

CASE STUDY SUMMARY

TOPIC IN HAND:

Consumer Preferences from Conventional Stores to
Online Shopping In Pakistan

Presented by:

Agenda:

The main intention of this case study was to examine changes in customer's inclinations from offline to online grocery shopping in Pakistan. It is an innovative approach of buying products for household use. This includes many influences, such as suitability, quality of products, pricing dogma, series of selections, time saving, discount and deals, ease and accessibility, and recommendations from friends and families. By the influence of the mentioned factors a customer's preference can change from offline to online grocery shopping. Developments in "e-technology" and the intensification of "Internet" users have made online shopping broadly used all over the world.

Scenario chosen:

The case company considered in this thesis project was "Daraz.PK", which is a leading online store in Pakistan and associates ten thousand sellers with millions of online customers. On the Daraz store there is easy access to more than 10 million products, distributing more than 2 million packages every month to different cities. This study debates psychological influences, including internal and external factors. The methodology chapter defines the methods used in this research. A questionnaire was held to reconnoiter the factors prompting online grocery shopping and acuties of online shopping. This research study explores prevailing online shopping trends and perceptions of online grocery shopping.

Preliminary observations:

The upshots showed that online shopping has in many ways outmoded

customary shopping and is now considered as tough and time consuming. Responsiveness and understanding of internet can make online shopping highly operative. Overall verdicts from the collected data highlighted some key points which would be helpful for both online shoppers and retailers. This also helped in understanding consumer's needs and preferences in online grocery shopping. Present tendencies show that future of online grocery shopping is bright and quite satisfactory.

Overview:

Online shopping is growing the yield every passing Decade. It is trending all over the globe. Traditional shopping makes the consumer walk by to the product in order to make a purchase and bargaining could result in a lot of weariness, however e-shopping is rather easy and comfortable mode of shopping for everyone. It has easy approach, saves time and manpower, no transport problem and most important is its 24/7 accessibility. Economists, professionals and corporations alleged that there are pros and cons of the e-commerce which is buying and selling of commodities online. It is being thought that e-commerce fronts menace to conventional stores. The belief that e-commerce has substantial supremacy over conventional shopping due to is 24/7 availability, efficiency and easy accessibility. It is inexpensive for consumers as well.

Goals and Intentions:

The targets of this research is to evaluate the predilections of the customers while transferring from offline to online shopping. Certain demands arises by the customers which are:

- The swing in consumer's likings in online shopping in Pakistan.
- E- shopping keep it up productive in governing traditional shopping.
- Faithfulness of consumer in online shopping.
- To administer consumer's opinions about e-shopping.
- Activeness of which demographic group in online grocery shopping.

Desires of Consumers:

1. change of heart from offline to online and vice versa?
2. The purchaser's perception and preference?
3. Loyalty and allegiance?

4. Choice expediency during shopping online?
5. Do consumers shift from one product to another?
6. Unavailability of product?
7. Societal Inclination towards online commerce?

Structure and experts opinions:

Collected works review developed on the work of researches which have been done before on such issues and has addressed quite remarkable thoughts, Professionals play an important role in implementing e-shopping topics, like buying behavior what factor which change their buying pattern. The digital technology of the 21st century have permitted us to access everything just by one click through this technology consumer have more option than before. This expanding extent of advanced technology has plentiful apparatuses. Traditional shops are strained for electronic presence as digital companies are capturing a prodigious market share as well as monetary and are making proximity in the shopper's intellect , just by one click.

Experts like Raijas and Tuunainen, Boyer & Hult Shopping, Huang & Oppewa present that extensive variety of products, easy access to product, width of consumer products, along with many services like free delivery, less straining and tiredness has distinctively made the globe to be choosing the online shopping and preferring to do and spend money on the e-commerce. The quality of item at e-sites and predictable shops differ a lot and this gearshifts the regularity of internet buying. Quality additionally conveys great influencing nature over any sort of buying.

Said by Mahajan Supriya and Siani neelakshi; "generally buying pattern of consumers primarily base on product quality which give some extend of satisfaction to consumer during buying". Quality plays key role during buying anything from anywhere at any time. Consumer decide on high quality products.

Principally grocery stores are excessive, non- resilient consumer products that must generally be bought on a continuous and regular basis, which could allow shoppers to spread their transactions through a variety of retailer for convenience. Furthermore, there is a great deal of rivalry between grocery retailers, which has resulted in retailers rapidly matching competitive deals and product quality, thereby balancing the playing field and making it more difficult for retailers to distinguish themselves and resulting in switching actions. The demographic physiognomies and the eminence of the website also directly affect the activities and likings of consumers in Pakistan.

Customer trendiness and decision making:

Primarily, clients typically test a broad range of items to find promising alternatives that tend to suit their needs. They evaluate, make quantitative comparisons, choose certain favorable features, and make a buying decision. Decision making thoroughly involves, individual Appeal, brand, facilities level, product features, information on website, behavior towards the online decision power play a strongly role while buying through online.

Buyers can prolifically acquire basic information about entrants of markets, items and brands, and in this way raise their capability in settling on cool headed choices while shopping. They can without much of a bounce look at item features, accessibility, and costs more skillfully and viably than with physical shopping. Also, web purchasing gives a degree of privacy when looking for certain subtle items. Furthermore, internet buying offers a significant level of relief for those whose time costs are seen to be too high to even ruminate investing in unvarying shopping.

These are some substantial highlights of web based purchasing that incline our fresher group towards web based buying. At this point when a client learns all the benefits with respect to secrecy and comfort then inclinations may likewise be changed.

Influential factors on the e-market:

Factors that affects the e-marketing are:

- A. Individual characteristics
- B. Social Influences
- C. Situational and Economic Factor
- D. Online Environment

A precise model devised for the decision making process of the consumer known as the EKB model is devised to put forward the behavior the customer in process of buying decision of the customer. This model is under the circumstantial effect of the above mentioned factors.

Customer behavior factors on the e-market:

Some of the factors that are customer sided are:

I. Physiological Factors :

contains thinking process of the consumer in which motivation, fondness hating, character, approach of the shopper, connection of loved ones and furthermore cost and highlight of the item are likewise included.

II. Internal Factors:

Internal factors of the buyer's conduct include socioeconomics, way of life, individual conviction and demeanor toward any item.

III. **External Factors:**

External factors of the buyer's conduct incorporate reference gatherings of the purchasers, culture and societal position of the customers. At some point a gathering of individuals, loved one's suggestions and in current web based life culture and societal position impact the purchaser's conduct in settling on decision and exchanging inclinations whether in on the web or conventional shopping.

Research and grouping:

Eloquent Research Design has been used in this examination, as by using this research design desired aim and objectives of the study can be achieved. Some of the devised techniques for research are:

1. Sampling size
2. Sampling technique
3. Questionnaires
4. Analysis which further are dived as:
 - a. Gender
 - b. Age
 - c. Literacy/education level
 - d. Occupation
 - e. Expenditures and income based
 - f. Locality
 - g. Internet reach

Actual provisions and factors during buying:

Dismembering most retailer's site in Pakistan. A few sites like Yayvo.com, Daraz.pk, Alfatah. pk, Metro.pk, eezy.com.pk are set for breaking down which site is best in Pakistan. The reactions of the respondents about these sites are as per the following:

- Most appraised online store.

- Offer lower price
- It is time efficient
- It is Convenient
- Variety of items
- Deals and discounts
- Promotional ads and good brands
- Presence of any item
- Wrong items/discrepancies
- Goods delivered are often damaged
- Expiry items
- Word of mouth
- Status quo
- Brand loyalty
- Online shopping is safer
- Advantages
- Change client`s inclination

Conclusion:

This research is about customer's inclinations from conventional to online shopping. This bit of writing outlines the significance of online shopping and furthermore features some significant determinants like pay, status, easiness and solace, media particularly social and electronic 38 38 media, promotion and ads, utilization of web and access to web and so forth are the variables which change shopper's inclinations from conventional to the web shopping. A précised survey is set which clarify the given point and wanted information is accumulated through this poll. Diverse behavioral theories are utilized in this examination which investigate our ideal point, these are; EKB five-phase model as choice procedure, Hawkins stern impulse buying theory, Maslow's motivational need theory and Ajzen theory of planned behavior. These are the theories which assist with understanding the customer conduct while settling on buy decision and choice. All these models are planned according to the choice, inclinations, inspirational necessities and

compelling components that impacts the shopper's inclinations in any capacity. Here, in this bit of writing the most significant thing is the choice procedure of the shoppers which may straightforwardly change customer's inclinations from conventional to web shopping. EKB five-phase model as choice procedure, it is most broadly acknowledged theory of customer's behavior. These five phases of EKB model portrays the shopper's dynamic stages and factors which impacts the purchaser's conduct and choice at each stage. Need acknowledgment, data search, assessment of choices, buy and result with fulfillment and disappointment all are the compelling elements in changing client's inclinations from conventional to web shopping. At any stage purchaser's inclinations may alter by outside determinants. As per these phases of decision making and outer determinants, the customers may change to various brands and method of shopping which fulfill their requirements. Assessment of choices additionally tends the customer toward a superior item and all the simpler and agreeable method of shopping. In exchanging buyer's inclinations given data is extremely compelling, from the above gathered information it is seen that if a shoppers is either happy with the given data and this data is sufficient to fulfill a purchaser, the buyers will in general purchase that item and the other way around. In this way, retailers and brands ought to be very much aware of the way that what sort of data is requested by the shoppers and what information should have been given to fulfill any buyer. Through this decision making theory retailers distinguish about the purchaser's conduct and requests of the buyers that they need from any brand or item. This model is utilized to direct both buyer's conduct and retailer's understanding in making their deal progressively dynamic in web shopping. This hypothesis is executed in clarifying on the web and conventional shopping and changing customer's inclinations from conventional to online shopping in Pakistan.