INTERNSHIP REPORT



Consumer Behavior on Online Shopping

This Report is Submitted to the Department of Marketing, Faculty of Post Graduate Studies, Hajee Mohammad Danesh Science and Technology University as a Partial Requirement for the Fulfillment of Degree of Master of Business Administration (MBA) Program- 2015

Supervised By

Md. Shamim Hossain

Assistant Professor Department of Marketing HSTU, Dinajpur

Prepared By

Sanjib Kumar Roy

MBA in Marketing, 6th Batch Student ID. 1405153 HSTU, Dinajpur

DEPARTMENT OF MARKETING HAJEE MOHAMMAD DANESH SCIENCE & TECHNOLOGY UNIVERSITY, DINAJPUR-5200

Title Page

Consumer Behavior on Online
Shopping

Dedicated To My Beloved Parents And Teachers

Student's Declaration

It is my pleasure and great privilege to submit my report titled "Consumer

Behavior on Online Shopping" as the presenter of this report; I have tried my level

best to get together as much information as possible to enrich the internship

report. I believe that it was a fascinating experience and it has enriched both my

knowledge and experience.

I believe everyone is not beyond of limitation. There might have problems

regarding lack and limitation in some aspects and also some minor mistake such

as syntax error or typing mistake or lack of information. Please pardon me for that

mistake and clarify these of my further information on those matters.

Sanjib Kumar Roy

Student No.1405153

MBA in Marketing, 6th Batch

HSTU, Dinajpur-5200.

iii

Supervisor's Declaration

I hereby declare that the concerned report entitled "Consumer Behavior on Online Shopping" is an original work made by Sanjib Kumar Roy, Student ID: 1405153, MBA 6th batch, Department of Marketing, Hajee Mohammad Danesh Science and Technology University (HSTU), Dinajpur-5200, completed his internship under my supervision and submitted the internship report as a part of the fulfillment of the degree of Master of Business Administration (MBA) at Hajee Mohammad Danesh Science & Technology University (HSTU), Dinajpur.

I wish him the best success for the every step in his life.

Md. Shamim Hossain

Assistant Professor

Department of Marketing

HSTU, Dinajpur-5200.

Co-Supervisor's Declaration

I hereby declare that the concerned report entitled "Consumer Behavior on Online Shopping" is an original work made by Sanjib Kumar Roy, Student ID: 1405153, MBA 6th batch, Department of Marketing, Hajee Mohammad Danesh Science and Technology University (HSTU), Dinajpur-5200, completed his internship under my supervision and submitted the internship report as a part of the fulfillment of the degree of Master of Business Administration (MBA) at Hajee Mohammad Danesh Science & Technology University (HSTU), Dinajpur.

I wish him the best success for the every step in his life.

Abul Kalam

Assistant Professor and Chairman Department of Marketing HSTU, Dinajpur

Chairman's Declaration

I hereby declare that the concerned report entitled "Consumer Behavior on Online Shopping" is an original work made by Sanjib Kumar Roy, Student ID: 1405153, MBA 6th batch, Department of Marketing, Hajee Mohammad Danesh Science and Technology University (HSTU), Dinajpur-5200, completed his internship under concerned supervision and submitted the internship report as a part of the fulfillment of the degree of Master of Business Administration (MBA) at Hajee Mohammad Danesh Science & Technology University (HSTU), Dinajpur.

I wish him the best success for the every step in his life.

Abul Kalam

Assistant Professor and Chairman Department of Marketing HSTU, Dinajpur-5200.

<u>Acknowledgement</u>

First of all, I would like to express my gratefulness and harmony to the Almighty God,

the supreme authority of the universe. Because, without Him we would be nothing. Next

I would like to express my kindness to my beloved parents whose continuous

inspiration encourage me to make a right movement in my life.

I am grateful towards some respected persons for their advice, a piece of information,

direction and cooperation which have enabled me to have an experienced in the dynamic

environment.

Secondly, I would like to thank my respected supervisor Md. Shamim Hossain,

Assistant Professor, Department of Marketing for giving me a proper guideline and co-

operation for preparing this report.

I am also grateful to my respected co-supervisor Abul Kalam, Assistant Professor and

Chairman, Department of Marketing for his important suggestions and co-operation for

preparing this report.

Last but not least, I am owe to the Hajee Mohammad Danesh Science and Technology

University (HSTU), Dinajpur for giving me an opportunity to complete my MBA degree

and give me a scope to gather practical experience and enrich my knowledge.

May God bless all of them.

The Author

۷ij

ABSTRACT

Online Shopping is a new invention of modern technology and online transaction are quickly increased day by day. This process has created a need to understand how the customers perceive online purchase. There is very limited knowledge about online consumer's behavior because it is very complicated socio-technical phenomenon and too many factors. Price, Trust and Convenience were identified as important factors. Price is considered as the most important factors for students in online shopping. Furthermore, three segments were identified, high spenders, price easer and bargain seekers. Through these segments we found a variation of different factors importance and established implications for online book store. The purpose of this study is to analyze factors affecting on online shopping behavior of consumers that might be one of the most important issues of e-commerce and marketing field. However, there is very limited knowledge about online consumer behavior because it is a complicated socio-technical phenomenon and involves too many factors. One of the objectives of this study is covering the shortcomings of previous studies that didn't examine main factors that influence on online shopping behavior. The business-to-consumer is the most visible business type of electronic commerce. Online shopping allows companies to provide product information and direct sales to their consumers. In order to effectively drive consumers to accept electronic commerce and online transactions, there is an urgent need to understand the factors that influence consumer behavior towards continued use of online transactions. The expectation disconfirmation model from the consumer behavior literature has been used to explain continued information systems (IS) usage behavior. This paper takes an extend expectation disconfirmation model perspective to predict and explain consumer behavior in the online shopping context. This proposed extend expectation disconfirmation model, incorporating the perceived risk, trust and shopping enjoyment, was empirically tested with data collected from a survey of online shopping consumers from various websites. The objective of this research is to increase the understanding of consumer online behavior for future research in e-commerce.

CONTENTS

CHAPTER NO.	PAGE
	NO.
INTRODUCTION	1-5
1.1 Literature Review	2-3
1.2 Problem	3-4
1.3 Limitations	4-5
THEORY	6-22
2.1 Introduction	6-7
2.2 Consumer behavior	7-13
2.2.1 Consumer characteristics	8-11
2.2.2 Online Consumer Characteristics	11-13
2.3 Specific Consumer Traits and Online Behaviour	13-15
2.4 Important Influencing Factors	15-22
2.4.1 Identified Factors affecting Online Consumer Behaviour	17-22
METHODOLOGY	23-27
3.1 Choice of methodology	23
3.2 Research Approach	23
3.3 Research Philosophy	24
3.4 Research Strategy	24
3.4.1 Secondary Data	24-25
3.4.2 Primary data	25-27
DATA ANALYSIS AND FINDINGS	28-45
CONCLUTION	46-47
REFERENCES	48-50
APPENDIX	51-54
	INTRODUCTION 1.1 Literature Review 1.2 Problem 1.3 Limitations THEORY 2.1 Introduction 2.2 Consumer behavior 2.2.1 Consumer characteristics 2.2.2 Online Consumer Characteristics 2.3 Specific Consumer Traits and Online Behaviour 2.4 Important Influencing Factors 2.4.1 Identified Factors affecting Online Consumer Behaviour METHODOLOGY 3.1 Choice of methodology 3.2 Research Approach 3.3 Research Philosophy 3.4 Research Strategy 3.4.1 Secondary Data 3.4.2 Primary data DATA ANALYSIS AND FINDINGS CONCLUTION REFERENCES

Consumer Behavior on Online Shopping

ABSTRACT

Online Shopping is a new invention of modern technology and online transaction are quickly increased day by day. This process has created a need to understand how the customers perceive online purchase. There is very limited knowledge about online consumer's behavior because it is very complicated socio-technical phenomenon and too many factors. Price, Trust and Convenience were identified as important factors. Price is considered as the most important factors for students in online shopping. Furthermore, three segments were identified, high spenders, price easer and bargain seekers. Through these segments we found a variation of different factors importance and established implications for online book store. The purpose of this study is to analyze factors affecting on online shopping behavior of consumers that might be one of the most important issues of e-commerce and marketing field. However, there is very limited knowledge about online consumer behavior because it is a complicated socio-technical phenomenon and involves too many factors. One of the objectives of this study is covering the shortcomings of previous studies that didn't examine main factors that influence on online shopping behavior. The business-to-consumer is the most visible business type of electronic commerce. Online shopping allows companies to provide product information and direct sales to their consumers. In order to effectively drive consumers to accept electronic commerce and online transactions, there is an urgent need to understand the factors that influence consumer behavior towards continued use of online transactions. The expectation disconfirmation model from the consumer behavior literature has been used to explain continued information systems (IS) usage behavior. This paper takes an extend expectation disconfirmation model perspective to predict and explain consumer behavior in the online shopping context. This proposed extend expectation disconfirmation model, incorporating the perceived risk, trust and shopping enjoyment, was empirically tested with data collected from a survey of online shopping consumers from various websites. The objective of this research is to increase the understanding of consumer online behavior for future research in e-commerce.