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Segmentation of Online Grocery and Daily Needs Shoppers: A Study on Delhi (India)

Dr.Suniti Chandiok

ABSTRACT:
The technology evolves over the years but people take additional time to accept it and adopt in their daily life. This study is Descriptive research was design to segment online grocery and daily need shoppers based upon their demographics and behavioral variable. Target population includes adult shopper of Grocery and daily needs especially student and private Sector employees between the ages of 18-65 years. Total 280 respondents participated in the survey and out of which only 249 responses where selected for the purpose of computing results for the target population. That Millennial and Generation Z are driving the online grocery and daily needs shopping in-store retailing is still dominating over online food retailing, 43% of online respondents said that they regularly order grocery products online, more three-forth (76%) of the respondents who said they don't buy grocery online are willing to buy online in future, Both online and offline shoppers like deal or discount on grocery and daily needs, Price is most important attribute that drives shoppers to switch stores, online grocery and daily needs shoppers buy non-perishable product and Traditional channels (40%) are most common among off-line grocery and daily needs shoppers, next preferred channel is Supermarket (38%). In-store retailers should know drives shoppers and they should try adding value through digital, when developing a strategy the retailers need to consider the entire retail landscape and respect the differences between channels and should monitor the performance to understand how shoppers are responding to marketing touch points or important points.

Key Words: Online shopping-commerce market, consumer behaviour, Market Segmentation.

I INTRODUCTION

Acccording to technological growth and development the Internet is frequently using for online shopping. Online shopping refers to the shopping behavior of consumer in an online store or a website is used for online purchasing purpose (Monsuwe et al. 2004). Online shopping has experienced a rapid growth during the modern years due to its unique advantages for both consumers and retailers, such as shopping at round the clock facilities, decreasing dependence to store visits, saving travel costs, increasing market area, decreasing overhead expenses and offering a wide range of products. More than 85% of world's online population has ordered goods over the internet during the recent year. Todd and Jarvenpa, (1997) introduced technology-centered view and consumer oriented views for adoption of online shopping. The technology-centered view involves the technical specifications of an online store that influence consumer's awareness of using that technology (Chen et al. 2002). On the other hand, the consumer-oriented view involves customers understanding or views about online shopping. In this paper extended technology acceptance model (TAM) (Davis, 1989) is used to understand the variables that effect online shopping. Technology acceptance model is a foundation for examination of customers approval of online shopping (Stoel and Ha, 2009).Recently there a paradigm shift in the way we purchase CPG I.e., Consumer Packaged Goods online. In the consumer packaged goods (CPG) industry, change has been more evolutionary than revolutionary, but digital is redefining what it means to go shopping. Lines between the physical and digital worlds are blurring. Shoppers are growing accustomed to the benefits of digital in other retail settings and are beginning to expect them in grocery as well. Savvy retailers are winning by leveraging technology to enhance the shopping

experience and meet consumers' evolving desires. People are now comfortable in buying perishables too.

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The Indian retail industry has emerged as one of the most dynamic and fast-paced industry due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. This growth is estimated to be fuelled with heavy expansions that will be undertaken by the existing firms in the market and spreading out to newer markets by expansion in the user base due to increasing reach of internet and smart-phones.

India is expected to become the world's fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users. Various agencies have high expectations about growth of Indian e-commerce markets. Indian e-commerce sales are expected to reach US$ 55 billion! by FY2018 from US$ 14 billion in FY2015. Further, India's e-commerce market is expected to reach US$ 220 billion in terms of gross merchandise value (GMV) and 530 million shoppers by 2025, led by faster speeds on reliable telecom networks, faster adoption of online services and better variety as well as convenience.

Investment Scenario

The Indian retail industry in the single-brand segment has received Foreign Direct Investment (FDI) equity inflows totalling US$ 344.9 million during April 2000–September 2015, according to the Department of Industrial Policies and Promotion (DIPP). With the rising need for consumer goods in different sectors including consumer electronics and home appliances, many companies have invested in the Indian retail space in the past few months:

- Amazon India expanded its logistics footprint three times to more than 2,100 cities and towns in 2015, as Amazon.com invested more than US$ 700 million in its India operations since July 2014.
- Walmart India plans to add 50 more cash-and-carry stores in India over the next four to five years. Opinion, a hyperlocal delivery start-up, has raised US$ 7 million in a Series-A funding from Gurgaon-based e-commerce fulfillment service firm Delivery along with investment from Sands Capital and Accel Partners.
- Aditya Birla Retail, a part of the US$ 40 billion Aditya Birla Group and the fourth-largest supermarket retailer in the country, acquired Total hypermarkets owned by Jubilant Retail.

Abu Dhabi-based Lulu Group plans to invest Rs 2,500 crore (US$ 375 million) in a fruit and vegetable processing unit, an integrated meat processing unit, and a modern shopping mall in Hyderabad, Telangana. With an aim to strengthen its advertising segment, Flipkart acquired mobile ad network AdiQuity, which has a history of mobile innovations and valuable experience in the ad space. Indian online grocery market is set to hit Rs 2.7 billion mark by FY'2019 following the surge in number of players operating in the industry. This research paper is an attempt to capture the current and prospect

online grocery and daily needs customers. With high growth opportunity and competitiveness in this industry it is important to know what value an online retailer is trying to give to their customers.

II RESEARCH OBJECTIVE

Willingness to use digital retailing options in the future is highest in Asia-Pacific, Africa/ Middle East and Latin America regions. In a study, Ward (2000) modeled consumer channel choice (online vs. store) and estimated the effects of various demographic variables. He found that, after controlling for demographic factors, experience with online shopping increased consumer willingness to purchase online. They found that the likelihood of making an online purchase increased steadily with the amount of time that one had been an Internet user. Ward included 17 different product categories in his analyses (including food and beverages) and found consistent results across product categories. Then concluded the number of consumers with access to online shopping is increasing exponentially and that experience influences online purchase behavior. The following are the research objectives of the project:

- To obtain possible segment of the online grocery and daily needs shoppers.
- To know preferred channel of offline grocery and daily need shoppers.
- To review the literatures on online food retailing and grocery.

III LITERATURE REVIEW

Online shopping is the consumers shopping behavior to shop online. The people who find it easy to use, useful and enjoyable can accept online shopping. Technology acceptance model is used to understand the variables that affect online shopping. Online shopping studies In year 2010 , Umair Chemma and other carried out their research on .The trend of online shopping in 21st century impact of enjoyment in tam mode. in which they included 150 respondents from various professional fields. They took various variables like perceived usefulness, perceived ease of use and perceived enjoyment. Let us first discuss these variables:

Perceived Usefulness: In perspective of e-shopping, perceived usefulness is customers' perception that by shopping online his or her performance will be enhanced. Perceived usefulness (PUSF) is considered as the utilitarian factor that affects online shopping (Davis, 1989). According to TAM (Davis, 1989) customers tend to use that online website which significantly affects their performance. According to Zhou et al. (2007) it's the customer's probability that shopping online would increase his/her efficiency and this positively affect the entire purchase process. Bhattacherjee, (2001) says that customer prefer to acquire a product when such usage is perceived to be useful.

Perceived Ease of Use: In the context of online shopping, perceived ease of use is the customer's perception that it would easy to interact with the e-commerce websites. According to (technology acceptance model) TAM an online shopping web site that is easy to use positively affects perception of usefulness. Many other researchers found that technology that is easy to use increases people's perception of usefulness. Therefore, PEOU has a significant effect on PUSF. PEOU is estimated to have a positive effect on purchase intention. When customers find that interaction with an online shopping website is easy and it is easy to search product information and to pay online, they prefer online shopping. Van der Heijden, (2004) found that perceived ease of use is hedonic-oriented factor. As the web based technologies is increasing the structure of websites is becoming more complex. If

the site for shopping intention is convenient to use then customers will interact more with the site (Wallace and Barkhi, 2007). On the basis of above discussion it is concluded that perceived ease of use (PEOU) significantly affects online shopping intention.

Perceived Enjoyment: In the context of online shopping, perceived enjoyment (PE) is the customer's perception that by shopping online he or she will have fun. Perceived enjoyment is the hedonic factor that effect online shopping intention. Enjoyment is an efficient reaction and it affects the performance. Customers can have fun searching products online. Enjoyment is the essential element of online shopping. Online retailers should give importance to this hedonic factor when planning to develop their websites. Lu and Hsu, (2004) recommended that enjoyment effects online shopping. Thong et al. (2006) suggested that enjoyment has a significant effect on shopping. As compared with the offline shopping, online shopping can be equally enjoyable and can have positive effect on online shopping. Triandis, (1980) discussed that the feelings of delight, pleasure and joy have an impact on individual's behavior that encourage them to shop online.

The conclusion of the study was that the perceived ease of use and perceived enjoyment are the factors that affect online shopping intention and more over perceived ease of use has a significant positive effect on perceived usefulness.

The limitation of the study was they didn't included behavioral aspect of online customer shopper. Online Food Retailing studies In early 2001 Michelle A. Morganosky and Brenda J. Cude carried out their studies on . Consumer Responses to Online Food Retailing., this research was a follow-up to a study conducted in 1998. Demographic profiles and shopping behaviors of respondents in the two studies were compared and using cluster analysis, four distinct segments of online food shoppers are identified and they were as follow:

Cluster 1 : Physically Constrained Shopper Consumers in this cluster were primarily motivated to use the online channel for grocery purchases due to physical constraints that hindered their ability to shop, drive, or carry groceries

Cluster 2: Female Involved Shopper Female Involved Shoppers were younger, had higher incomes, and had more children in the household.

Cluster 3: Male Convenience Shopper Male Convenience Shoppers were younger than Physically Constrained Shoppers (Cluster One); however, Male Convenience Shoppers were less likely to have children living in the household than were either Female Involved Shoppers or Female Convenience Shoppers.

Cluster 4: Female Convenience Shopper These shoppers were fairly similar to Female Involved Shoppers except that they were younger and household incomes were somewhat higher. An important distinguishing difference between the two clusters was that Female Convenience Shoppers were more willing to buy all grocery items online (including meat and produce) than were Female Involved Shoppers.

Hypothesis: There are more male grocery and daily need shopper than female.

They concluded by giving managerial implication of online grocery shopping on supermarkets that is if home shopping became mainstream then it would have negative impact on the sales of supermarket.

To overcome this lacuna they suggested the use of hybrid model i.e. you place order online and pick it up from a physical store. Exploratory Studies on Online Grocery Shopping (2011), Ali et al concluded that time availability and convenience are the two factors that is motivating consumers to buy grocery online. In another study .Online Food Retailing: Is Market Segmentation the Key to Success?., Timothy P. Shea et al raised their concern on profitability of online grocery business, they further said that inherent characteristics such as delivery costs and the need for many customers to physically view the products before buying makes it business further more difficult.

IV RESEARCH METHODOLOGY

This study is descriptive in nature, because we are trying to find the demographics of those people who are buying the grocery and daily needs online and those who are not and reasons behind their respective actions. Based on the secondary data collected via available literature on online food retailing and online grocery shopping, questionnaire was prepared. The questionnaire was used to capture the demographics of the respondents, the preferred online and offline supermarket they use, average number of item purchased by them, category of the items, frequency of the purchase, device used to make the order and its average amount, age, gender and city they currently are living. Convenience sampling method was to use to compute for the population. Respondent who don't buy grocery online have reasons which are very subjective in nature to capture it we used an open ended question in the questionnaire.

Table 1: Target Population

Target Population	
Elements	Adult Shopper of Grocery and Daily Needs
Sampling Unit	Student and Private Sector employee between the ages of 18-65+
Time Frame	January 2016 to March 2016
Sample Size	N=249 (Google form was used to collect data from questionnaires.)

Instrument Used

Market Research analysis software IBM SPSS was used to compute research results and test the significance value of the hypothesis of the following hypothesis:

H1: There are more male online grocery and daily need shopper than female.

H2: There is no difference between gender and type of application used to make an online order.

H3: There is no difference between frequencies of order between online and offline grocery or daily needs shoppers.

V DATA COLLECTION AND ANALYSIS:

The technology evolves over the years however a person takes more time to accept it and adopt in their daily life. This study is Descriptive research was design to segment online grocery and daily need shoppers based upon their demographics and behavioral variable. Target population includes adult

shopper of Grocery and daily needs especially student and private Sector employees between the ages of 18-65 years. Total 280 respondents participated in the survey and out of which only 249 responses where selected for the purpose of computing results for the target population. Ward included 17 different product categories in his analyses (including food and beverages) and found consistent results across product categories. Then concluded the number of consumers with access to online shopping is increasing exponentially and that experience influences online purchase behavior. According to study the data was analyzed by SPSS.

1. Reliability Analysis

Overall Cronbach 's alpha of the variables were more than suitable and recommended value of 0.50 by and 0.60 by. This shows that all the 17 items were reliable and applicable to measure the opinions of consumers towards Online Shopping.

Reliability Statistics: (table no-2)	
Cronbach's Alpha	N of Items
.856	17

2. Profile of Respondents: the respondent's information about gender, age, income, education, status, application used by respondents, average amount spent on online order, frequency of internet use and likely product to be bought in the future.

1. Gender of Respondents (Table no-3)

Gender	**Frequency**	**Percentage (%)**
Female	81	33
Male	168	67
Grand Total	**249**	**100**

2. Age of Respondents (Table no-4)

Age Range	**Frequency**	**Percentage (%)**
18-24	149	60
25-34	64	26
35-44	20	8
45-54	13	5
55-64	1	0
65+	2	1
Grand Total	**249**	**100**

3. Occupation of respondent (Table no-5)

Occupation	**Frequency**	**Percentage (%)**
Government	4	2
Other	17	7
Private Sector	116	47
Public Sector	3	1
Student	109	44
Grand Total	**249**	**100**

4. Online Grocery Shoppers (Table no-6)

Do you buy grocery or daily needs online?	Frequency	Percentage (%)
No	142	57%
Yes	107	43%
Grand Total	**249**	**100**

5. Application used by respondent (Table no-7)

Which application do you use to order grocery from online supermarket?	Frequency	Percentage (%)
Both	52	48
Mobile Application	35	33
Website	20	19
Grand Total	**107**	**100**

6: Frequency of order for online shoppers (Table no-8)

How often do you place order or shop for groceries?	Frequency	Percentage (%)
Every Week	22	20
Fortnight	18	17
Monthly	67	63
Grand Total	**107**	**100**

7. Frequency of order for off-line shoppers (Table no-9)

How often do you place order or shop for groceries?	Frequency	Percentage (%)
Every Week	51	37
Fortnight	37	27
Monthly	50	36
Grand Total	**138**	**100**

8. Average Amount Spend On Online Order (Table no-10)

What is the average amount of order you make?(Rs.)	Frequency	Percentage (%)
<1000	26	24
1000-2000	50	47
2000-3000	17	16
3000+	14	13
Grand Total	**107**	**100**

9. Average Amount of order for online shoppers (Table no-11)

What is the average amount of order you make?(Rs.)	Frequency	Percentage (%)
<1000	48	35
1000-2000	41	30
2000-3000	22	16
3000+	27	19
Grand Total	**138**	**100**

Interpretation: 35% of total respondent who buy grocery and daily need off-line i.e., from physical store spend less than 1000, 30% of them spend 1000-200 and 16% between 2000-3000.

Comparison: Respondent who shop from physical store with an average order amount of 3000 (19%) and plus is greater than those who buy online (13%).

- From the above table we can say that about 33% in the target population are female and 67% are male.
- 60% of respondent where between the ages of 18 and 24 years; and 26% of respondent where between the ages of 25 and 34 years i.e. total of 86% of population is between the ages of 18 to 34 years.
- 46% of respondent belongs to private sector and 44% are student and total 90% of population are in private sector and are student.
- 57% of respondent said they do not buy grocery or daily needs online and where as 43% of respondent said they buy grocery or daily needs online.
- 48% of respondent out of those who said they buy grocery or daily need online use both mobile application and website to access online supermarket; and 81% of total population use Mobile application to access online supermarket.
- 63% of respondent who buy grocery or daily need online place order for its monthly, 20% and 17% of them place order every week and fortnight respectively.
- 36% of respondent who buy grocery or daily need offline, shop for its monthly, 37% and 27% of them place order every week and fortnight respectively.

Comparison: Respondent who buy grocery or daily need online have high low frequency of placing order i.e., 63% buy monthly where are those who buy off-line have high frequency of order i.e., only 36% buy monthly.

- 47% of total respondent who buy grocery and daily need online spend at an average amount of 1000-2000, 24% and 16% spend less than 1000 and between 2000 -3000 respectively.

10.Price as store switching driver for online shopper (Table no-12)

Would you buy a similar product available at a lower price on different online supermarkets as compared to your favorite online supermarket?	Frequency	Percentage (%)
No	1	1
Yes	106	99
Grand Total	**107**	**100**

Interpretation: 99% of respondent who buy grocery or daily online are ready to switch online store if they find similar quality product at lower prices.

11. Price as store switching driver for off-line shopper (Table no-13)

Would you buy a similar product available at a lower price on different off-line supermarkets as compared to your favorite off-line supermarket?	Frequency	Percentage (%)
No	19	13
Yes	123	87
Grand Total	**141**	**100**

Interpretation: 87% of respondent who buy grocery or daily off-line are ready to switch off-line store if they find similar quality product at lower prices.

Comparison: 13% of respondent who buy grocery or daily need off-line are not ready to switch because they are brand loyal to the supermarket from where they purchase grocery or daily needs.

12.Most Preferred Online Supermarket (Table no-14)

Which of the following online supermarket do you use to buy grocery or daily needs?	Count out of total respondent who buy Grocery or Daily Need online	Percentage (%)
Amazon	69	64
Flipkart	56	52
Snapdeal	43	40
Bigbasket	18	17
PepperTap	8	7
Grofers	19	18
Nature's Basket	5	5

Interpretation: 64%, 52% and 40% of total respondent said their preferred online supermarkets are Amazon, Flipkart and Snapdeal respectively. 17% and 18% of total respondent said they preferred Big basket and mobile only supermarket Grofers.

13. From where do you buy grocery or daily needs. (Table no-15)

From where do you buy grocery or daily needs.	Frequency	Percentage (%)
Hypermarket	25	18
Supermarket	54	38
Traditional	57	40
Convenience Store	6	4
Grand Total	**142**	**100**

Interpretation: 38% of respondent who buy daily need and grocery from off-line supermarket, shop from supermarkets and 40% from Traditional mediums like local retail shops and vendors. We can see that traditional mediums i.e., un-organized retail are still dominated.

14. Product category for online shoppers (Table no-16)

An order made by you on online supermarket contains items falling in which of the following categories?	Frequency	Percentage (%)
Fruits & Vegetables	41	38
Health Care	46	43
Personal Care	37	35
Flour	28	26
Dairy	23	21
Cooking oils	33	31
Staples	25	23
Bakery	29	27
Spices	28	26
Rice	24	22
Others	2	2

Interpretation: 43%, 38% and 35% of respondent who buy online, they purchase product falling under Personal Care, Fruit & Vegetables and Health Care category

15. Product category for off-line shoppers (Table no-17)

An order made by you in physical stores contains items falling in which of the following categories?	Frequency	Percentage (%)
Fruits & Vegetables	89	63
Health Care	61	43
Personal Care	88	62
Flour	63	44
Dairy	72	51
Cooking oils	88	62
Staples	79	56

Bakery	59	42
Spices	67	47
Rice	61	43
Others	1	1

Interpretation: 62%, 43% and 63% of respondent who buy from physical stores, they purchase product falling under Personal Care, Fruit & Vegetables and Health Care category.

Comparison: Respondent who buy grocery and daily needs online prefers to buy non-perishable things compared to those who buy from physical stores.

16. Affinity of online shopper towards savings (Table no-18)

Do you like saving on grocery or daily need shopping?	**Frequency**	**Percentage (%)**
No	3	3
Yes	104	97
Grand Total	**107**	**100**

Interpretation: 97% of respondent likes to save on grocery and daily needs.

17. Affinity of off-line shopper towards savings (Table no-19)

Do you like saving on grocery or daily need shopping?	**Frequency**	**Percentage (%)**
No	6	4
Yes	136	96
Grand Total	**142**	**100**

Interpretation: 96% of respondent likes to save on Grocery and Daily needs.

18.Deal savviness of online shoppers. (Table no-20)

Do you like Deals on grocery or daily need shopping?	**Frequency**	**Percentage (%)**
No	5	5
Yes	102	95
Grand Total	**107**	**100**

Interpretation: 95% of respondent who buy online Grocery and Daily needs likes to discount or deals on it.

19. Deal savviness of off-line shoppers. . (Table no-21)

Do you like Deals on grocery or daily need shopping?	**Frequency**	**Percentage (%)**
No	13	9
Yes	129	91
Grand Total	**142**	**100**

Interpretation: 91% of respondent who buy off-line Grocery and Daily needs likes to discount or deals on it.

Comparison: It is observed that both the online and off-line as well as Grocery and Daily need shopper have similar affinity towards deals and savings.

20. Willingness to buy in future . (Table no-22)

Would you buy grocery or daily needs online if your favorite supermarket is selling online?	**Frequency**	**Percentage (%)**
No	37	26

Yes	105	74
Grand Total	**142**	**100**

Interpretation: 74% of respondent who said they don't buy grocery or daily needs online are willingness to switch to online mode if their favorite supermarkets starts selling online.

Cluster 1: Consumer in this cluster consists of 61% male and 39% female. They often order for Grocery and Daily needs monthly (75%) using mobile application (80%).The average amount spend by them is between Rs. 1000-2000 (44.4%) and male shoppers spend more than female. The average item ordered is 5. The most of product that they order fall into Personal Care category (42%). Their favorite online supermarket is Amazon (58%).

Cluster 2: Consumer in this cluster consists of 21.4% male and 78.6% female. They often order for Grocery and Daily needs monthly (50%) using mobile application (85.7%).The average amount spend by them is between Rs. 1000-2000 (57.14%). The average item ordered is 8. The most of product that they order fall into Personal Care category (57%). Their favorite online supermarket is Amazon (78.5%).

Cluster 3: Private Sector Employees (25-34 yrs.), online Grocery and daily needs Shopper (28%) .Consumer in this cluster consists of 65.5% male and 34.5% female. They often order for Grocery and Daily needs monthly (58.6%) using mobile application (86%).The average amount spend by them is between Rs. 1000-2000 (48.27%) and they the most spending customer's cluster. The average item ordered is 10. The most of product that they order fall into Personal Care (38%) and Fruit & Vegetables (41%) category. Their favorite online supermarket is Amazon (58.6%) and Flipkart (55%).

H1: There are more male grocery and daily need shopper than female.

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Online Grocery And Daily Need Shopper	Female	165	.4606	.49996	.03892
	Male	76	.4079	.49471	.05675

Table 23: Group Statistics for H1

		Levene's Test for Equality of variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Online Grocery And Daily Need Shopper	Equal variances assumed	2.724	.100	.763	239	.446	.05271	.06908	-.08338	.18880
	Equal variances not assumed			.766	147.261	.445	.05271	.06881	-.08328	.18870

Table 24: Independent Samples Test for H1

Interpretation: Since, p value (0.446) is greater than alpha value (. = 0.0626) therefore we can reject the hypothesis.

H2: There is no difference between gender and type of application used to make an online order.

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Application Used	Female	169	1.4970	1.25416	.09647
	Male	72	1.3194	1.28728	.15171

Table 25: Group Statistics for H2

		Levene's Test for Equality of variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Application Used	Equal variances assumed	.218	.641	.998	239	.319	.17760	.17790	-.17285	.52805
	Equal variances not assumed			.988	130.982	.325	.17760	.17978	-.17806	.53325

Table 26: Independent Samples Test for H2

Interpretation: Since, p value (0.319) is greater than alpha value (. = 0.0626) therefore we can reject the Hypothesis.

H3: There is no difference between frequencies of order between online and offline grocery or daily needs shoppers.

Online Grocery And Daily Need Shopper		N	Mean	Std. Deviation	Std. Error Mean
Frequency	Yes	152	2.2500	.86315	.07001
	No	89	1.9663	.94688	.10037

Table 27: Group Statistics for H3

		Levene's Test for Equality of variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Frequency	Equal variances assumed	7.468	.007	2.375	239	.018	.28371	.11944	.04841	.51900
	Equal variances not assumed			2.318	170.890	.022	.28371	.12237	.04215	.52527

Table 28: Independent Samples Test for H3

Interpretation: Since, p value (0.446) is less than alpha value (. = 0.0626) therefore we can accept the hypothesis.

VI FINDINGS OF THE STUDY:

- Growth of online grocery shopping is driven in part by the maturation of the digital natives—Millennial and Generation Z.
- In-store retailing is still dominating over online food retailing.
- 43% of online respondents said that they order grocery products online.
- More three-forth (76%) of respondents who said they don't buy grocery or daily needs online are willing to buy online in the future.
- Both online and offline shoppers like deal or discount on grocery and daily needs.
- Price is most important attribute that drives shoppers to switch stores.
- There is no difference between frequencies of order between online and offline grocery or daily needs shoppers.
- Online grocery and daily needs shoppers buy non-perishable product.
- Traditional channels (40%) are most common among off-line grocery and daily needs shoppers, next preferred channel is Supermarket (38%).

VII CONCLUSIONS OF THE STUDY:

For conclusion, it can we said that we are slowly moving towards the hassle-free way of grocery and daily needs shopping. Digital is here to stay, but the majority of consumers will continue to shop for the bulk of their purchases in store even If the channels they're using are changing.

The cluster of customer that we have created in this research is pretty much true for current online grocery and daily need shopping status in India. Majority of online grocery and daily needs shopper prefer to buy non-perishable good but up-coming retails like BigBasket and 24X7 Fresh with Inventory Business Model, are pushing them to buy perishable goods too. Most of respondent used both website and mobile application to order product from online supermarket. With increase in Internet Penetration in India (20%) time-starved consumers want to use technology to make shopping faster, easier and more efficient. All these indication are reflecting a great growth of online food retailing in India.

VIII SUGGESTIONS OF THE STUDY:

Shoppers will use whatever format best suits their needs for convenience, choice and value. Therefore, it is critical that retailers and manufacturers leverage physical and digital assets to optimize the in-store experience. Here, are few ways by which can retailers bridge the gap between worlds and succeed in the new retail environment:

- **Remember what drives shoppers**: Regardless of format, price, quality, convenience and selection are key drivers of store choice. Retailers need to show shoppers how they're delivering these values in every interaction, no matter where it occurs.
- **Add value through digital**: A .build it and they will come. approach will not work in the digital world. Tech-savvy consumers can easily determine whether an application or device adds value to their lives. Those that make their lives better will be used, while those that do not will be discarded. When developing digital initiatives, retailers and manufacturers need to consider whether they're creating value and clearly communicating the benefits to consumers.
- **Consider channels holistically**: Online and in-store are fundamentally different channels, with unique uses, expectations, challenges and economics. When developing a strategy, retailers

need to consider the entire retail landscape and respect the differences between channels. Online and offline tactics should complement each other to drive increased engagement and sales across all outlets.

- **Know your shoppers: Knowing consumers'** wants/needs is critical when developing a multi-channel strategy. As consumers demand a more personalized shopping experience, retailers should not strive to be all things to all people. To prioritize initiatives and investments, retailers and manufacturers need a deep understanding of the decisions that shoppers make to inform those decisions, and where they choose to make a purchase. And they should use this knowledge to personalize and align touch-point content to meet shoppers' unique needs.
- **Recognize that change is industry-wide**: The changes taking place in grocery are not just a concern for retailers, but the entire CPG industry. Manufacturers need to adapt their marketing, merchandising, distribution, and operations models for the new retail landscape. Above all, success will require collaboration between retailers and manufacturers, with each party leveraging the strengths of the other to deliver services and offerings aligned with evolving consumer expectations.
- **Measure and adjust:** Retailers and manufacturers should continuously monitor performance to understand how shoppers are responding to marketing touch points and ensure they're optimizing their touch-point mix to yield the highest ROI.

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7. Annexure

Count of Gender				Supermarket				
Row Labels	**Amazon**	**BigBasket**	**Flipkart**	**Grofers**	**Healthkart**	**PepperTap**	**Snapdeal**	**Grand Total**
Female	**8**			**1**	**2**	**1**	**2**	**14**
Both		**3**			**2**			**5**
Monthly		3			2			5
Mobile Application		**3**	**1**		**1**			**5**
Every Week			1			1		
Monthly		2		1	1			4
Website		**2**		**1**	**1**			**4**
Monthly		2		1	1			4
Male	**13**			**6**	**1**	**1**	**1**	**22**
Both		**8**		**4**			**12**	
Fortnight		1		2			3	
Monthly		7		2			9	
Mobile Application		**5**	**1**		**1**			**7**
Every Week		2		1			3	
Fortnight			1			1		
Monthly		2		1			3	
Website		**1**	**1**		**1**			**3**
Fortnight			1			1		
Monthly		1		1			2	
Grand Total	**21**	**1**	**8**	**1**	**1**	**2**	**2**	**36**

Table 29: Pivot Table for cluster 1

Count of Gender		Supermarket		
Row Labels	**Amazon**	**Grofers**	**Snapdeal**	**Grand Total**
Female	**1**	**1**	**1**	**3**

Both		**1**		**1**
Monthly		1		1
Mobile Application		**1**		**1**
Every Week		1		1
Website		**1**		**1**
Monthly		1		1
Male	**10**		**1**	**11**
Both	**7**		**1**	**8**
Every Week		3		3
Fortnight		1		1
Monthly		4		4
Mobile Application		**3**		**3**
Every Week		2		2
Monthly		1		1
Grand Total	**11**	**2**	**1**	**14**

Table 30: Pivot Table for cluster 2

Count of Gender			**Supermarket**		
Row Labels	**Amazon**	**BigBasket**	**Flipkart**	**Grofers**	**Grand Total**
Female	**7**		**2**	**1**	**10**
Both	**6**		**2**		**8**
Every Week		1		1	
Fortnight		1		1	
Monthly	5		1		6
Website		**1**		**1**	
Monthly		1		1	
Mob. App.		**1**		**1**	
Fortnight		1		1	
Male	**11**	**2**	**4**	**2**	**19**
Both	**2**		**1**	**1**	**4**
Every Week		1		1	
Monthly	1		1	1	3
Website	**1**		**1**	**1**	**3**
Every Week		1		1	
Fortnight		1		1	
Monthly		1		1	
Mob. App.	**8**		**2**	**2**	**12**
Every Week	1		1	1	3
Fortnight	2		1		3

Monthly	5		1		6
Grand Total	**18**	**2**	**6**	**3**	**29**

Table 31: Pivot Table for cluster 3