has truly revolutionized and influenced our society as a whole. This use of technology has opened new doors and opportunities that enable for a more convenient lifestyle today. Variety, quick service and reduced prices were three significant ways in which online shopping influenced people from all over the world. However, this concept of online shopping led to the possibilities of fraud and privacy conflicts. Unfortunately, it has shown that it is possible for criminals to manipulate the system and access personal information. Luckily, today with the latest features of technology, measures are being taken in order to stop hackers and criminals from inappropriately accessing private databases.

3. Research Methodology

Research Design

A quantitative research design was used. Data were collected using questionnaires and analyzed using quantitative research techniques including descriptive statistics, frequencies and percentages. Further, inferential statistics were used to examine the relationship between study variables such as correlation, regression analysis.

Sampling

A sample of 130 respondent has been taken for study with special reference of Uttar Pradesh with 10 variables. Variable that taken are very crucial factors for online shopping and e-payment. research conducted using the method whereby participants answered the standardized questionnaire.

Data collection

Data is collected for the study through standardized questionnaire method of primary data collection. Questionnaires were distributed, with vigorous follow ups through e-mail and get response few days.

Data analysis

The captured data was scrutinized for any missing or inadequate information and was analyzed using both descriptive and correlation as well as regression analysis. Quantitative data was be sorted, coded, edited and classified into categories using the SPSS (Statistical Package for Social Scientist). Cross tabulation was used to give a general description of categorical data such as age and gender. Correlation and regression were used to establish the strength and direction of relationship between the variables and qualitative assessments were turned into quantitative numbers through scaling techniques.

The KMO test is a measure of sampling adequacy for each variable in a factor analysis model. It assesses how well each variable correlates with the other variables in the model, indicating the proportion of variance among variables that might be common variance. The KMO statistic ranges from 0 to 1, with higher values indicating better sampling adequacy.

KMO value of 0.5 or higher is generally considered acceptable for factor analysis.

- Values closer to 1.0 are ideal, indicating strong relationships among variables.
- Values below 0.5 are considered unacceptable, suggesting that the variables may not be suitable for factor analysis.

Bartlett's Test of Sphericity

Bartlett's test is a statistical test used to determine whether a correlation matrix is significantly different from an identity matrix (i.e., whether the variables are unrelated). The test evaluates the null hypothesis that the correlation matrix is an identity matrix.

- A significant p-value (typically < 0.05) indicates that the correlation matrix is not an identity matrix, suggesting that the variables are related and suitable for factor analysis.
- A non-significant p-value (≥ 0.05) indicates that the variables are unrelated, and factor analysis may not be appropriate.

Objective of the study

1. To study awareness of customer towards online shopping and e-payment with reference to Uttar Pradesh, India.
2. To identify and analysis factors that affects to online shopping and e-payment

4. Data Interpretation

The research study is based on primary data. The primary data required for the study have been collected through 100 respondents or customers. A well-structured questionnaire was designed which was filled by the respondents. For this research study selected random sample method. The respondents or customers are like students, professionals, relatives and neighbors out of 100 respondents.

Variable	R	Responses
Gender	Male	56
	Female	44
	Total	100
Age	15-20 yrs.	10
	20-25 yrs.	20
	25-30 yrs.	50
	Above 30 yrs.	20
	Total	100
occupation	Students	27
	Employee	65
	Business	3
	Home makers	5
	Total	100
Residence	Rural	10
	Urban	78
	Semi Urban	11
	Total	100

Now a day's online shopping system or concept widely used and becoming more popular with the increased awareness and usage of the world. Understanding the customer needs and wants the companies to accept the challenges and implement for customers buy a product through online easily and quickly. On that base analyzes the impact factors about customer awareness and usage and that particular survey got good feedback from respondents regarding online shopping. In future customers are depending on online shopping for buying products and services with the satisfaction.

Factors affecting the Choice online shopping

(i) Reliability Analysis for online shopping

Cronbach alpha was calculated and the initial value of reliability was 0.793 which shown in Table 2 (Sekaran, 2000). Further 32 items were used to carry factor analysis.

Cronbach alpha test is used to measuring the reliability among responses of all participant that they have to make consistent in answering all questions. If the value of Cronbach alpha value is near to 1 it means there is highly recommending that consistency is available in respondent' answers.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.793	.858	10

KMO and Bartlett's Test

The Bartlett test of sphericity and KMO test were applied to examine the correlation among variables and adequacy of sample. Kaiser (1974) recommended that “The value of KMO should be greater than 0.5 is acceptable”. The findings of Bartlett test of sphericity and KMO have been shown in Table 3. The results of Bartlett’s Test of Sphericity and KMO show that data is fit to run factor analysis. A KMO value above 0.5 and a significant Bartlett’s test ($p < 0.05$) suggest that the data is well-suited for factor analysis, as the variables are strongly correlated and not independent. A KMO value below 0.5 or a non-significant Bartlett’s test ($p \geq 0.05$) may indicate that the data is not suitable for factor analysis, as the variables may not be correlated or may be too independent

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.75
Bartlett’s Test of Sphericity	Approx. Chi-square	509.243
	.df	100
	Sig.	0.000

The summarized results of factor analysis have been shown in Table

S.No.	Factor Name	(Variance Explained %)	Eigen Value	Value	Cronbach Loading	Alpha	Statement includes in the factor		
1	4.989	49.890	49.890	4.989	49.890	49.890	4.889	48.891	48.891
2	1.039	10.393	60.283	1.039	10.393	60.283	1.139	11.392	60.283
3	.975	9.754	70.037	.975	97.5	70.037	6.93	69.3	70.037

4	.848	8.484	78.521	.848	84.84	78.521	8.48	84.82	78.521
5	.580	5.798	84.319	.580	57.98	84.319	7.34	73.42	84.319
6	.506	5.056	89.375	.506	50.56	89.375	6.50	65.01	89.375
7	.447	4.473	93.847	.447	44.73	93.847	4.27	42.74	93.847
8	.396	3.961	97.808	.396	39.6	97.808	3.96	39.6	97.808
9	.219	2.192	100.000	.219	21.9	100.000	2.19	21.9	100.000
10	-1.005E-016	-1.005E-015	100.000	-0.0000	-0.0001	0.000	0.000	-0.0000	-0.000

Extraction Method: Principal Component Analysis

Further, Malhotra (2006) recommended that the minimum 50% of the variance should be accounted for explaining the variation of factors. In the current study, eight factors were accounted for 69.330% variation in the data. While applying factor analysis, factor loading below 4.5 were ignored for the purpose of further analysis (Hair *et al.*, 1998). After running of factor analysis, 32 items were reduced to 8 factors. The Varimax Rotated eight factor satisfactory solutions so derived is shown in the Table 5.

5. Conclusion

Results of factor analysis showed that in online shopping Product Information, Online Payment, Convenience and Variety, Consumer Attitude, Easy Accessibility, Flexibility, Price, Consciousness and Challenges of online shopping have been identified as important factors. So it can be concluded that there are many factors which consumers keep in mind while purchasing on-line. So, owners of websites should keep in mind these factors to make their shopping websites more popular, and make their customer more satisfied resultant of which sales and profitability can be improved. The analysis of customer awareness towards online shopping and e-payment reveals a growing understanding and adoption of digital shopping platforms and electronic payment methods. Over the years, customers have become increasingly familiar with the benefits of convenience, time-saving, and a wide range of product options offered by online shopping. E-payment systems, which allow secure, swift transactions, have contributed significantly to this growth. However, challenges such as security concerns, lack of trust, and digital illiteracy in

certain demographics still persist. The research indicates that as awareness increases, consumers are more likely to embrace these platforms. Factors such as ease of use, security, and the availability of multiple payment options are key drivers in this transition. It is evident that the continued success of online shopping and e-payment systems depends on addressing these concerns and fostering trust through robust security measures, customer education, and improving the overall user experience.

Moreover, businesses and financial institutions must actively promote digital literacy, ensuring that customers are not only aware of the benefits but also feel confident in using these systems. The future of online shopping and e-payments appears promising, with potential for further expansion, especially in emerging markets, provided that challenges around security, accessibility, and trust are systematically tackled.

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