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A COMPARATIVE ANALYSIS OF ONLINE SHOPPING AND NON-ONLINE SHOPPING FACTORS: A STUDY OF CONSUMER PREFERENCES IN CHINA

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Abstract

This research paper conducts a comparative analysis of factors influencing consumer preferences between online shopping and non-online shopping in China. The retail landscape in China has witnessed a significant shift towards e-commerce, but traditional brick-and-mortar stores still hold importance in consumer preferences. This study aims to identify and compare the key factors that impact consumers' choices between online shopping and non-online shopping options. The research methodology includes surveys with consumers, focus group discussions, and analysis of consumer behavior data. By analyzing factors such as convenience, product availability, price, trust, experiential shopping, and customer service, this study aims to provide a comprehensive understanding of consumer preferences in the Chinese market. The findings will enable retailers, marketers, and policymakers to gain insights into the factors that drive consumer choices and design strategies to optimize both online and non-online shopping experiences. Ultimately, this research will contribute to a better understanding of consumer behavior and assist businesses in meeting the evolving needs and expectations of Chinese consumers.

Keywords: online shopping, non-online shopping, comparative analysis, consumer preferences, China, convenience, product availability, price, trust, experiential shopping, customer service, surveys, focus group discussions.

INTRODUCTION

There's a plethora of advantages that internet retailers provide, which draws customers in. Online shoppers, for instance, tend to prefer having their purchases delivered directly to their homes and keeping their shopping habits secret, as shown by surveys of online shoppers' demographics and lifestyle preferences. Consumers' decisions to purchase online may also be influenced by variables such as ease, peer influence, the cheaper price of things offered online, past Internet experience, and the simplicity of purchasing. Here are five compelling reasons why people prefer to purchase online. Shopping online has several advantages over traditional retail outlets. As a second benefit, shoppers may get detailed information about their preferred brands, goods, and retailers on the Internet. Thirdly, customers may compare product specifications, prices, and availability with more ease while purchasing online as opposed to at a physical store. Fourth, customers may purchase sensitive items online without worrying about their anonymity being compromised. At the end of the day, internet shopping may save customers time, which is particularly valuable to customers whose time is valued highly when they go to physical stores (Monsuwe et al., 2004).

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If they want to succeed in the rapidly growing virtual marketplace, practitioners must get a deep understanding of the online buying system and the habits of online customers (Constantinides, 2004). The ability to analyse and interpret online customer behaviour is crucial to the success of any business that sells goods or services over the internet. The majority of studies and discussions center on identifying and analysing potential influences on customers' online habits. The adoption and usage of online shopping among customers is investigated in research on online consumer behaviour (Cheung et al., 2003). Particular focus is placed on the factors that lead to consumers' interest in and use of e-commerce (Cheung et al., 2003). Moreover, a lot of study is dedicated to developing theoretical frameworks for predicting consumer behaviour in the context of making purchases and other important decisions when shopping online. The number of Chinese consumers who purchase online jumped by 53 million in only one year, from 516 million to 569 million. E-commerce, or the system of online merchants that sell things and deliver services over the Internet, is the newest shopping channel. Via both virtual (using the Internet) and brick-and-mortar (utilising local business networks) channels. E-tailing, often known as "virtual storefronts" or "online catalogue stores," is one subset of e-commerce. The larger the sample size in a prior poll, the more time people spend shopping online, the more inclined they are to buy products from online businesses. Search results play a crucial part in facilitating online buying by giving connections to various items. People's preferences in shopping channels may also be influenced by factors such as convenience, services, and costs. As a general rule, individuals put greater stock in their own opinions and the opinions of others who are already familiar with the product. When shopping online, customers have the unique ability to easily compare prices and selection across several vendors, and customers' experiences may be shared openly. According to a prior poll, online consumers may be broken down into five different types depending on their shopping motivations: convenience shoppers, demanding shoppers, accommodating shoppers, indifferent shoppers, & technology-oriented shoppers. Convenience, a key feature and benefit of online buying, is losing favour with consumers as the transportation infrastructure improves. Some poll participants said it's a good way to get out of home and move about. Previous studies of consumer buying habits have often generalised to the whole population, accounting for people of all ages and nationalities. The purpose of this study is to conduct a survey of Chinese consumers' spending habits vary widely throughout the age spectrum (Xiong et al., 2018).

When a consumer goes shopping, he or she is looking for available products and services. It's the process of exchanging money for goods and services. Shopping may be done through two different methods these days. Online and off-line shopping are two examples of these distribution methods. One of the most popular methods of purchasing goods and services is via the use of online retailers. Internet shopping is the act of buying goods and services over the internet. Trade in armed forces or items has always been done in a conventional manner through offline purchasing. It is up to the individual to

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decide whatever media they like to use for purchasing goods. People nowadays want to make use of technology and like to purchase online, but there are still others who are skeptical of online retailers and prefer to go out on the town. This research aims to discover the extent to which customers are aware of the differences between online and offline purchasing, as well as the variables that influence consumers' choice of shopping method (Suthamathi, 2020)**.**

Online Shopping Behavior:

A person's overall perspective and appraisal of a product or service that they encounter when shopping online may have either a positive or negative impact on their online purchasing habit, depending on the circumstances. Previous research has shown that behaviour is a multi-dimensional construct that may be interpreted in a variety of ways.Many academics assess the behaviour of consumers using a variety of different parameters. The first dimension is a consumer's attitude toward a utilitarian incentive, as stated. (Convenience, variety seeking, and the quality of merchandise, cost benefit, and time effectiveness). The second dimension discusses hedonic motivation, which includes feelings of happiness, fantasy, escape, awakening, sensuality, and pleasure. The third component, which describes perceived ease of use and utility, is also discussed. Another factor to consider is customers' perceptions of the dangers associated with online buying, which influences their actions. In addition, there are two distinct forms of perceived risk that are engaged in the process of selecting a consumer's behaviour throughout the process of online purchasing. It is further described as the first category of perceived risk involved in online product and service, which includes financial risk, time risk, and product risk, while the other category of perceived risk involved in e-transactions, which includes privacy and security, is a separate topic entirely. Many researchers have argued that a consumer's perception of risk, such as financial risk, product risk, non-delivery risk, time risk, privacy risk, information risk, social risk, and personal risk, has a negative and significant effect on the consumer's behaviour when it comes to online shopping. Another aspect of customer behaviour is the level of confidence and safety they have in online shops (Xi et al., 2020a). A consumer's confidence in e-retailers may be increased by having a great purchasing experience, which also lowers the consumer's perception of risk.

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Online Shopping:

Electronic commerce takes the form of online shopping, in which customers use a web browser or an app on their mobile device to make direct purchases of products or services from a vendor located on the other side of the Internet. Consumers may locate a product of interest by either going directly to the website of the store selling it or by searching among alternative vendors using a shopping search engine, which shows the same product's availability and cost at other e-retailers. Customers will be able to purchase online using a variety of computers and devices beginning in the year 2020. These computers and devices include desktop computers, laptops, tablet computers, and smartphones.

RESEARCH METHODOLOGY

From January to June 2022, researchers performed a rigorous cross-sectional investigation. The cross-sectional design necessitated a single point in time data collection, which was quick and low-cost. Because of the short timeframe and limited resources, the researcher opted for a quantitative approach. Rao-soft software was used to estimate the sample size of 1460; 1600 questionnaires were distributed; 1563 were returned; and lastly, 63 questionnaires were rejected owing to incompletion of the questionnaire. One thousand five hundred people from China were contacted and interviewed for the study. Using convenience sampling, all respondents were approached at the places listed above. Respondents were asked to engage in a monitoring programme at the factories. Participants who decided to participate in the study were given information about it by the researcher, who was also on hand to answer any questions they had while they were waiting to finish their monitoring programme. When a respondent was unable to read or write, or was confined to a wheelchair, the researcher read the survey questions and response categories to them, and then recorded their

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responses in the survey form as they were told. In some places, people were given questionnaires to complete and return all at once.

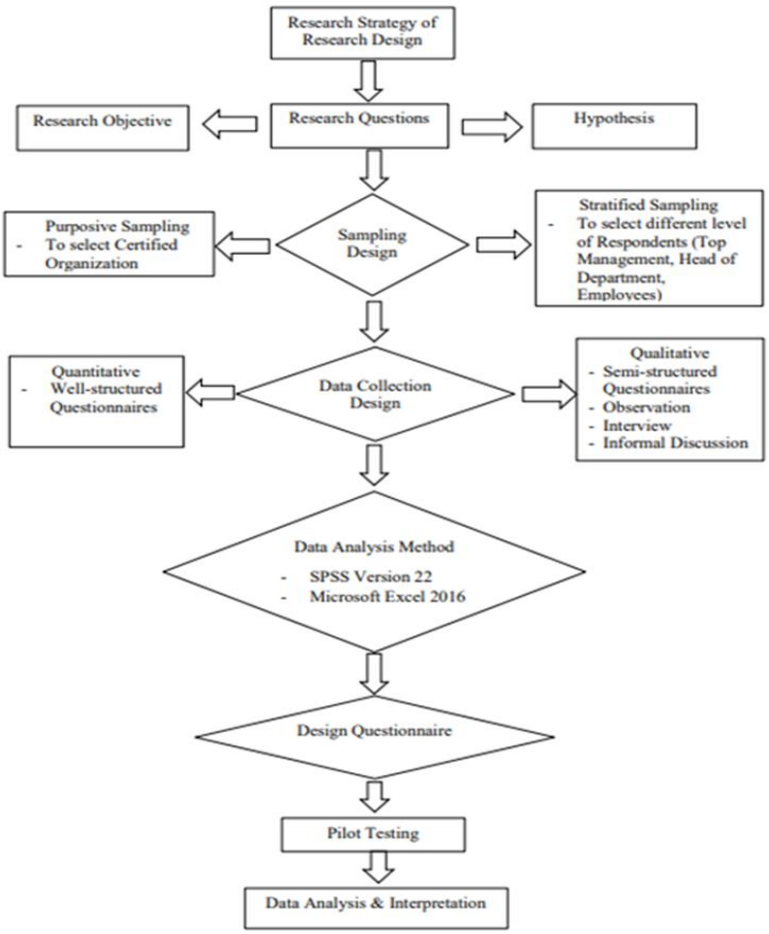

Figure 1: Research Strategy of Research Design

Study Area

The study was conducted in shopping malls, public area, markets, offices, universities, colleges in China. The study sites were chosen because of the broad availability of people to assess their shopping habits.

Data Collection

The researcher also conducted quantitative research in the form of survey collection. The details of the survey collection method are described below. Respondents first answered control questions regarding their online shopping versus non-online shopping analysis and size of their organization. This left a sample size calculated from Rao Soft and the sample size was 1500. Likert scale, rating system, used in questionnaires, that is designed to measure people's attitudes, opinions, or perceptions. Subjects choose from

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a range of possible responses to a specific question or statement; responses typically include “strongly agree,” “agree,” “did not answer,” “disagree,” and “strongly disagree.” Often, the categories of response are coded numerically, in which case the numerical values must be defined for that specific study, such as 5 = strongly agree, 4 = agree, and so on. In the study the researcher viewed demographic details that included Age Distribution of the respondents, the occupation of the respondents, Income of the respondents and the last one is Technical Skills of the respondents. That all are included in demographic details. The questions from 1-20 follow the Likert scale mentioned above and it provides us with the consumers choice of online shopping and offline shopping analytics.

Sample

Data for the study was collected through a questionnaire. Sample Size calculated through Rao-soft software was 1500, a total of 1600 questionnaires were distributed, out of which 1563 questionnaires were received back, and 63 questionnaires were rejected because they were incomplete. The final number of questionnaires used for study is 1500 with 855 females and 645 males respectively. The member of the study surveyed were the following: Health care professional 284 respondents (19.0%), Govt. employee 273 respondents (18.0%), Teacher 218 respondents (15.0%), Business 234 respondents (16.0%), Pvt. Employee 260 respondents (17.0%), and Pvt. Employee 491 respondents (33.0%).

RESULTS

Table 1: Income

Income					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< ¥15000	240	16.0	16.0	16.0
	¥15000 - ¥25000	360	24.0	24.0	40.0
	¥25000 - ¥35000	300	20.0	20.0	60.0
	¥35000 - ¥45000	330	22.0	22.0	82.0
	> ¥45000	270	18.0	18.0	100.0
	Total	1500	100.0	100.0	

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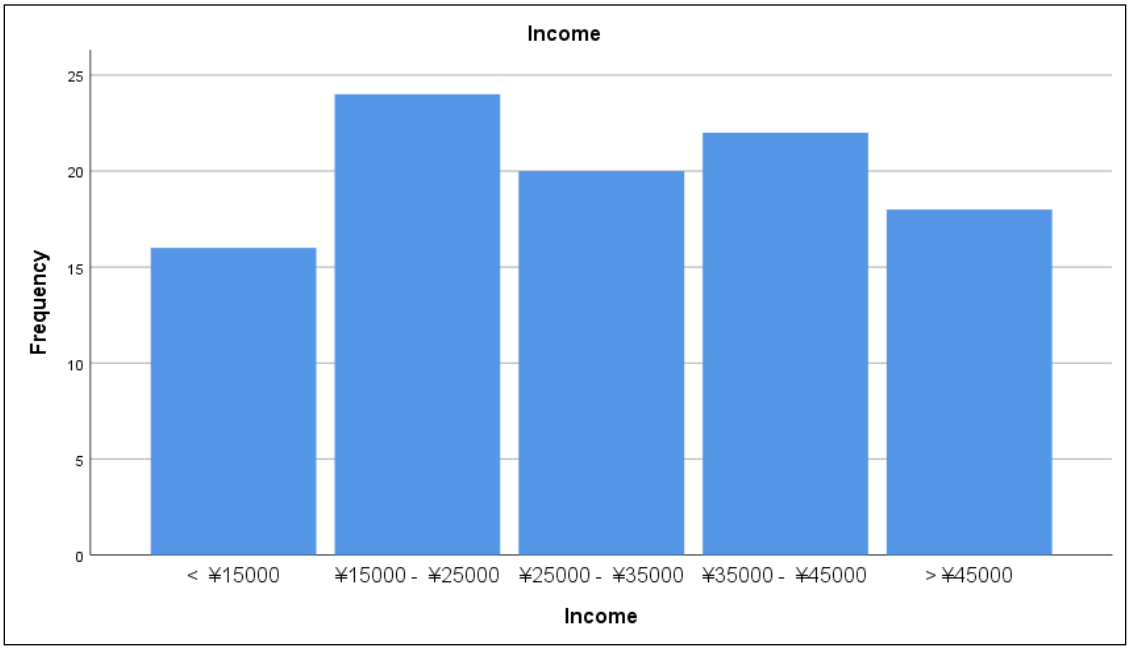

Figure 2: Income Chart

As per the table and figure 2 the demographic information of income for the participants in the study is shown. The highest number of respondents for the income group was ¥15000-¥2500024.0% (N=360) and the least income of the respondent's is < ¥1500016.0% (N=240).

Table 2: Technical skills

Technical Skills					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Beginner	315	21.0	21.0	21.0
	Average	450	30.0	30.0	51.0
	Proficient	360	24.0	24.0	75.0
	Expert	375	25.0	25.0	100.0
	Total	1500	100.0	100.0	

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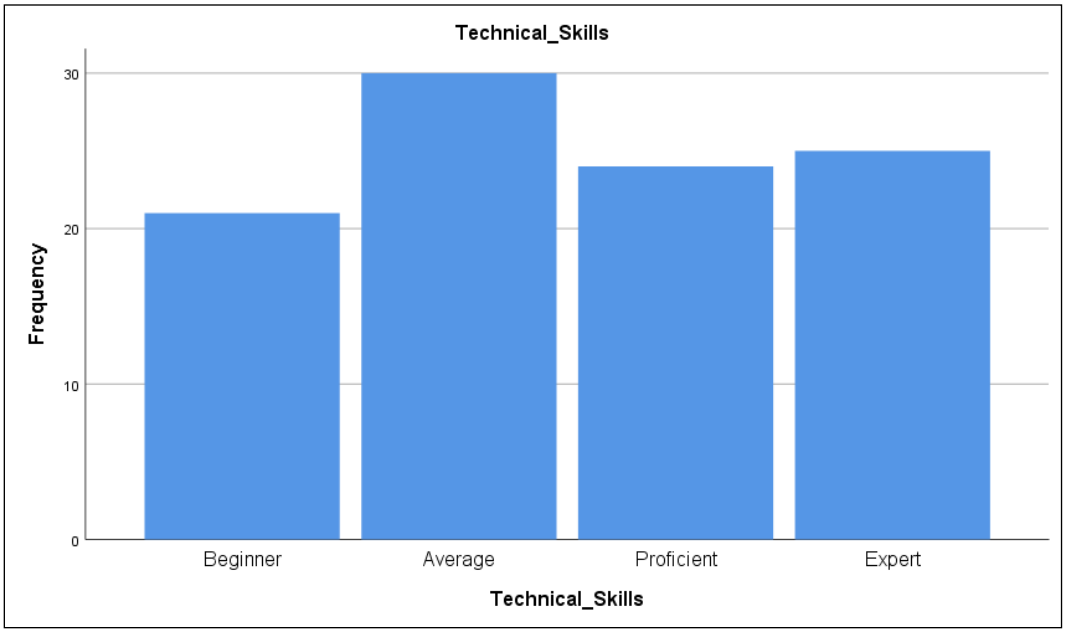

Figure 3: Technical Skill Chart

Table and figure 3 showed the demographic information of the respondent's technical skills. In this study the data comprised of the highest technical skill of the respondents is average30.0% (N=450) and the least number of technical skills of the respondents is beginner21.0% (N=315).

CONCLUSIONS

Trying on clothing at a shop may help them get the perfect fit, so they don't have to spend time and effort exchanging or returning items. Offline shopping is progressively becoming less inferior to internet purchasing as a result of the proliferation of large-scale shopping malls. Additionally, customers noted various issues relating to the consuming experience, such as the overall services of shopping advisors and parking services surrounding them, in order to ask for consumers' suggestions on improving offline shopping. This means brick-and-mortar stores will continue to thrive. As was previously noted, customers see shopping as a positive experience. Merchants can hold a few offline activities that are either appropriate, guide, or exclusive, or they can use the AI artificial change garments, and so on tool to enhance our offline shopping experience. Meanwhile, advertisements can encourage them to go out, and mates to shopping, through the lens of social to contact for people to attempting to access shopping, shopping online to feel can bring social experience and shopping experience. June 15, 2022, Fitch Ratings-Shanghai/Hong Kong: E-tailing, or online retailing, in China is expected to expand faster than offline retailing in 2022 owing to continuous limitations to control the spread of Covid-19, however this growth rate will be significantly lower than in 2020 at the beginning of the epidemic. After dipping to 27.4% in 2021 from 27.7% in 2020, it is expected that e-

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proportion commerce's of total retail of products would climb to about 29% in 2022.The penetration rate of online shopping in China reached 32.2% in May 2022, thanks to a 5.6% yoy increase in 5M22 and a 14.3% yoy increase in May. This is in contrast to a 3.8% yoy decline in offline retail and a 12.0% yoy decline in department stores. This trend is reminiscent to that seen in 2020, when the first wave of Covid-19 saw internet retail expand by 14.8% while offline retail shrank by 8.9%.

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