Chapter 5

FINDINGS

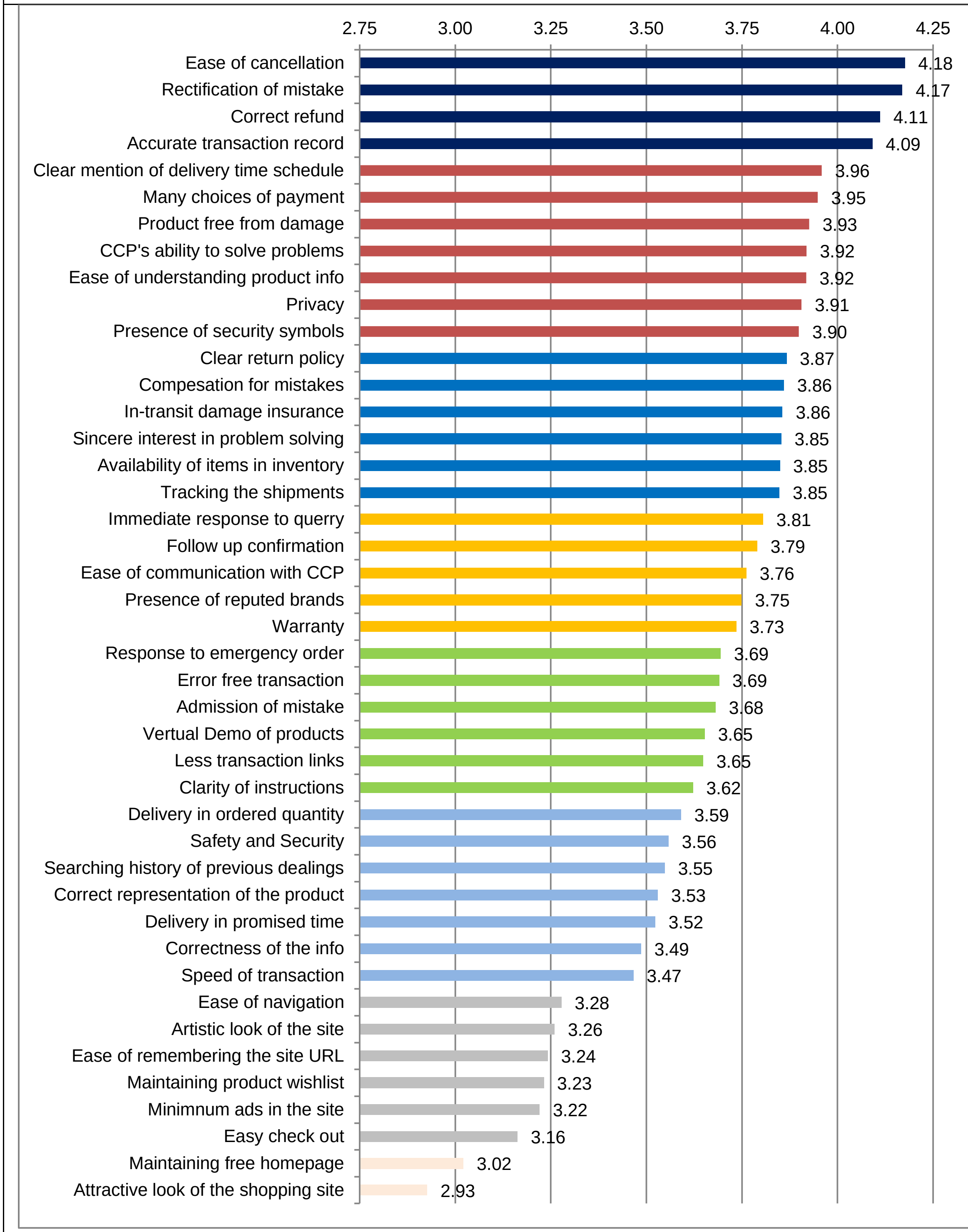
In the previous chapter, data has been analyzed and presented. In this chapter, the major findings of the study are being highlighted. The findings include the 43 e-SQ dimensions in regards to the prominence attached to them by the online shoppers. It also includes the nine underlying factors which form the five different segments of online shoppers. Further, the profiles are being outlined on the basis of the demographic and psychographic characteristics.

5.1 e-Service Quality Dimensions:

The Indian online shoppers, as represented by the samples drawn from the five Indian cities of Bangalore, Delhi, Guwahati, Kolkata and Mumbai seem to assign top priority to dimensions like ease of cancellation, rectification of mistake, correct refund and accurate transaction record (refer Figure 5.1, following page). It is seen that these dimensions relate primarily to the functionality aspects of a shopping site. These are closely followed by another set of dimensions like clear delivery time schedule, many choices of payment, product free from damage, customer contact persons' ability to solve problems, ease of understanding product information, privacy and presence of security symbols in the shopping site. Mostly this set of dimension seems to include reliability and responsiveness aspects of the site.

On the other hand, the lowest rated e-SQ dimensions are the attractive look of the shopping site and the provision for maintaining free homepage. Hence, it can be summed up that aesthetics of the shopping site is the least cared for e-SQ dimension for Indian online shoppers. Other low rated dimensions include easy check out, minimum advertisements in the site, provision for maintaining product wishlist, ease of remembering the site URL, artistic look of the site and the ease of navigation in the site.

Figure 5.1: Importance Assigned to the e-SQ Variables (based on Mean Score in a Scale of 1 to 5)



The rest of the e-SQ dimensions (24 in number) with mean range from 3.87 to 3.47 (in a scale of 5) are attached medium priority by the respondent online shoppers (Figure 5.1). However, higher rating among these have been attributed to dimensions like clear return policy, compensation for mistakes, in-transit damage insurance, sincere interest in problem solving, availability of items in the inventory and tracking the shipments. On the contrary, dimensions like speed of transaction, correctness of the information, delivery in promised time, correct representation of the product, searching history for previous dealings, safety and security and delivery in ordered quantity have been attached lower medium rating. The remaining medium rated dimensions fall in the area of responsiveness, functionality, usability and empathy. It is interesting to note here that the Indian online shoppers attach higher priority to their privacy than to the safety and security of shopping online.

5.1.1 Prominence attached to 31 e-SQ dimensions varies across cities:

The prominence attached to the e-SQ dimensions varies across the five cities with respect to as many as 31 e-SQ dimensions (refer Section 3.3). It can be safely inferred that the means of the respondent online shopper's importance assigned to these dimensions are different across the cities. Hence, it is imperative to treat them differently as far as making any decision about e-SQ preferences of shoppers is concerned. On the other hand, the means of rest of the e-SQ dimensions fail to show any significant differences across the cities in terms of prominence attached to them (as represented in Table 3.19). Therefore, the prominence expressed for those dimensions may be treated as common across the cities. A set of tables below shows the top and bottom five of the 31 e-SQ variables for all the five cities.

Table 5.1: Top & Bottom Five e-SQ Dimensions for Bangalore

Top				Bottom		
#	Name of the Dimension	Mean Score		#.	Name of the Dimension	Mean Score
1	Ease of cancellation	4.45		1	Maintaining free homepage	2.88
2	Rectification of mistake	4.40		2	Attractive look of the shopping site	2.89
3	Accurate transaction record	4.33		3	Artistic look of the site	3.15
4	Correct refund	4.23		4	Easy check out	3.15
5	Many choices of payment	4.17		5	Ease of navigation	3.30

The table above shows the top and bottom five e-SQ dimensions as preferred by the online shoppers in Bangalore. It is seen that dimensions related to functionality of the shopping site find prominence here compared to other cities. On the other hand, aesthetics are rated lowly by the shoppers.

Table 5.2: Top & Bottom Five e-SQ Dimensions for Delhi

Top				Bottom		
#	Name of the Dimension	Mean Score		#.	Name of the Dimension	Mean Score
1	Ease of cancellation	4.15		1	Attractive look of the shopping site	2.96
2	Accurate transaction record	4.07		2	Maintaining free homepage	3.02
3	Rectification of mistake	4.06		3	Maintaining product wishlist	3.12
4	Privacy	4.00		4	Ease of remembering the site URL	3.13
5	Correct refund	3.99		5	Artistic look of the site	3.14

A similar situation is seen in the case of shoppers based at Delhi. However, a new addition to the list of top five dimensions is the privacy of the shopper.

Table 5.3: Top & Bottom Five e-SQ Dimensions for Guwahati

Top				Bottom		
#	Name of the Dimension	Mean Score		#	Name of the Dimension	Mean Score
1	Ease of cancellation	4.26		1	Attractive look of the shopping site	2.90
2	Rectification of mistake	4.26		2	Maintaining free homepage	3.02
3	Correct refund	4.21		3	Minimum ads in the site	3.10
4	Accurate transaction record	4.16		4	Easy check out	3.11
5	Clear mention of delivery schedule	4.14		5	Ease of navigation	3.18

The shoppers in Guwahati desire to have clear mention of the delivery time schedule as an important e-SQ dimension, in addition to the others as experienced in the previous two cities. The bottom five dimensions show similarity with that of Bangalore and Delhi.

Table 5.4: Top & Bottom Five e-SQ Dimensions for Kolkata

Top				Bottom		
#	Name of the Dimension	Mean Score		#	Name of the Dimension	Mean Score
1	Ease of understanding the product info	3.95		1	Ease of remembering the site URL	3.17
2	Tracking the shipments	3.94		2	Attractive look of the shopping site	3.23
3	Rectification of mistake	3.91		3	Maintaining product wishlist	3.23
4	Immediate response to query	3.88		4	Minimum ads in the site	3.26
5	Presence of security symbols	3.87		5	Easy check out	3.31

The top dimensions in case of the online shoppers in Kolkata show newer ones in the list. They have attached higher priority to tracking the shipments as well as the presence of security symbols in the site.

Table 5.5: Top & Bottom Five e-SQ Dimensions for Mumbai

Top				Bottom		
#	Name of the Dimension	Mean Score		#	Name of the Dimension	Mean Score
1	Correct refund	4.23		1	Attractive look of the shopping site	2.68
2	Rectification of mistake	4.16		2	Maintaining free homepage	2.91
3	Ease of cancellation	4.09		3	Ease of remembering the site URL	2.97
4	Privacy	4.04		4	Easy check out	3.05
5	Accurate transaction record	4.01		5	Maintaining product wishlist	3.06

Similar to that of Delhi, the shoppers in Mumbai regards privacy as an important e-SQ dimension.

Combining the analysis shown in the tables 5.1 to 5.5, it is seen that few dimensions are common for all the cities in case of both top & bottom five e-SQ dimensions, while a few others are strikingly unique for a particular city or two. It is represented in the Tables 5.6 and 5.7. It is seen that rectification of mistake is a common dimension rated highly in all cities. Privacy is highly rated by shoppers in Delhi and Mumbai. The shoppers in Kolkata, on the other hand seem to display a different inkling so far as top dimensions are concerned. Further, for the bottom rated dimensions, attractive look of the shopping site features amongst the bottom five in all the cities. But unlike the top rated dimensions, uniqueness is not visible in case of shoppers in Kolkata for the bottom rated dimensions.

Table 5.6: Top rated e-SQ Dimensions for the Cities

#	Name of the Dimension	Cities
1	Rectification of mistake	All cities
2	Ease of cancellation	All cities except Kolkata
3	Accurate transaction record	All cities except Kolkata
4	Correct refund	All cities except Kolkata
5	Privacy	Delhi and Mumbai
6	Many choices of payment	Bangalore
7	Clear mention of delivery time schedule	Guwahati
8	Ease of understanding the product info	Kolkata
9	Tracking the shipments	Kolkata
10	Immediate response to query	Kolkata
11	Presence of security symbols	Kolkata

Table 5.7: Bottom rated e-SQ Dimensions for the Cities

#	Name of the Dimension	Cities
1	Attractive look of the shopping site	All cities
2	Maintaining free homepage	All cities except Kolkata
3	Easy check out	All cities except Delhi
4	Maintaining product wishlist	Delhi, Kolkata & Mumbai
5	Ease of remembering the site URL	Delhi, Kolkata & Mumbai
6	Artistic look of the site	Bangalore & Delhi
7	Ease of navigation	Bangalore & Guwahati
8	Minimum ads in the site	Guwahati & Kolkata

Overall, it is also seen that the rating attached by the shoppers in Bangalore are highest for the top rated dimensions whereas the same is lowest in case of Kolkata. Also, the range (highest-lowest difference) of ratings for the e-SQ dimensions in case of Kolkata is lowest, which means that even the bottom rated dimensions in Kolkata are higher than those of other cities.

5.2 Segments of Online Shoppers:

Moving towards the fulfillment of the second objective of this study to derive segments of online shoppers, Factor analysis resulted in nine factors which are extracted from the raw 43 e-SQ variables. The factors containing the e-SQ variables are shown below:

1. Functionality (11 e-SQ variables)
2. Responsiveness (8 e-SQ variables)
3. Usability (5 e-SQ variables)
4. Reliability (6 e-SQ variables)
5. Personalization (4 e-SQ variables)
6. Empathy (3 e-SQ variables)
7. Aesthetics (2 e-SQ variables)
8. Tangibility (2 e-SQ variables)
9. Security (2 e-SQ variables)

As the primary goal of this analysis was to derive segments of online shoppers based on the e-SQ dimensions, cluster analysis is used for the purpose. The factor scores of the nine factors are used as variables to be fed into cluster analysis. As described in section 4.2 in the previous chapter, Squared Euclidean Distance method is applied to measure the similarity in terms of distance between pairs of objects. This hierarchical clustering procedure combined with Ward's method suggested a five cluster solution for clubbing the respondents. Pre-specifying a five cluster solution in non-hierarchical k-means clustering technique, the online shoppers are clubbed in five distinct clusters with importance assigned to all the nine e-SQ factors in varying degrees. The five segments of online shoppers thus formed has been given the names

(A) Apprehensive e-Shoppers, (B) e-Shopping Enthusiasts, (C) Reluctant e-Shoppers, (D) Online Value Seekers and (E) e-Shopping Pioneers.

An Analysis of Variance (ANOVA) test is conducted on the e-SQ factors (as represented in section 4.3) and it is found that the mean of importance attached to each of the factors by the five segments of shoppers are dissimilar. Upon further Post-hoc multiple comparison analysis, some segments are found to attach similar importance to a particular factor while differing with few others.

For the *functionality* factor, the Apprehensive e-Shoppers (A), e-Shopping Enthusiasts (B) and Reluctant e-Shoppers (C) attach prominence in varying degrees while that of Online Value Seekers (D) and e-Shopping Pioneers (E) are similar with a lower mean score. In case of the factors of *responsiveness* and *empathy*, all the five segments manifest difference with one another in attaching preferences. The segments C and D behave similarly (with higher mean score) as regards to *usability* factor in contrast to the rest of the segments. Similarity is also manifested by segments B and C in terms of *reliability* dimensions. It is further seen that, segments B and C behave in similar way as the segments D and E do for the *personalization* dimension, with the former pair having higher mean score. The *security* factor is lowly rated by the segments C, D and E, whereas the *aesthetic* dimension received a similar low response from segments B, D and E. Lastly, the *tangibility* factor is seen to be highly sought after by the segments A and C i.e. the Apprehensive e-Shoppers and the Reluctant e-Shoppers.

A brief profile of the five segments is noted below.

(A) Segment 1 (n = 306): Apprehensive e-Shoppers

This is the largest segment of online shoppers representing 35.4% of the total online shoppers. Apprehensive e-Shoppers have attached the highest priority for the e-SQ factors. Most of these shoppers reside in Bangalore. However, shoppers from

Kolkata and Mumbai have lesser chance of belonging to this segment. Apprehensive e-Shoppers' proportion in the age bracket of 31 to 44 years is also higher. Around 98% of the Apprehensive e-Shoppers are at least a graduate or with a higher educational qualification. Number of students is lesser whereas service holders are more in proportion in this segment. Shoppers with higher family income are also seen to be proportionately higher in this segment. Married shoppers in nuclear family are lesser in proportion whereas married in joint family are higher amongst the Apprehensive e-Shoppers. Moving on to the psychographic characteristics, the urge to shop online to *save time* is highest in this segment. On the contrary, the shoppers of this segment are least likely to *try out new things* online.

This is the most important segment showing high priority for *security and privacy* and with lesser proportion of younger shoppers.

(B) Segment 2 (n = 292): e-Shopping Enthusiasts

It is the second largest segment of online shoppers. The e-Shopping Enthusiasts' average rating for the e-SQ dimensions is lower than the previous segment of shoppers. Most of this segment could be found in Kolkata (25.7%) while their share in Guwahati is lowest (12.7%). As in the case of all shoppers taken together, around three-fourth of the e-Shopping Enthusiasts are below the age of 30 years. 87% of the e-Shopping Enthusiasts are either graduates or having a higher educational qualification. The share of students among this segment is proportionately higher than the corresponding figure for all segments taken together. More than half of the e-Shopping Enthusiasts have a monthly family income which is less than Rs. 50,000/-. It is also seen than shoppers coming from nuclear families are proportionately more in this segment. Surprisingly though, older shoppers having married child are also more likely to be e-Shopping Enthusiasts as compared to others.

The e-Shopping Enthusiasts are least likely to shop online with the aim to *save time* in shopping. For the rest of the psychographic variables like *technology savvy-ness*, *comfort seeking behavior*, *sense of accomplishment* and *excitement in shopping online*, the e-Shopping Enthusiasts' response is on the lower side.

e-Shopping Enthusiasts are more likely to have lower educational qualifications and come from nuclear families in comparison to all other segments as a whole. But they are low on *tech savy-ness*.

(C) Segment 3 (n = 140): Reluctant e-Shoppers

This segment is about half the size of the previous segment. The Reluctant e-Shoppers assign higher importance to the e-SQ factors than the previous two segments. Also the city-wise composition exhibits a reverse trend as compared to the e-Shopping Enthusiasts with Guwahati accounting for 37.7% while Kolkata with only 6.4% of the shoppers. Here the proportionate share of shoppers in the age group 18 to 30 years is higher and in the 31 to 44 years, it is lower. Reluctant e-Shoppers with professional degrees and higher educational qualifications like PhD are higher in number than the other segments. Similarly higher is the proportion of shoppers who are retired, homemakers *etc*. Shoppers with monthly family income of less than Rs. 20,000/- are less likely to be found in this segment. Reluctant e-Shoppers who are married and living in joint families are lesser in number.

The shoppers in this segment believe that online shopping can help in reducing the *time spent* in shopping and are ready to do it for that reason. The *technology savvy-ness* and *comfort seeking behavior* of the Reluctant e-Shoppers are neither high nor low. The *sense of accomplishment* of this segment is lower while the *excitement* in online shopping is surprisingly higher.

The shoppers of this segment express higher priority to *responsiveness* and *empathy* but are high on *excitement* in shopping online.

(D) Segment 4 (n = 109): Online Value Seekers

This segment is even smaller (with 12.61% of the shoppers) than the previous one. Also the average mean importance for the e-SQ factors is lower but considerably higher than the e-Shopping Pioneers. The largest chunk of the Online Value Seekers comes from Guwahati while Bangalore accounts for the lowest. Relatively older shoppers (i.e. 45 years or more in age) are proportionately higher in this segment. Those shoppers who have completed education up to Class XII or are studying in Colleges, chances of belonging to this segment of Online Value Seekers is more. This assumption is substantiated by the higher proportion of Online Value Seekers who are students. Online Value Seekers also seem to have family income which is on the lower side. Unlike the previous segment, the proportion of shoppers coming from joint families is higher in this segment.

The Online Value Seekers' urge to shop online to *save time* is not on the higher side though. This segment is *tech savvy* and shoppers do not *seek comfort* in online shopping as much as some other segments do. Their *sense of accomplishment* as well as *excitement* in online shopping is also on the lower side.

The students are more in proportion in this segment. They also express balanced preference for all the e-SQ dimensions. They are high on tech savvy-ness.

(E) Segment 5 (n = 17): e-Shopping Pioneers

It is the smallest segment of online shoppers representing only 1.97% of the total respondents. As mentioned earlier, this segment with miniscule of respondents suffers from the shortcoming that it is difficult to generalize its findings for the whole of the population. Nonetheless, the shoppers belonging to this segment attach lowest priority to the e-SQ factors. It seems that the e-Shopping Pioneers give the least importance to e-service quality as a deciding factor while shopping online.

5.3 Profile of the Segments:

A summary of the segment profiles was presented in section 4.5 of the previous chapter. The online shopping segments were described in terms of the demographic and psychographic characteristics. Besides, a few other variables like the shopping basket, frequency of the shopping and monetary value of a single purchase were also analyzed. The results, although briefly presented in the preceding section, is shown in the following table in a manner that makes comparison of the segments easier.

Table 5.8: A Comparative Summary of the Shopper Segments

Sl. No.	Item / Variable	Apprehensive e-Shoppers	e-Shopping enthusiasts	Reluctant e-Shoppers	Online Value Seekers	e-Shopping Pioneers
1	**Size** *(Total 864 respondents)*	35.4% of total online shoppers; largest segment.	33.79% of total shoppers.	16.2% of total online shoppers.	12.6% of total online shoppers.	1.97% of total online shoppers; smallest segment.
2	**Place of residence** *(Bangalore – 20.9%, Delhi – 20.3%, Guwahati – 23%, Kolkata – 17.1% and Mumbai – 18.6%)*	Largest chunk comes from Bangalore while Kolkata and Mumbai are on the lower side.	Highest concentration in Kolkata (25.7%) and lowest in Guwahati (12.7%)	Highest concentration in Guwahati (37.7%) and lowest in Kolkata (6.4%)	Largest chunk comes from Guwahati and the lowest from Bangalore.	Large concentration in Mumbai (47.1%)
3	**Age** *(18 to 30 yrs – 74.9% 31 to 44 yrs – 19.6% 45 yrs and older – 5.5%)*	Higher proportion is in the age group of 31 to 44 years.	About three-fourth of them are below the age of 30 years.	Proportion is higher in the 18 to 30 years bracket while it is lower in the 31 to 44 years bracket.	The proportion of Online Value Seekers who are at least 45 years of age or older are more.	Around 50% fall within the age bracket of 18 to 30 years.

Sl. No.	Item / Variable	Apprehensive e-Shoppers	e-Shopping enthusiasts	Reluctant e-Shoppers	Online Value Seekers	e-Shopping Pioneers
4	**Level of Education** *(Up to Class XII – 5.9% Graduate – 39 % Post graduate – 48.7% Others – 6.4%)*	More than 98% of them are either graduate or post graduate.	About 87% of the e-Shopping Enthusiasts have graduate degree or higher educational qualification.	Those with educational qualifications like professional degrees, PhD *etc*., are proportionately higher.	More likely to have read up to Class XII.	None of them are below the level of graduation.
5	**Occupation** *(Student – 29.1% Service – 63.6% Self-employed – 2.3% Others – 5%)*	Lower proportion among students, higher among service holders.	37.7% of the e-Shopping Enthusiasts are students.	The proportion of Reluctant e-Shoppers who are retired, homemakers *etc*., is higher.	Proportion of either students or self-employed is higher.	More than 90% are either engaged in some service or are self-employed.
6	**Monthly family income** *(Below Rs. 20,000 – 9.4%, Rs. 20,001 to Rs. 50,000 – 46%, Rs. 50,001 to Rs. 99,999 – 27.9%, More than Rs. 1 lakh – 16.8%)*	Proportion of those having monthly family income of more than a lakh rupees is higher.	Proportion of those having monthly family income of more than a lakh rupees is lower	For those having monthly family income of less than Rs. 20,000, proportion is low.	Those with monthly family income of less than Rs. 20,000, is highly possible to be in this group.	More than 90% have a monthly family income which is more than Rs. 50,000
7	**Life cycle stage** *(Please refer Table 5.12)*	Shoppers who are married without child in nuclear family are lesser in proportion. Those who are married with young child in joint family are proportionately higher.	Shoppers who are married and living in nuclear families outnumbers the other segments.	Shoppers who are married and living in joint families are proportionately lesser in number.	Proportion of shoppers who are either single living with family or married without child in joint family or married with grown up child is on the higher side.	Proportion of shoppers who are single is lower.

Sl. No.	Item / Variable	Apprehensive e-Shoppers	e-Shopping enthusiasts	Reluctant e-Shoppers	Online Value Seekers	e-Shopping Pioneers
8	**Shop online to save time**	Urge to shop online to save time is highest amongst all other segments.	The urge to shop online primarily to save time is lowest.	Urge to shop online to save time is on the higher side.	Their urge to shop online to save time is on the lower side.	Their urge to shop online primarily to save time is on the lower side.
9	**Try out new things online**	The lowest.	On the lower side.	Neither high nor low.	Neither high nor low.	The highest.
10	**Tech savvy-ness**	Neither high nor low.	On the contrary, they consider themselves to be the least tech-savvy.	Neither high nor low.	On the higher side.	They consider themselves to be the most tech-savvy.
11	**Seeking comfort in shopping**	Higher	Lower	Neither high nor low.	Lowest	Higher
12	**Sense of accomplishment**	Lower	Lower	Lower	Lowest	Higher
13	**Excitement in shopping online**	Lower	Lower	Higher	Lowest	Higher
14	**The shopping basket**	Bigger for tickets / reservations.	Bigger for apparels / accessories. Smaller for books, tickets / reservations, electronic equipments *etc*.	Smaller for apparels / accessories. Bigger for tickets / reservations *etc*.	Proportionately smaller for tickets / reservations.	Smaller for books and tickets / reservations. Bigger for apparels / accessories and electronic equipments / gadgets.
15	**Frequency of online purchase**	About two-third of them have shopped within the last month.	More than half of them have shopped online within the last one month.	About 80% of the shoppers have purchased something in the last six months.	Only about 30% of the Online Value Seekers have shopped within the last month.	About half of them have shopped online during the last six months.

Sl. No.	Item / Variable	Apprehensive e-Shoppers	e-Shopping enthusiasts	Reluctant e-Shoppers	Online Value Seekers	e-Shopping Pioneers
16	**Monetary value of a single purchase**	Shopped mostly for lower values. But about two-third of them have shopped for up to Rs. 2,500.	More than 72% of them have shopped for up to Rs. 2,500. Again at least 43.8% of them have shopped for Rs. 5,000 and above.	About two-third of them have purchased within Rs. 1,000.	Similar to the previous segment with those having bought for more than Rs. 5,000 accounting for less than one-third.	Mostly fall in the range of Rs. 500 to Rs. 1,000. They have shopped less for values higher than Rs. 5,000.

5.4 The Indian Urban Online Shoppers – A Few Highlights:

Based on the findings discussed in the previous sections, a few unique dimensions of the urban online shopping in India are being highlighted in the following points.

1. The urban Indian online shoppers are relatively young in age. About three fourth of them are below the age of 30 years (refer Section 3.1.2). Also the online shopper in urban India is predominantly a buyer of online tickets / travels etc., followed by books, electronic equipments / gadgets *etc*. (refer Section 3.1.8).
2. The Indian online shoppers are found to attach highest prominence to the e-SQ dimension *ease of cancellation* and lowest to *attractive look of the shopping site.* Important dimension like *safety and security* has been attached moderate prominence by the urban online shoppers in India. It seems that the online shoppers are more concerned with the functional aspects of the shopping site and least with the aesthetics attributes.
3. The degree to which importance is attached to the e-SQ dimensions is not same across the five cities with respect to as many as 31 dimensions (Refer

section 5.1.1). Therefore, it is necessary to treat them differently while making decisions about the e-SQ preferences across the cities.

4. The top and bottom rated e-SQ dimensions for the five cities have been highlighted in the Tables 5.1 to 5.5. It is seen that *rectification of mistake* features as a top rated dimension in all cities while *attractive look of the shopping site* is a common bottom rated dimension. The shoppers in Delhi and Mumbai rate *privacy* as a top rated e-SQ dimension whereas it is moderately rated when all cities are taken together.
5. Nine factors of e-SQ can be generated from the 43 e-SQ dimensions when responses are sought from the urban online shoppers in India. The factors are: functionality, responsiveness, usability, reliability, personalization, empathy, aesthetics, tangibility and security. These nine factors can summarize the overall e-SQ preferences of online shoppers in urban India.
6. The respondents of the study have expressed their e-SQ preferences for the nine factors generated above. Based on this, five segments of shoppers are formed, viz., Apprehensive e-Shoppers, e-Shopping Enthusiasts, Reluctant e-Shoppers, Online Value Seekers and e-Shopping Pioneers. The first segment is the largest in size with more than 35% of respondents whereas the fifth segment is the smallest with a miniscule number (less than 2%) of respondents.
7. It is seen that the mean of importance attached to each of the nine factors by the five segments of shoppers are dissimilar. Further, some segments are found to attach similar importance to a particular factor while differing with few others. This is represented in Table 4.6.
8. The shopper segments also display dissimilarities in certain demographic as well as psychographic characteristics. For example, the proportion of Online Value Seekers is more in case of shoppers aged above 45. Likewise, e-Shopping Enthusiasts are proportionately more in nuclear families whereas, Online Value Seekers are higher in joint families. This may an outcome of the

fact that freedom of choice is more exercised in a nuclear family enabling enthusiasm in shopping online. A comparative summary of the shopper segments is presented in Table 5.8.

5.5 Implications for Marketers:

After exploring the profiles of the online shopper segments, it becomes imperative to probe what implications they hold for the online marketers. However, it may be far beyond the scope of this study to suggest comprehensive marketing strategy based on this segmentation. Nonetheless, an effort may be made to delineate where marketers can focus their attention upon and where not. Hence, suggestions have been put forward for each of the online shopper segments. This becomes all the more necessary as investment in enhancing e-service quality would involve cost.

The analysis of the respondents' data shows that all five segments have varied characteristics. The last segment e-Shopping Pioneers with less than two percent of the respondents and exhibiting the least importance to the e-SQ factors lacks the promise and credentials for which suggestions can be made. Hence, it is felt to be appropriate to skip this segment while putting forward suggestions. For the rest of the four segments, implications have been outlined in the following sections.

5.5.1 Implications for Apprehensive e-Shoppers (*35.4%*):

This is the largest shopper segment and with the highest prominence attached to e-SQ factors. Thus, this segment represents the most important shoppers as far as e-service quality is considered. This fact, as a result, holds the highest implications for the online marketers. Therefore, the following suggestions have been put forward for the Apprehensive e-Shoppers.

(i) The e-SQ preferences of this segment is the highest and even the least important e-SQ factor i.e. aesthetics has a mean score which is considerably high (at 3.43). The security and privacy concerns of this segment are the highest. To address this concern, online shoppers should be made to sign in to the site and assigned user id and password. This at the same time must be combined with efforts which reinforce the feeling that customer information will not be shared in any other platform.

(ii) Apprehensive e-Shoppers are mostly in Bangalore and a higher proportion is there in the age group of 31 to 44 years. Besides, they are mostly (98%) graduate or having higher qualification. The proportion amongst students is also low and the same is high amongst service holders. Therefore, this segment is essentially not common for the youngest of shoppers. Therefore, online merchandize when targeted to this age group ought to consider the e-SQ preferences along with the specific characteristics of this segment.

(iii) It is also seen that higher income shoppers' (hereinafter referred to as HNIs) proportion is more in this segment. Two-third of the shoppers have also purchased something online within the last month. In spite of this high frequency and financial strength, the monetary value of a purchase is not much on the higher side. Thus, it becomes imperative to target the HNIs of this segment while simultaneously addressing the e-SQ concerns.

(iv) The Apprehensive e-Shoppers' urge to shop online in order to save time in shopping is on the higher side. Therefore, faster and easier check out process will be beneficial to the shoppers in this segment. As shopping online presents an avenue to save time in shopping, items of regular and common use like grocery, consumables can be marketed to this segment. It will save time of the shopper, otherwise for which they would have to visit a traditional marketplace. The concentration of this segment being highest in Bangalore, arrangements for local storehouses / godowns in the city itself can make this idea viable.

(v) Apprehensive e-Shoppers seek higher comfort in shopping as well. But it is seen that they have shopped mostly for tickets / reservations online. This leaves out other items in the shopping basket like books, apparels, electronic gadgets *etc*. Given the promising prospects of this segment, marketers can try to push for such items more and reap the benefits from this segment.

5.5.2 Implications for e-Shopping Enthusiasts (*33.8%*):

As mentioned earlier, this segment is the second largest one and manifests considerable importance to the e-SQ factors. The following suggestions have been made for online marketers to address the e-Shopping Enthusiasts.

(i) The highest concentration of e-Shopping Enthusiasts is found in Kolkata, whereas the lowest in Guwahati. It is also seen that security factor has received high prominence in this segment. Therefore, the issue of enhanced security may be given priority in online shopping.

(ii) As one moves up the educational ladder, it is noticed that the proportion of e-Shopping Enthusiasts gets smaller. This observation is also backed by the fact that proportion of students amongst the shoppers is higher. Hence, marketing efforts can be addressed to target the younger tastes and preferences. Promotional efforts inside educational campuses, sponsorship of events organized for the students may also be looked into. Similarly, targeted merchandize for students can be given impetus on.

(iii) The proportion of high net worth individuals (HNI) amongst the e-Shopping Enthusiasts is lower. Hence, marketing efforts may not be suitable if HNI are targeted.

(iv) e-Shopping Enthusiasts coming from nuclear families are also higher in proportion. Therefore, online marketers can focus upon market offerings packaged for the whole family. Such offering may be the likes of packaged tour, home appliances *etc*., buying decision for which is generally taken by more than one member of the family.

(v) It is also seen that e-Shopping Enthusiasts would not indulge much in trying out new things or products online. Probably they always shop online for familiar and accustomed items. Hence, new products / items may be put as suggestions alongside items which are generally shopped.

(vi) e-Shopping Enthusiasts think themselves as less tech savvy. Hence, attention must be concentrated in enhancing the usability and user friendliness of a shopping site. Too much of technicalities can be avoided while describing an item and also during the shopping process.

(vii) e-Shopping Enthusiasts' shopping basket has been filled with more of apparels / accessories with monetary value of purchase extending upto Rs. 2,500 and lesser for tickets / reservations *etc*. One way of responding to this situation is that, online marketers can penetrate more into this segment by focusing on increasing the choice for apparels / accessories *etc*.

5.5.3 Implications for Reluctant e-Shoppers (*16.2%*):

This is a relatively smaller segment but with a higher degree of prominence attached to the e-SQ factors. The following suggestions have been made for online marketers to address the Reluctant e-Shoppers.

(i) This segment attaches high prominence to the functionality, responsiveness and empathy factor and low prominence to security and usability factors. The highest concentration of the Reluctant e-Shoppers is found in Guwahati. It would be more prudent to address the underlying variables of functionality, responsiveness and empathy for this segment.

(ii) The proportion of low income shopper is lower here. It is coupled with the fact that the monetary value of a purchase is mostly within Rs. 1,000. Therefore, it shows that shoppers who may have disposable income but are not shopping for higher values. Thus, promotional activities can be taken up for reaping benefits from this segment.

(iii) Reluctant e-Shoppers also exhibit a high tendency to shop online in order to save time. Therefore, lesser number of transaction links, faster transaction process, easier check out *etc*. may be given priority in this segment.

(iv) The excitement of the shoppers in this segment is on the higher side. Hence, online marketers must be prompt in sending follow up confirmation. It may also be useful to send promotional mails to the shoppers in this segment.

(v) The shopping basket for Reluctant e-Shoppers is bigger for tickets / reservations *etc*. As this has been overall the highest shopped item in India online, marketers can invest more in skimming from this segment.

5.5.4 Implications for Online Value Seekers (*12.6%*):

The Online Value Seekers is an even smaller segment with a prominence attached to the e-SQ factors in a lesser degree. Even then, keeping in mind the characteristics of this profile, the following suggestions have been outlined for online marketers to address the Online Value Seekers.

(i) The range of preferences for various e-SQ factors of this segment is smaller (2.30 for functionality to 3.03 for responsiveness). Thus, it would not be advisable to focus on a particular factor at the expense of another. Even though the overall attention this segment warrants is lower but marketers should not differentiate amongst the factors while investing on their marketing efforts.

(ii) Like in the case of the previous segment, Online Value Seekers' proportion is highest in Guwahati and lowest in Bangalore. The responsiveness factor receives higher importance for the Online Value Seekers as well as the Reluctant e-Shoppers. Thus, for the online shoppers based in

Guwahati, this issue should be of primary concern for the marketers.

(iii) The proportion of shoppers of 45 years or more in age is higher. Thus, online merchandize may be made suited for this category of shoppers keeping in view this observation.

(iv) Further, the Online Value Seekers have students and those with income less than Rs. 20,000 more in proportion. But at least one third of them have shopped for a value of Rs. 5,000 or higher. However, only 30% of the shoppers in this segment have shopped within the last month. Thus, promotional efforts may be taken up for this segment keeping in view the above characteristics.

(v) The Online Value Seekers' tech savvy-ness is on the higher side. Thus, this segment can be offered products / items which are high on technicalities. As the shoppers consider themselves to be tech savvy, further avenues for reaching the customer through mobile shopping can be explored. Mobile apps specifically designed for online shopping may be another way of penetrating as well as skimming the market.

Thus, it has been observed that the findings and major results of this study can have various implications for the online marketers and practitioners. These avenues have been dealt in the preceding section. The next chapter of the study summarizes the whole work and outlines a few suggestions for future work.