

## CONSUMERS' ATTITUDE TOWARDS ONLINE SHOPPING AFTER DEMONETIZATION- WITH REFERENCE TO KHANNA CITY

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### **ABSTRACT**

*Demonetization means the withdrawal of particular form of currency which is in circulation. In India, it took place on 8th November 2016 by banning old 500 and 1000 rupee notes. The main objective of this policy was to affect the black market operations happening in our economy. The present paper studies the effect of demonetization on attitude of consumers after this huge transformation period.*

**Keywords:** Consumer, attitude, demonetization, online shopping

### **Introduction**

Commerce via the Internet, or e-commerce, has experienced swift development since the early years. It is well acknowledged to most of the researchers of internet that, the number of E-commerce Business-to-Consumer (B2C) transactions is rising yearly at a very high pace. While both existing and new, large and small scale businesses are currently using Internet as a medium of sales of their products and services (for example HP computer, Flipkart.com). Much research has been determined on the E-commerce shopping in the world, yet there is requirement for closer scrutiny on the E-commerce shopping buying behaviour in developing countries like India.

An 'attitude' is defined as a general evaluation of a product or service formed over time. An attitude satisfies a personal motive and at the same time, affects the shopping and buying habits of consumers.

*"A marketer is challenged to understand the reason a particular attitude might exist."*

Consumer attitudes are both an impediment and benefit to marketer. Choosing to price cut or paying no heed to consumers' attitudes of a particular product or service, while determining a marketing strategy, results in restricted achievement of a campaign. In contrast, insightful marketers manipulate their understanding of attitudes to predict the attitude of consumers. Such marketers know precisely how to make a distinction between beliefs, attitudes, and behaviors while determining all three in making of their marketing strategies.

### **Objectives of the Study**

- To study the trend of online shopping pre & post demonetization
- To study various policies of demonetization and their impact on online shopping
- To know the level of consumers' attitude towards online shopping after demonetization

### **Research Methodology**

**Source of Data:** This study is based upon primary data which has been collected from the consumers of Khanna city through questionnaire.

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**Sample Size:** The information was collected through structured questionnaire. A total of 50 respondents from Khanna city were interviewed.

**Sampling Technique:** Convenience sampling technique has been adopted for the study.

**Tools for Analysis:** Simple charting and tabulation tools are used for data analysis.

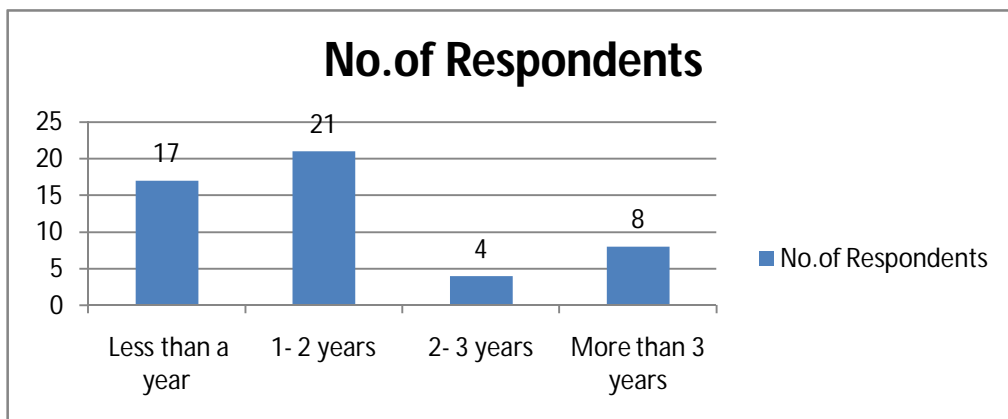
**Limitations of the Study**

1. The sample size is limited to 50 respondents, so the result of the study can not be considered as universal.
2. The findings of the research are based on the assumption that respondents have given the correct information.
3. The study was conducted only in Khanna city, so other potential samples outside Khanna city were not considered.

**Data Analysis And Interpretation**

**Table-1** showing the time of respondents for using online markets.

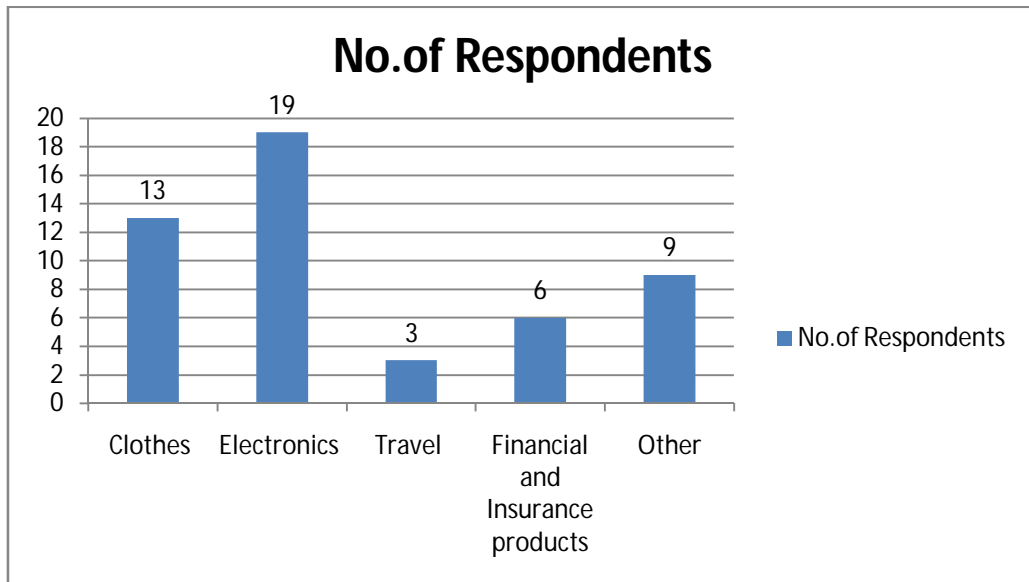
Particular	No. of Respondents
Less than a year	17
1- 2 years	21
2- 3 years	4
More than 3 years	8
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that majority of the consumers i.e 42% of the respondents had started using online market from 1-2 years i.e. after the demonetization.

**Table-2** showing the categories of products that respondents had been buying from online markets before Demonetization.

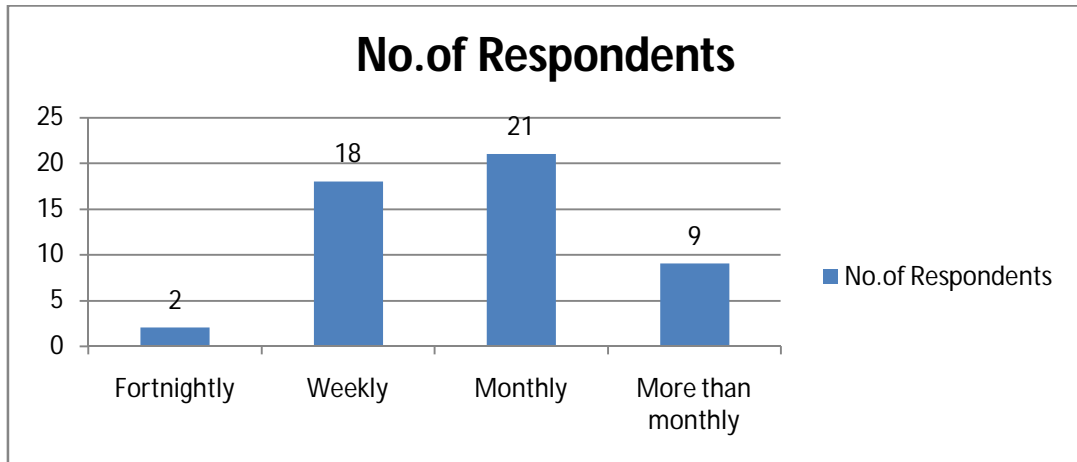
Particular	No. of Respondents
Clothes	13
Electronics	19
Travel	3
Financial and Insurance products	6
Other	9
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that consumers are mainly doing online shopping in the electronics (38%) and clothes (26%).

**Table-3** showing the frequency of respondents for using online markets pre-demonetization.

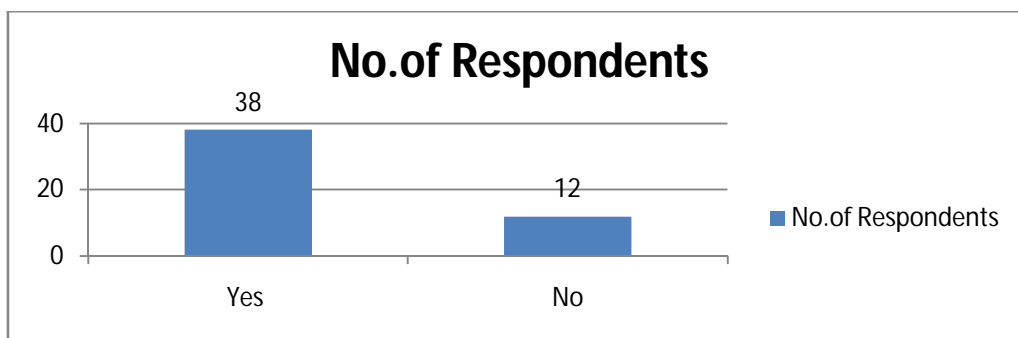
Particular	No. of Respondents
Fortnightly	2
Weekly	18
Monthly	21
More than monthly	9
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that before demonetization, consumers were not regularly doing the online shopping as only 4% were involved in daily online shopping.

**Table-4** showing that whether demonetization had made any effect on preference of people for using "Plastic Money" more for purchasing.

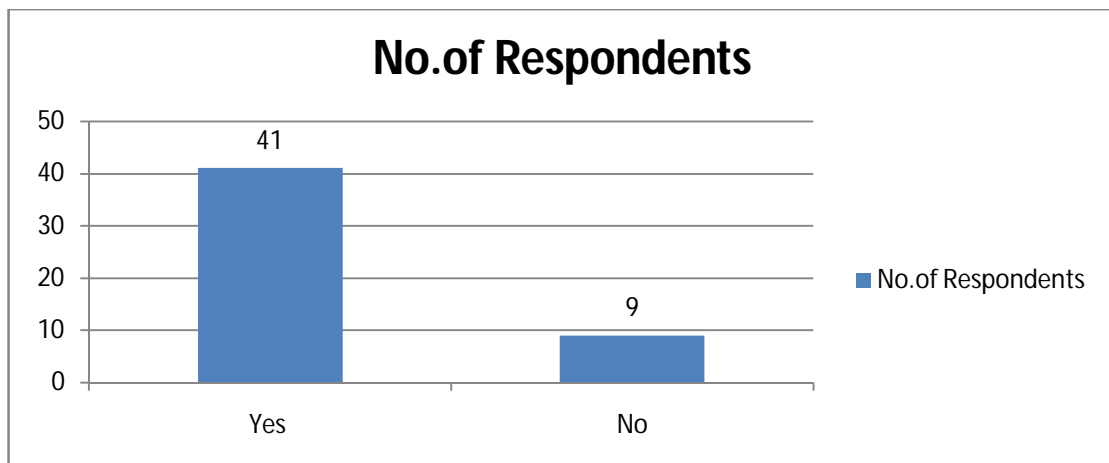
Particular	No. of Respondents
Yes	38
No	12
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that majority i.e 76% of the respondents agree that they had started using plastic money more after demonetization.

**Table-5** showing that whether the behavior of respondents for online purchase had changed due to demonetization.

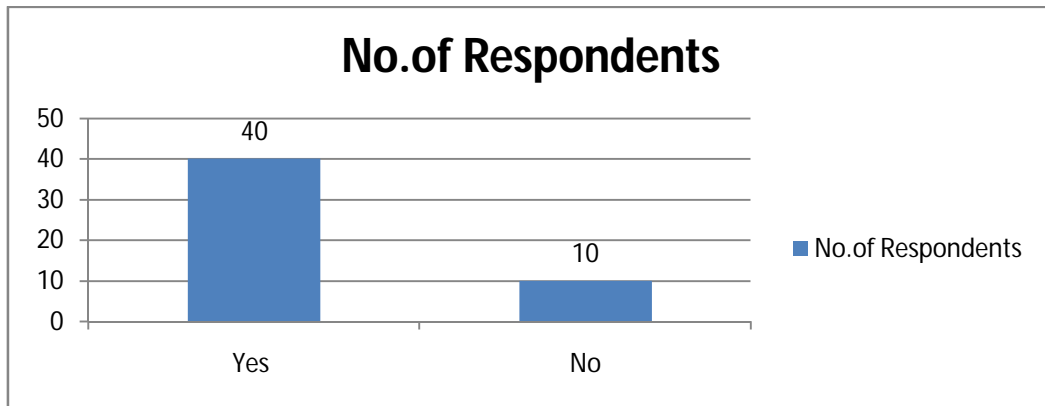
Particular	No. of Respondents
Yes	41
No	9
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that behaviour of majority of the respondents i.e. 82% had changed for online purchase after demonetization.

**Table-6** showing that whether various “Cashback” and “Discount” offers made available by online shopping companies had changed the behaviour of people towards “Cashless” Payments.

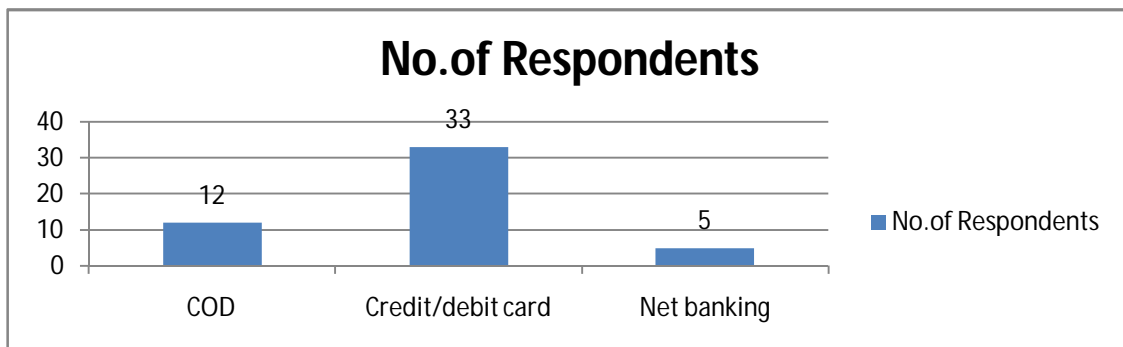
Particular	No. of Respondents
Yes	40
No	10
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that behaviour of majority of the respondents i.e. 80% had changed towards “Cashless” Payments due to various “Cashback” and “Discount” offers made available by online shopping companies.

**Table-7** showing the change in online payments post demonetization.

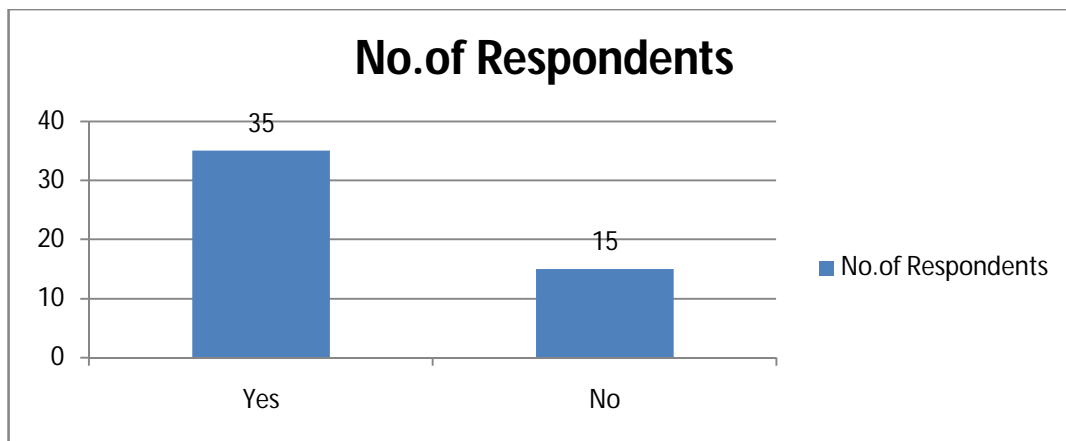
Particular	No. of Respondents
COD	12
Credit/debit card	33
Net banking	5
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that, after demonetization, 66% of the respondents are making online payment through credit/ debit cards, 24% through Cash On Delivery and 10% through Net Banking.

**Table-8** showing that whether the satisfaction level of respondents had gone up with online purchases.

Particular	No. of Respondents
Yes	35
No	15
<b>Total</b>	<b>50</b>



**Interpretation:** The above analysis shows that satisfaction level of majority of the respondents i.e. 70% had had increased with online purchases.

### Conclusion

From the above study, we can conclude that demonetization has made great impact on the e-commerce industry. Due to demonetization, many consumers have started shopping through online instead of traditional retail shops. Due to “Cashback” and “Discount” offers in addition to ease of making payment, customers have started making online payment. Hence, it can be concluded that demonetization has widened up the scope of e-commerce industry which will prove to be a great advantage to the Indian consumers.

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