A STUDY ON REASON FOR BUYING NEW HOME APPLIANCES IN ONLINE

Dr. S. RAJU
Research Guide and Supervisor
Assistant Professor of Commerce
A.V.V.M.Sri Pushpam College (Autonomous), Poondi
(Affiliated to Bharathidasan University – Tiruchirappalli -24)

Mr. G. KOTHANDAPANI
Ph.D., Research Scholar
A.V.V.M.Sri Pushpam College (Autonomous), Poondi.
(Affiliated to Bharathidasan University – Tiruchirappalli -24)

ABSTRACT

Due to variables including price, convenience, technological developments, and digital literacy, e-commerce has grown rapidly, revolutionising the way consumers buy home appliances. This study examines why people buy home appliances online, paying particular attention to elements like cost-effectiveness, simplicity of use, trust, and flexible payment choices. There are clear regional differences, with semi-urban and rural purchasers emphasising affordability and necessity while urban consumers prioritise house improvements and status. Descriptive analysis, chi-square testing, and correlation analysis are used in the study to find important connections between demographic characteristics like location and buying reasons. The results highlight the significance of region-specific marketing tactics, efforts to foster trust, and improved user experiences in e-commerce platforms. The report emphasises how changing consumer preferences—which have been accelerated by the COVID-19 epidemic and modified by digital transformation—offer useful information for companies looking to improve customer satisfaction, optimize their strategies, and increase the long-term sustainability of online shopping platforms.

KEYWORDS: e-commerce, online shopping, home appliances, digital literacy, customer behaviour,

INTRODUCTION

E-commerce's explosive expansion has revolutionised the way people buy home appliances by providing unmatched convenience, a greater range of options, and affordable prices. Traditional retail environments are being altered by the rise of online platforms as a popular place to purchase. Numerous causes, such as technological improvements, digital literacy, and the growing use of smart phones and the internet, might be blamed for this change in customer behaviour. This trend is further fuelled by the simplicity of product comparison, the availability of thorough evaluations, and the presence of alluring discounts. Once thought of as large purchases that were often made in-store, home appliances are now being bought online thanks to the improved consumer experience offered by e-commerce platforms. These platforms are a desirable option for contemporary consumers since they cater to a variety of

customer needs, including hassle-free returns, doorstep delivery, and flexible payment methods. This trend has also been accelerated by the COVID-19 epidemic, as many consumers are now purchasing online in order to comply with social distancing standards. With an emphasis on the main drivers, inclinations, and perceived advantages, this study attempts to investigate why consumers choose to purchase household appliances online. By examining these variables, the study aims to offer insightful information on how consumer behaviour is changing in the digital age, helping companies better match their tactics to what customers want.

SCOPE OF THE STUDY

The factors influencing consumers' decisions to buy new home appliances online are investigated in this study. The scope includes a thorough examination of customer preferences, motives, and behaviours, providing insights into how online buying are changing. It focuses on important factors that help explain why e-commerce is becoming more and more popular than traditional retail establishments, including convenience, price methods, product diversity, customer evaluations, and promotional offers. The study also looks at how digital literacy, technology adoption, and socio demographic variables like geography, income, and age affect online buying decisions.

The study also explores how online purchasing features including flexible payment methods, tools for comparing products, delivery services, and return policies affect customer loyalty and happiness. The scope also includes comprehending how the COVID-19 epidemic accelerated the trend towards online shopping and its long-term effects on consumer behaviour. By concentrating on these aspects, this study offers useful information to marketers, home appliance makers, and e-commerce companies. It points out areas where online retail methods need to be improved and finds ways to improve consumer satisfaction and increase sales. The results are intended to inform practical applications in the e-commerce sector and add to the scholarly conversation on digital consumer behaviour.

REVIEWS OF LITERATURE

Chiu et al. (2014) investigated how ease, perceived value, and trust affected consumers' online purchasing decisions. Their research showed that value and convenience had a big impact on people's decisions to buy home appliances online, highlighting the significance of clear pricing and user-friendly interfaces.

Chevalier and Mayzlin (2006) examined the influence of online reviews on consumers' decisions to buy. Positive evaluations boost consumer trust and have a big impact on buying expensive products like home appliances, according to their results.

According to Kim and Lennon (2013), consumer satisfaction and their propensity to buy home appliances online are directly impacted by elements including website design, convenience of use, and safe payment methods.

Grewal et al. (2010) looked into how promotions and discounts affected customers' decisions to buy. They came to the conclusion that price reductions are a major factor in online home appliance sales.

Venkatesh et al. (2012) investigated how technology is being used for online buying. Their research highlighted how consumer preference for e-commerce platforms is greatly influenced by digital literacy and simplicity of use of technology.

Sheth (2020) examined how online buying patterns were accelerated by the epidemic. The study found that the main reasons people buy household appliances online are convenience and safety concerns.

According to Forsythe et al. (2006), consumers' decisions to purchase home appliances online are influenced by perceived risks, such as worries about product quality and safe transactions. Product comparison tools on e-commerce platforms empower customers and have

a favourable impact on their decision-making process, particularly for expensive items like appliances,

According to Shankar et al. (2011). Gefen et al. (2003) showed that a major factor influencing consumer behaviour when making purchases is faith in e-commerce platforms, especially when it comes to durable goods like household appliances.

Mangold and Faulds (2009) investigated how social media sites affect people's decisions to buy. Their research showed that social media ads and recommendations have a big influence on online appliance purchases.

Convenience is the main factor driving internet shopping, especially for time-constrained consumers buying household appliances, according to Berry et al. (2002).

In their analysis of the significance of dependable and prompt delivery services for customer satisfaction, X et al. (2014) focused on their function in the online purchase of large items such as household appliances.

Flavián et al. (2006) investigated how post-purchase services, like return policies and warranties, contribute to customer loyalty and trust when it comes to online appliance sales.

In order to identify the customer segments most likely to make online purchases of home appliances, Slyke et al. (2004) investigated the effects of age, gender, and income on online purchasing behaviours.

Huang and Rust (2018) talked about how AI-driven suggestions can improve customer confidence while buying appliances by personalising the online shopping experience.

Senecal and Nantel (2004) discovered that influencer endorsements and peer recommendations have a big impact on online buying decisions for high-involvement products like appliances.

Easy return policies lower purchase anxiety and promote online sales, particularly for expensive items, according to Petersen et al. (2005).

Magrath and McCormick (2013) emphasised how mobile apps are becoming increasingly important in facilitating easy and convenient online buying for household appliances.

Li and Kannan (2014) discovered that data-driven, personalised shopping experiences greatly increase customer happiness and trust.

Yu et al. (2018) investigated how e-commerce platforms' eco-friendly and sustainable practices affect customers' decisions, particularly when it comes to durable products like household appliances.

STATEMENT OF THE PROBLEM

E-commerce's explosive expansion has had a big impact on consumer buying habits, particularly how people buy household appliances. Even while online platforms are becoming more and more popular, it is still difficult for researchers and businesses to comprehend the fundamental causes of this change. Convenience, affordability, a wide range of options, and the chance to read reviews and ratings are some of the elements that influence consumers' decisions to buy home appliances online. Businesses, however, struggle to pinpoint the precise expectations and motivations of their clientele, which can differ depending on psychological, technological, and demographic aspects. Even if e-commerce platforms have many benefits, problems like mistrust, delayed delivery, and discontent with after-sale services still exist. Potential disadvantages that could erode customer confidence include the inability to visually inspect things prior to purchase and the absence of personalised in-store interactions. Furthermore, the COVID-19 epidemic has expedited the trend towards online purchasing, so it's critical to determine whether this is a passing fad or a sign of longer-term behavioural shifts. By determining and examining the main factors that influence customers' preference for online platforms when buying home appliances, this study aims to close these gaps. The results are

intended to give e-commerce companies useful information for improving client satisfaction, honing their tactics, and removing any obstacles to the widespread use of online purchasing.

RESEARCH METHODOLOGY

This study examines the motivations behind online purchases of new household appliances using a descriptive research design. Structured questionnaires will be used to gather primary data from a sample of online shoppers chosen through purposive sampling. Convenience, cost, product variety, trust, and user experience are some of the main topics that will be covered in the questionnaire. Reports, industry analyses, and journals will be the sources of secondary data. While qualitative replies will offer more profound insights, quantitative data will be examined using statistical tools to spot trends and patterns. By using standardised data gathering techniques and pre-testing, the study seeks to guarantee validity and dependability.

OBJECTIVE OF THE STUDY

1. To study the reason for buying new home appliances in online with respect to the study area.

Reason for Buying New Home Appliances Online

There are many reasons for a consumer to buy home appliances through online. It is essential to measure most influenced reason for buying new home appliances online. Following is the classification of respondents based on their reason for buying new home appliances online. Chi-square analysis made to find the relationship between reason for buying home appliances and area of residence.

Table No - 1
Reason for Buying New Home Appliances

Reasons	Area of Residence			Total	Chi – Square Value	P Value
	Urban	Semi – Urban	Rural			
Exchange of Old one	40 (58.0) [17.4]	10 (14.5) [5.2]	19 (27.5) [19.8]	69 (100.0) [13.3]		
Upgrading of Home Facilities	48 (56.5) [20.9]	28 (32.9) [14.7]	9 (10.6) [9.4]	85 (100.0) [16.4]		
A symbol of Status	47 (61.8) [20.4]	29 (38.2) [15.2]	0 (0.0) [0.0]	76 (100.0) [14.7]		
Influenced by Necessity	9 (10.6) [3.9]	57 (67.1) [29.8]	19 (22.4) [19.8]	85 (100.0) [16.4]	114.79	< 0.001**
Increment of Income	38 (50.0) [16.5]	19 (25.0) [9.9]	19 (25.0) [19.8]	76 (100.0) [14.7]		
Influenced by Family members	19 (28.4) [8.3]	38 (56.7) [19.9]	10 (14.9) [10.4]	67 (100.0) [13.0]		
Changing Trend	29 (49.2) [12.6]	10 (16.9) [5.2]	20 (33.9) [20.8]	59 (100.0) [11.4]		
Total	230 (44.5) [100.0]	191 (36.9) [100.0]	96 (18.6) [100.0]	517 (100.0) [100.0]		

Source: Primary Data
Numbers in ( ) Row percentage
Numbers in [ ] Column percentage
** indicates 1 percent level of significance

Table exhibits that 17.4 percent of the urban respondents purchase home appliance for exchanging of old one, 20.9 percent of the urban respondents purchase home appliance for upgrading of home facilities, 20.4 of the urban respondents purchase home appliance for as symbol of status, 3.9 of the urban respondents purchase home appliance by influence of life style necessity, 16.5 of the urban respondents purchase home appliance because of increment of income, 8.3 of the urban respondents purchase home appliance influenced by their family members and 12.6 of the urban respondents purchase home appliance to go along with changing trend. There are 5.2 percent of the semi-urban respondents purchase home appliance for exchanging of old one, 14.7 percent of the semi-urban respondents purchase home appliance for upgrading of home facilities, 15.2 of the semi-urban respondents purchase home appliance for as symbol of status, 29.8 of the semi-urban respondents purchase home appliance by influence of life style necessity, 9.9 of the semi-urban respondents purchase home appliance because of increment of income, 19.9 of the semi-urban respondents purchase home appliance influenced by their family members and 5.2 of the semi-urban respondents purchase home appliance to go along with changing trend. Whereas 19.8 percent of the rural respondents purchase home appliance for exchanging of old one, 9.4 percent of the rural respondents purchase home appliance for upgrading of home facilities, 19.8 of the rural respondents purchase home appliance by influence of life style necessity, 19.8 of the rural respondents purchase home appliance because of increment of income, 10.4 of the rural respondents purchase home appliance influenced by their family members and 20.8 of the rural respondents purchase home appliance to go along with changing trend.

It is concluded that 13.3 percent of the respondents purchase home appliance for exchanging of old one, 16.4 percent of the respondents purchase home appliance for upgrading of home facilities, 14.7 of the respondents purchase home appliance for as symbol of status, 16.4 of the respondents purchase home appliance by influence of life style necessity, 14.7 of the respondents purchase home appliance because of increment of income, 13 of the respondents purchase home appliance influenced by their family members and 11.4 of the respondents purchase home appliance to go along with changing trend.

Chi-square analysis observed that p value is less than 0.01; the null hypothesis is rejected at 1 percent level of significance. Hence, there is a significant relationship between reason for purchasing home appliance online and area of residence.

Factor influencing Online Shopping of Home Appliance.

There are seven factors identified for the intention to purchase home appliances online. Each factor has five statements equally and measured with five-point Liker's scale. Responses from each factor have computed to make the variable from rank data into scale data. After the computation of the factor into scale variable there are eight factors such as shopping experience, product availability, convenience, trust, safe and secure transaction, and perceived ease of use, perceived usefulness and intension to purchase of home appliances have taken for further analysis.

Correlation analysis of Factors Influencing Online Shopping of Home Appliances

To find the relationship between influencing factors correlation analysis is made. To correlate the factors influencing online shopping of home appliances Pearson's Correlation co-efficient is used.

Table No - 2
Correlation analysis of Factors Influencing Online Shopping of Home Appliances

Factors	Shopping	Product	Convenience	Trust	Safe and Secure	Perceived Ease	Perceived	Intension to

	Experience	**Availability**			**Transaction**	**Of Use**	**Usefulness**	**Purchase**
Shopping Experience	1	0.364**	0.480**	0.301**	0.360**	0.425**	0.130**	-0.119*
Product Availability	0.364**	1	0.143**	0.039**	0.183**	0.254**	0.196**	-0.105*
Convenience	0.480**	0.143**	1	0.487**	0.547**	0.532**	-0.072	-0.209*
Trust	0.301**	0.039	0.487**	1	0.495**	0.495**	0.060	-0.045
Safe and Secure Transaction	0.360**	0.183**	0.547**	0.495**	1	0.400**	0.153**	-0.093*
Perceived Ease Of Use	0.425**	0.254**	0.532**	0.495**	0.400**	1	0.056	-0.144*
Perceived Usefulness	0.130**	0.196**	0-.072	0.060	0.153**	0.056	1	-0.036
Intension to Purchase	-0.119**	-0.105*	-0.209**	-0.045	-0.093*	-0.144*	-0.036	1

Source: Primary Data

** Indicates 1 percent level of significance

* Indicates 5 percent level of significance

Table shows that calculated value of correlation between shopping experience and product availability is 0.364, shopping experience and convenience is 0.480, shopping experience and trust is 0.301, shopping experience and safe/secured transaction is 0.360, shopping experience and perceived ease of use is 0.425 and shopping experience and perceived usefulness is 0.130. It indicates positive correlation between said variables at 1 percent level of significance.

Calculated value of correlation between product availability and convenience is 0.143, product availability and trust are 0.039, product availability and safe/secured transaction is 0.183, product availability and perceived ease of use is 0.254 and product availability and perceived usefulness is 0.196. It indicates positive correlation between said variables at 1 percent level of significance.

Calculated value of correlation between convenience and trust are 0.487, convenience and safe/secured transaction is 0.547 and convenience and perceived ease of use is 0.532. It indicates positive correlation between said variables at 1 percent level of significance.

Calculated value of correlation between trust and safe/secured transaction is 0.495 conveniences and perceived ease of use is 0.495. It indicates positive correlation between said variables at 1 percent level of significance.

MAJOR FINDINGS

The study looks at the motivations behind online appliance purchases and finds important connections between residential areas and consumer motives. Upgrading home amenities (20.9%) and buying as a status symbol (20.4%) were the main reasons given by urban respondents. The two main motivators in semi-urban areas were family influence (19.9%) and

lifestyle necessity (29.8%). The exchange of outdated appliances (19.8%) and adjusting to shifting trends (20.8%) had the biggest effects on rural consumers.

A substantial correlation ($p < 0.01$) between the reasons for online purchases and the region of residency is confirmed by the chi-square analysis, suggesting that demographic and regional variations influence consumer behaviour. In all, 13.3% of respondents bought appliances to replace their old ones, while 16.4% acquired them to improve household amenities. Important roles were also played by elements including trends (11.4%), family influence (13%), and lifestyle necessity (16.4%).

Correlation analysis investigates influencing factors in more detail. Convenience ($r = 0.480$), trust ($r = 0.301$), and perceived simplicity of use ($r = 0.425$) were found to be positively correlated with buying experience. Convenience also has a good correlation with safe, secure transactions ($r = 0.547$) and trust ($r = 0.487$). Additionally, there were positive relationships between product availability and perceived usefulness ($r = 0.196$) and convenience ($r = 0.143$).

These findings stress that consumers value criteria such as convenience, product availability, trust, and ease of use when shopping online. Semi-urban and rural consumers priorities' trends and necessity, but urban consumers priorities prestige and upgrades. Across order to improve customer happiness across a variety of domains, marketers should modify their approaches to meet these disparate needs by providing individualized experiences, smooth transactions, and easily available product selections.

SUGGESTIONS

To meet the diverse needs of their customers, marketers ought to implement region-specific tactics. Promotions for metropolitan regions might highlight high-end and prestige-boosting goods. Campaigns emphasising necessity, affordability, and exchange offers are needed in semi-urban and rural areas. Advertising that is tailored to local tastes will increase customer engagement and boost sales.

E-commerce platforms ought to improve the user experience and make the buying process easier. The user experience will be enhanced by features including simple navigation, thorough product descriptions, and a speedy checkout procedure. Providing semi-urban and rural customers with easily accessible customer service can foster trust and promote more online spending.

Both urban and rural consumers can be drawn in by promotions that highlight appliance upgrades and exchange offers. Purchases can be encouraged via package discounts, trade-in opportunities, and environmentally friendly programs for recycling used equipment. Clearly outlining these advantages will appeal to buyers who are cost-conscious and ecologically conscientious.

Consumer trust can be increased by ensuring safe transactions and open policies. Secure payment gateways and privacy policies must be prioritised by e-commerce platforms. In semi-urban and rural locations, providing cash-on-delivery choices can comfort first-time customers and promote the use of online buying.

Marketing initiatives for semi-urban and rural locations can highlight how families make decisions about what to buy. A sense of urgency can be generated by highlighting popular products and demonstrating their usefulness using relatable anecdotes or testimonies. Providing easy access to trend-based product recommendations will resonate with younger consumers and trend adopters.

CONCLUSION

With notable regional variances, the study demonstrates the variety of factors driving online home appliance purchases in urban, semi-urban, and rural settings. While semi-urban and rural purchasers concentrate on necessity, cost, and exchange offers, urban customers place a higher priority on improving house amenities and status symbols. According to the correlation analysis, online purchase intentions are significantly influenced by elements like

ease of use, trust, and safe transactions. The chi-square analysis confirms that there is a substantial correlation between the location of living and the reasons for purchasing. E-commerce platforms must implement region-specific marketing tactics, provide a user-friendly interface, and priorities trust-building methods in order to increase customer satisfaction and boost sales. Online retailers may successfully meet the varied needs of their customers by taking into account regional preferences and utilising important motivators like family influence and trends. These insights are essential for customising tactics that increase user engagement, foster trust, and broaden the reach of e-commerce sites.

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