

A STUDY ON CUSTOMER PREFERENCE IN ONLINE GROCERY SHOPPING OF DIVINO FOODS INTERNATIONAL PVT LTD

Kuvinash Bachu

II MBA, Saveetha School of Management, Saveetha University, Chennai-77

Email ID: kuvinashb@gmail.com

Contact Number: 9493888742

Mr. M.S. Siranjeevi

Assistant Professor, Saveetha School of Management, Saveetha Universuty, Chennai-77

Email ID: siranjeevisivakumar@gmail.com

Contact Number: 9790878183

Abstract:

This study all about Customer preference in online grocery shopping of Divino Food International Pvt Ltd. Presently multi day, Customer has changed because of consistent change in business condition. This adjustment in the earth, requests increasingly advancement of the time. Buyer purchasing conduct has changed from accommodation to comfort what's more, from purchasing in stores to purchasing on the web notwithstanding purchasing from wide screen to purchasing little screen i.e. move frame windows PC to Android/Device. The present situation is the time of retailing. There is a change in outlook of purchasers moving from commercial center to advertise space. Buyers presently want to shop items online over traditional strategies for shopping in stores. Web based shopping has turned into the third generally well known web action, quickly following email Using/texting and web perusing. Subsequently this investigation expects to know the client inclination towards web based shopping in Bangalore with test respondents of 52.



Introduction:

Purchaser inclination is characterized as the emotional tastes of individual shoppers, estimated by their fulfillment with those things after they've acquired them. This fulfillment is regularly alluded to as utility. Shopper esteem can be dictated by how purchaser utility analyzes between various things.

Purchaser inclinations can be estimated by their fulfillment with a particular thing, contrasted with the open door cost of that thing since at whatever point you get one thing, you relinquish the chance to purchase a contending thing.

The inclinations of individual shoppers are not contained inside the field of financial matters. These inclinations are directed by close to home taste, culture, instruction and numerous different factors, for example, social weight from companions and neighbors. For instance, somebody who likes to claim a particular brand of a cell phone since her companions all have a similar brand.

REVIEW OF LITERATURE:

Amid says that the previous two decades, Total Quality Management (TQM) programs have been executed in numerous associations. A system of amazing prompts a practical upper hand. This paper looks at the significance of consolidating TQM in the Malaysian assembling industry. The examination measures senior generation or TQM directors' view of TQM and level of exhibitions of their organizations. In particular, the paper explores connections between TQM, creation execution and client related execution and the affiliations were dissected through factual strategies, for example, Pearson's connection and basic condition demonstrating (SEM). The discoveries propose that TQM and its appropriations have huge relationships with generation execution also, client related execution. This investigation gives striking shows of the significance of TQM in improving exhibitions of Malaysian assembling organizations. The outcome demonstrates that retail fabricating organizations ought to stress more prominent regard for quality estimation parts of TQM and a more noteworthy level of administration bolster for TQM activities to guarantee vital feasible upper hand.



Regardless of the dangerous development of electronic business and the quickly expanding number of buyers who utilize intuitive media, (for example, the World Wide Web) for pre purchase data look and web based shopping, next to no is known about how customers settle on buy choices in such settings. A novel normal for web based shopping situations is that they enable merchants to make retail interfaces with exceedingly intuitive highlights. One alluring type of intuitiveness from a purchaser point of view is the usage of complex apparatuses to help customers in their buy choices by altering the electronic shopping condition to their individual inclinations. The accessibility of such instruments, which we allude to as intuitive choice guides for shoppers, may prompt a change of the manner by which customers scan for item data and settle on buy choices. The essential target of this paper is to explore the idea of the impacts that intuitive choice guides may have on shopper basic leadership in internet shopping conditions.

This paper builds up a typology in view of inspirations for shopping on the web. An investigation of these intentions, including on the web accommodation, physical store introduction (e.g., quick ownership and social contact), data use in arranging and shopping, and assortment looking for in the internet shopping setting, proposes the presence of four shopping composes. These four kinds are marked accommodation customers, assortment searchers, adjusted purchasers, and store-situated customers. The comfort customer is more propelled by accommodation. The assortment searcher is significantly more inspired by assortment looking for crosswise over retail choices and item composes and marks than some other shopping compose. Adjusted purchasers are respectably propelled by accommodation and assortment chasing. The store-situated customers are more persuaded by physical store introduction (e.g., the longing for quick ownership of products and social collaboration). Shopping composes are profiled as far as foundation factors and the penchant to shop on the web. The outcomes are appeared differently in relation to a coordinated example of disconnected customers. Ramifications of this typology for hypothesis and practice are talked about.

While associations in reality shopping are fundamentally in light of face-to-face exercises amongst buyers and administration work forces, cooperation's in electronic trade occur



mostly through the retailer's Web website. This examination explored the connection between different attributes of web based shopping and purchaser buy conduct. Aftereffects of the online review with 602 Korean clients of online book shops show that data quality, UI quality, and security recognitions influence data fulfillment and social advantage, that, thusly, are altogether identified with every purchaser's webpage duty and real buy conduct.

Client relationship administration (CRM) has been progressively received on account of its advantages of more prominent consumer loyalty and faithfulness, which thusly, prompts upgraded money related and aggressive execution. This paper covers an examination that analyzes the connection between CRM system and execution and decides regardless of whether the utilization of client execution measures plays an interceding part in the connection between CRM system and execution. This examine adds to the restricted writing on CRM procedure since little is thought about the utilization of CRM procedure and client execution measures and their connection with execution in the inn business in Malaysia. Information were gathered through a poll overview of inns in Malaysia. Various leveled relapse investigations on an example of 95 inns uncovered that exclusive the data innovation measurement of CRM system has a noteworthy and beneficial outcome on execution. In expansion, the speculation concerning the part of client execution measures as a go between was upheld.

An essential administrative errand in business-to-business promoting is the key administration of supplier-customer connections, which is worried about an arrangement of connections. An audit of existing client portfolio hypotheses uncovers that: the majority of the portfolio measurements have not yet been experimentally approved; the hypothetical base of applicable measurements might be adroitly lacking as far as procedure investigation; and the connection between client portfolio measurements and client execution has not yet been analyzed. Endeavors to address these holes in the writing by considering client arrangement of substantial UK-based banks. The fundamental outcomes show that the regular modern association viewpoint may just give a short run picture of client execution. Recommends that long run situating estimation of a client portfolio can be represented by resource-based investigation and vital way to deal with client portfolio examination. Closes with a talk of the outcomes and suggestions.



Receiving both the asset based view and dynamic ability hypothesis this investigation progresses the dispute that organizations must have the two assets and capacities at a better level than accomplish predominant client and item execution. To look at this conflict this examination explores the individual impact of the complementarily between advertising assets and capacity and complementarily between advancement assets and ability on client and item execution separately. The consequences of a review of 171 B2B fabricating firms demonstrate a noteworthy fundamental impact for complementarily between advertising resources—ability and complementarily between advancement resources—capacity on client and item execution. The discoveries likewise demonstrate that complementarily promoting resources—capacity has a more grounded positive association with client execution than with item execution, while complementarily between advancement resources—ability has a more grounded positive association with client execution.

This examination explores how extraordinary methods for utilizing client data influences an association's execution in business-to-business markets. This examination centers around two unique kinds of data uses, activity arranged and learning upgrading data use. Results from Partial Least Squares examination demonstrate that activity arranged client data use, coordinate data utilization, adds to client execution, however not straightforwardly to business execution. Besides, the discoveries demonstrate that the degree of client data gathered inside an organization and the sharing of this data enhances both immediate and circuitous client data utilizations. Suggestions for supervisors and roads for additionally examine are talked about.

This paper examines the impacts of client execution and ecological vulnerability on the client's decision of social trade procedures over the length of their relationship. Social trades of short, middle of the road, and long haul term are explored with the outcomes demonstrating distinctive execution results and natural variables affecting social decision at various occasions in the relationship. The outcomes help clarify clashes detailed in earlier social trade look into and give profitable bits of knowledge to specialists in charge of overseeing social trades.

The importance—execution examination (IPA) is a generally utilized diagnostic method that yields solutions for the administration of consumer loyalty. IPA is a two-dimensional framework in light of client saw significance of value qualities and trait execution.



Contingent upon the exchange of these two measurements, procedures for fulfillment administration can be inferred. As hypothetical and observational work has appeared, the connection between quality level execution and by and large fulfillment is awry. These discoveries raise doubt about the materialness of IPA. In this paper, an experimental examination on consumer loyalty with a provider in the car business was embraced. Utilizing a relapse examination with sham factors, the unbalanced connection between property level execution and generally speaking fulfillment could be affirmed. Moreover, it is demonstrated exactly that the administrative ramifications got from an IPA are deceiving. Subsequently, the customary IPA should be changed.

RESEARCH METHODOLOGY

MEANING OF RESEARCH:

Research is common refer to such for knowledge once can also define research as a scientific and systematic research for pertinent information on specific topic. In fact, research is an science investigation.

PRIMARY DATA:

In primary data collection, the data is collected using methods such as interviews and questionnaires.

• Interview method: It is mostly widely used primary data collection methods where in the interviewer asks questions either personally, or through mail or telephone from the response to obtain the problem under study.

SECOUNDARY DATA:

The secondary data are collected from books, journals, company records, internet.

COMPETITOR ANALYSIS:

When entering in to the market place we have to study about the competitor like what they are doing, their total worth, benchmarking like this. Competitor study is most important thing because we have to be unique then only we can survive in the market place. We have to differ



from our competitor for that studying their strategy is important thing. To capture the market place also competitor study will be useful. I have done the competitor study. I took main players in the industry to study. Because when we study about them we can also able to capture the market with the relevant strategy. In this I have taken Bigbasket, Grofers, Reliance smart and our 1Fresh for the comparison. Big basket is one of the biggest player in this e-retail market which is serving more than 17 cities in India. Grofers also have the significant market share in the industry which is serving 15 cities in India. Reliance smart e-grocery yet to launch, I have chosen this because reliance has the capacity to capture the market in very fast manner. So studying about reliance also will help us to grow in good manner.

Key Factors	Big Basket	Grofers	Reliance Smart	1Fresh
Started	2011	2013	2014	2018
App Downloads	1 Million	1 Million	NA	NA
Reach-Via	15 Cities	17 Cities	Mumbai	Bangalore
Model / Range	Inventory 19000 Plus SKUs	Hyper-Local 175000+ SKU	Inventory 6000 + SKUs	Inventory 1000 + SKUs
Funding	\$230 M (3 rounds)	\$165.5 M (3 rounds)	Parent Co	Bootstrapped & Seed Funding
Delivery Positioning	Next day & Express (60 min)	Next day & Express	Next day & Express	Same Day & Express (60 min)

From this above table we can get more information of the competitor. Big basket was there in this industry since 2011 which has almost had higher market share than all other players in the industry. Grofers started at 2013 even though it was started 2 years later than bigbasket it is able to capture the market as big basket does. Both big basket and reliance smart follows the inventory model where as grofers alone following hyper local model. Big basket and grofers got the funding more than \$150 M and reliance smart will get funding from their parent companies. All the four companies differs in the delivery positioning and which is



important for anything to competes 1Fresh in the online model which serving the same organic products. Healthy Budda already serving several places in Bangalore but difference between 1Fresh and Healthy Budda is the offline model. Healthy Budda is not serving in the offline model. Business opportunity for organic products is there in Bangalore since this city people consist of health conscious people and they know about the standard vegetables are contain chemicals, fruits are injected with chemicals to ripe early and also to make fruits tastier and sweeter than the natural fruits. 1Fresh has the plan to expanding to other cities too with the same model as Bangalore. And some other players also competitive for 1Fresh like Easy Tezza, Eco store e-commerce players. (market opportune for ecommerce).

MERCHANDISING RANGE COMPARISON:

Merchandising range comparison was done to know about the product varieties between the competitor and our self. From the merchandising range comparison we can get to know about products which are serving by each player in the market. So accordingly we can create unique value from this study.

Categories	Big Basket	Grofers	Reliance Smart	1Fresh
Natural/Organic Fruits & Vegetables	✓	V	~	V
Dairy	✓	✓	\checkmark	\checkmark
Grocery	<u> </u>	✓	<u> </u>	✓
Cut veggies	<u> </u>	✓	✓	✓
Cut Fruits	<u> </u>	✓	<u>~</u>	✓
Organic/Fresh Milk Direct from Farm				V

From this above table we can get the details of merchandising range of each company in the e-retail business. In this comparison also I took bigbasket, grofers and reliance smart for the better comparison. All the competitors are presented in the categories of standard & organic food, dairy products, grocery products, cut veggies and cut fruits. The unique point of 1Fresh



is serving organic & A2 milk direct from the dairy farm. Where the only organic foods given to the cows and A2 milk producing from the desi Indian breeds of cow which has more strength and no adulteration. All other competitors are serving packaged milk which adulterated where as 1Fresh serving pure organic milk from the dairy farm where cows food are organic only. And dairy have only India breeds. Milk will not contain milk powder and other chemicals to keep the milk fresh. We are serving direct from farms, we deliver milk in the bottles which will protect the milk from other defects.

CUSTOMER PREFERNCES

DEMOGRAPHIC PEROFILE:

A survey was taken with the walk in customers who all coming for the offline sales point. And I got 52 responses from the customers from that I have done the interpretations. First we will we about the people's demographic profile. Basically it was contain of the age group and gender for the target audience segment.

GENDER:

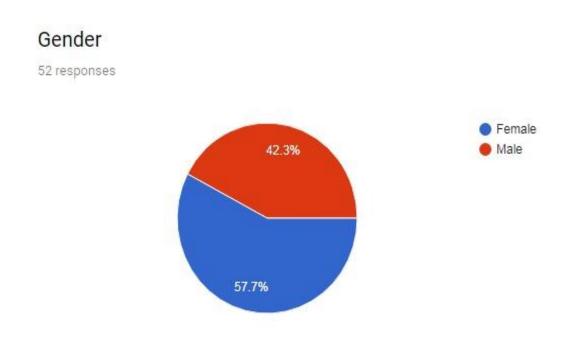


Fig 1 Gender



This survey contacted with 52 people among that 57.7 % of female customers and 42.3 % of male customers. From this we can interrupt that our target segment is mostly female. And the women who are all going for work and some amount of home makers also. But we can clearly see that our main target audience is female.

AGE:

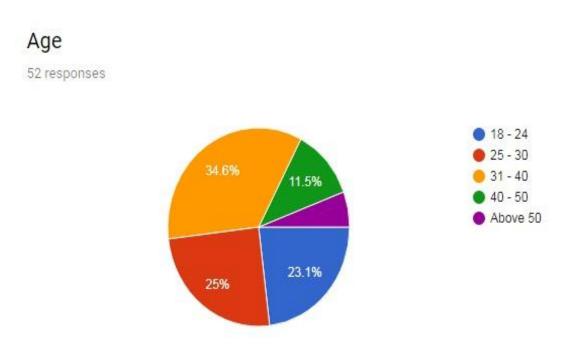


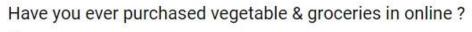
Fig 2 Age Group

The above figure shows the age group of the respondents. The maximum numbers of people are in age group between 31 years to 40 years. And the 2nd highest numbers of people are in the age group between 25 years to 30 years. 3rd highest numbers of people are in the age group between 18 years to 24 years. And some of the people are in the age group between 41 years to 50 years. Only very few people in between the age group of 50 years above. From this we can interpret that, most of the target audience falls between 31 years to 40 years which shows large amount of people falls under this category are working women. And these women are giving more importance to their health and they love to purchase organic fruits and vegetable. And moreover they need home delivery also these things got from the



interaction with customers also. If we focus on this age category we can get more business and we can fix the target as this age group of people.

ONLINE PURCHASE:



52 responses

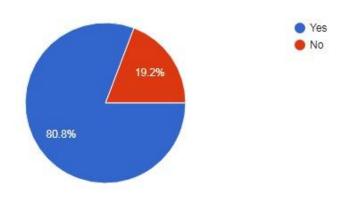


Fig 3 Purchase in online

This response got for the question of have you ever purchased in online. Most of the people had purchased in the online. We can interpret that there is potential for the online customers. And only few people are not purchased in the online. We can take it as people are above 50 group are not purchased in online.

COMPETITOR:

The figure 3 gives the people preferences in the previous purchase history. 48% of people are chosen bigbasket, amazon for their grocery and vegetable purchase. After that people prefers grofers and godrej nature basket. All these bigbasket, amazon, godrej nature basket are serving standard vegetable whereas healthy budda is the direct competition for 1Fresh which is serving only organic vegetables. Most of the people prefer the bigbasket which serving both standard and organic so we cannot find out what they are purchasing. Whereas it is in the healthy budda people specifically purchasing organic, this shows the potential for organic vegetable and groceries.

If yes, In which site you purchased

52 responses

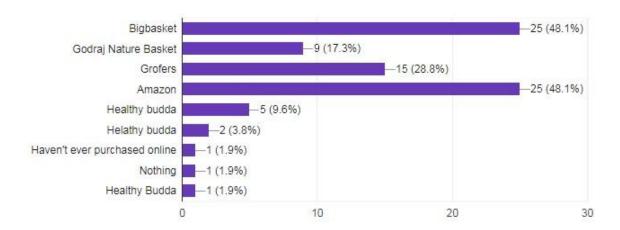


Fig 4 Purchasing Website

ONLINE PURCHASE FREQUENCY:

How often do you do your vegetable & grocery shopping online?

52 responses

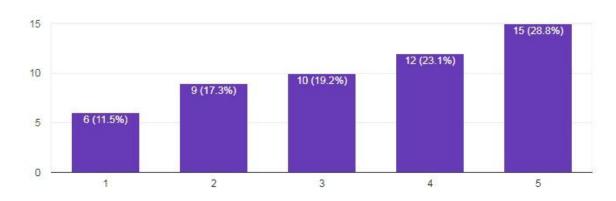


Fig 5 Online Purchase Frequency

This above figure shows that online purchase frequency of the customers. More than 25% of people are purchasing in the online very frequently.



More than 70% of people are used to purchase groceries through online. So we can interrupt that Potential for online grocery shopping is there. People are mostly moving to offline to online in the busy world. There is potential for online serving.

SPENDING IN ONLINE SHOPPING:

How much do you spend on vegetable & grocery shopping in online?

52 responses

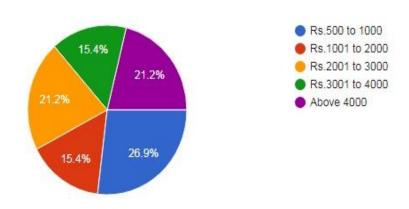


Fig.6 Spending in Online Purchase

This above figure shows that, more than 70% of people spending more than 1000 rupees per month for online grocery shopping. More than 50% people spending more than 2000 rupees per month for online grocery shopping. In that, 21.2% of people are spending above 4000 rupees per month for online grocery shopping. And more than 25% people of spending less than 1000 rupees per month for online grocery shopping. We can interrupt that, people spend on grocery average is above 2000 rupees so if we capture the market average ticket size will be high and we can increase the business and profit. Already people are spending more money in online grocery shopping so that if we can convert people to 1Fresh,

FACTORS IN ONLINE SHOPPING:

IMPORTANT FACTORS IN ONLI NE SHOPPING:



How important are each the following factor relate to vegetable & grocery online shopping?



Fig 7 Important Factors in Online Shopping

The above figure shows that, out of 52 people 22 people are thinking that saving time is the very important factor in the online shopping. Out of 52 people 23 people are thinking that better price is the important factor in the online shopping. Out of 52 people 28 people are thinking that saving time is the very important factor in the online shopping. Out of 52 people 21 are thinking that product variety is a neutral thing.

From this we can interrupt that, as a online shopping e-grocery company we have to give high priority for home delivery fast and without any damage. We have to focus more on logistics and second thing is saving time when it comes to online it is automatically saving time. So there no bother about that factor, and finally we have to focus on better price to attract more even though people thing it is important not is very important, if we focus better we can shine well in the market place.

We have to take this response as a serious and if we work on this we can easily capture the market place and people mind which important thing for any business to generate the revenue and to create value among the people



SATISFACTION FACTORS:

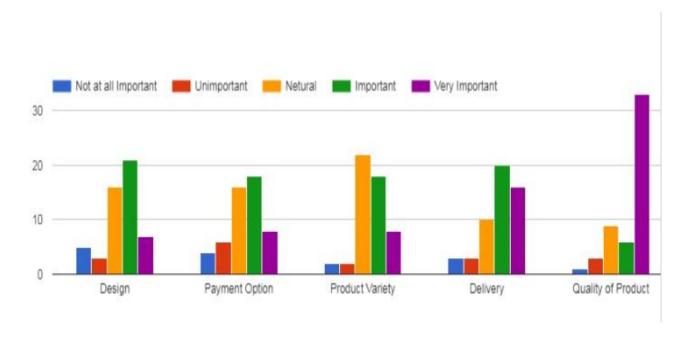


Fig 8 Satisfaction Factor

The above figure shows the answers for the question of which give satisfaction to you when you purchasing through online. First factor, out of 52 people 21 people are thinking that design is one the factor that satisfy them during the online purchase. Next factor, out of 52 people 17 people are thinking that payment option is important. This shows that people prefer more and easy payment options. 3rd factor, out of 52 people 22 people are thinking that product variety is neutral thing. This shows that people are not show that much interest in product variety. Next factor, out of 52 people 20 people are thinking that home delivery is the important factor for online shopping. This shows that we have concentrate more on the home delivery and logistics. Next factor, out of 52 people 33 people are thinking that quality of the product is very important thing for online grocery shopping. This shows that, people are very much concern about the quality of the product. Quality is the important satisfaction factors almost every customer. So for this 1Fresh has special team for quality check which will check the quality of product every time while receiving and when going out for the delivery. Without quality 1Fresh cannot sustain in this business, so focusing more on this will help 1Fresh to grow in the market place and capture the market.



PREFERNCE:

What will be your choice if both Standard & Organic available in online?

52 responses

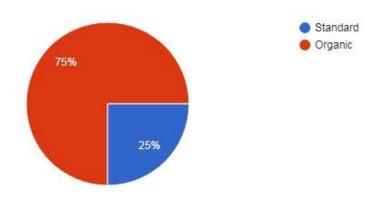


Fig 9 Preference between standard & organic

The above figure show the people who are all preferring organic products over standard products. 75% of people prefer organic products over the standard products. This shows the people are slowly moving to the organic products to be healthier. Only 25% of people prefer standard over organic.

ORGANIC PRODUCT:

How do you decide on an item being Organic?

52 responses

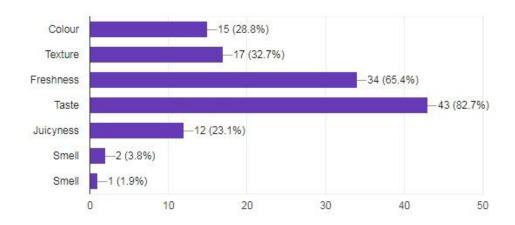


Fig 10 Factor deciding organic products



The figure 10 shows that deciding factor of organic factor from the customer perspective. Out of 52 people 15 people are considering color of the product to decide the organic factor, 17 people are considering texture of the product is take as organic product. Out of 52 people 34 people considering freshness of the product show the quality of organic and to be considered as organic product. Out of 52 people 43 people are considering taste decides the organic factor. And few people consider smell of the product will decide the organic factor. From this we can get to know about the factors for the organic product. According we can do verify with vendors about the quality factor of organic products.

FINDINGS:

- The maximum numbers of people who involved in online shopping are in age group between 31 years to 40 years.
- Only 25% of people are purchasing in the online very frequently.
- 70% of people spending more than 1000 rupees per month for online grocery shopping.
- 75% of people prefer organic products over the standard products.
- Majority of female customers are involved in online grocery shopping.

SUGGESTIONS:

- Delivery the products to customers within 30 min.
- Advertise the products to reach mostly female customers age between 31 years to 40 years.

CONCLUSION:

Web based shopping is another experience and has incredibly affected the lives of buyers in its brief timeframe of presence. It is required to develop continually in years to accompany progressions in innovation. Internet shopping has made customers more successful and effective in their shopping conduct and has driven organizations to another level, compelling numerous to roll out the essential changes and improvements to come to the new market of educated customers. The consequences of this overview underscore the need for organizations to consider the online market important. The review led uncovered a uplifting



state of mind and conduct toward internet shopping even by those customers who still like conventional stores. These customers are for the most part in low and high age gatherings. Those purchaser bunches have room schedule-wise to spend in customary stores and shopping centers and esteem the disconnected shopping background for social reasons, for example, meeting with companions. These buyers seem, by all accounts, to be more proficient by social occasion data on the web and after that buy it from customary stores. Fast development of internet business has come about in an E-change in the worldwide retail foundation. Web has developed as a cost powerful methods for working together. Regardless of being looked with various bottlenecks, On account of rising web and higher earnings and more astute populace. Anchored online installments, better to Electronic Stores, merchandise exchanges and energizing rebates could help the Perceptions of Shopping Benefits. Thinking about the statistic profiles of online clients; sex, age and training have huge relationship to web shopping in the present Indian situation. Online clients know about the useful and delight looking for advantages of web based shopping, they are hesitant to really use web for shopping reason.

REFERENCE

Agus, A. (2011). Enhancing production performance and customer performance through total quality management (TQM): strategies for competitive advantage. *Procedia-Social and Behavioral Sciences*, 24, 1650-1662.

Häubl, G., & Trifts, V. (2000). Consumer decision making in online shopping environments: The effects of interactive decision aids. *Marketing science*, 19(1), 4-21.

Rohm, A. J., & Swaminathan, V. (2004). A typology of online shoppers based on shopping motivations. *Journal of business research*, *57*(7), 748-757.

Park, C. H., & Kim, Y. G. (2003). Identifying key factors affecting consumer purchase behavior in an online shopping context. *International journal of retail & distribution management*, 31(1), 16-29.

Kasim, A., & Minai, B. (2009). Linking CRM strategy, customer performance measures and performance in the hotel industry. *International Journal of Economics and Management*, *3*(2), 297-316.

Eng, T. Y. (2004). Does customer portfolio analysis relate to customer performance? An empirical analysis of alternative strategic perspective. *Journal of Business & Industrial Marketing*, 19(1), 49-67.



O'Cass, A., & Sok, P. (2012). Examining the role of within functional area resource—capability complementarity in achieving customer and product-based performance outcomes. *Journal of Strategic marketing*, 20(4), 345-363.

Rollins, M., Bellenger, D. N., & Johnston, W. J. (2012). Does customer information usage improve a firm's performance in business-to-business markets?. *Industrial Marketing Management*, 41(6), 984-994.

Fink, R. C., James, W. L., & Hatten, K. J. (2008). Duration and relational choices: Time based effects of customer performance and environmental uncertainty on relational choice. *Industrial Marketing Management*, *37*(4), 367-379.

Matzler, K., Bailom, F., Hinterhuber, H. H., Renzl, B., & Pichler, J. (2004). The asymmetric relationship between attribute-level performance and overall customer satisfaction: a reconsideration of the importance–performance analysis. *Industrial marketing management*, 33(4), 271-277.