

Trend of online shopping: a situation analysis in Karachi

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Abstract

Sometimes the general things become the part and parcel of everyday life. Similarly, internet surfing has become an everyday job for almost everyone in the world. In Pakistan a majority has access to the internet; meanwhile, the aspect of online shopping grabbed the attention of many. This empirical research was carried out to dig out the facts about what are the opinions of the general public after experiencing online shopping. The researcher conducted a survey with 200 respondents who are the active internet users and have the taste for online shopping. The results turned out to be positive and encouraging with minimum fraudulent schemes.

Keywords: online shopping, web stores, online product, World Wide Web

Introduction

The world through many decades have observed rapid growth of the internet, its reach has extended to every nook and corner of the developed and developing countries. As a result, digital media connected the whole world at a single platform, with the source of internet a person can be connected to another anywhere in the world regardless of the distance. In recent years, the trend of shopping online has emerged engulfing the masses to access the market online directly from their homes saving their time and misery from surveying the markets in practical.

Online shopping is pioneered by the British entrepreneur Michael Aldrich in 1979. The trend skyrocketed since then. (Rospigliosi, 2017) As a matter of fact, the most innovative idea of shopping online had emerged out of a necessity in 1984 when a 72-year-old grandmother broke her hipbone and could not walk to store to buy groceries, she then for the first time in the history typed on her TV screen about a grocery list to send to a local Tesco supermarket. (Ciancio, 2017)

Online Shopping Around the World

Today online shopping has become a whole lot of business to buy the needed or desired item. Technology as a source has minimized the distances among the cities, countries, and continents. Emerging as a lifestyle, today online shopping has gripped the masses around the world. People can be witnessed shopping online using digital media as a tool to purchase things from abroad while staying in their couches.

According to a statistics portal Statista.com (2017), an estimated 1.66 billion people around the world shopped online. The countries include America followed by Sweden, France, and the United Kingdom. There are several international shopping portals that retail online and they have a proper ranking for their performance. Collins (2018) in his article about Amazon being the most

preferred website for online shopping followed by eBay and Etsy as second and third preferred respectively, around the globe. The web store of Amazon commenced as a small bookstore in 1995, now grown as a mammoth for online shopping.

Online Shopping in Pakistan

Officially the internet was introduced to the world in 1990 when a British computer scientist and Professor Tim Berners Lee pioneered the first World Wide Web server. (Dennis, 2019) Pakistan picked up the pace of internet during 1992-1993 and by the end of the year 2001, there were as many as 50 internet service providers in the country. The arrival of Fiber Optic Cable system in the year 2000 thrashed the country with the even faster speed where the messages were transmitted to different places in the burst of light. (Dawn, 2010)

As per Internet World Stats, the internet users in Pakistan are around 44,608,065 from the population of 200,813,818 people. (IWS, 2018) The use of digital media to shop online is growing faster around the world, likewise, Pakistan as a developing country is also gripping onto the trend of online shopping. In Pakistan, several websites are serving as a great source of online shopping, among which Daraz.pk ranks on the top following with HomeShoppink.pk, Symbios.pk, Shophive.com and Yayvo.com.

Significance of the study

Due to the raising globalization, the grandness of online shopping is getting a boost. Online shopping enables shoppers to get their required item by just one click. The researcher has selected the Karachi city as the research premises because Karachi is considered to be the industrial Hub of Pakistan's Economy. The present study has made an attempt to determine that how far and deep the trend of online shopping has strengthened, to how much extent the people of Karachi go for online shopping and why do people in Karachi prefer online shopping instead of store shopping.

The empirical research will provide the unbiased results from the respondents.

Literature Review

Puja Gupta 2015 conducted a Comparative Study of Online and Offline Shopping: A Case Study of Rourkela in Odisha. The study posits the situation analysis of the online consumers that mostly the young females who spend larger time on the internet go ahead for online shopping preferring non-electronic items with moderate satisfactory level.

Choudhury and Dey (2014) argue that the majority of the students at Assam University with demographics of 25-30 years of age are regular online shoppers. The study suggests that the prices for online products should be lower with a larger variety than the store prices. The study ensures that website usability has no impact on the temptation of online shopping.

Bashir (2013) advanced the conclusions about the trend of online shopping of electronics in Pakistan. The study concludes that the personal experience and the social circle cast higher influence on online shopping. The study also comes up with the result that the general public does not feel safe with the payments via credit or debit or ATM card for online shopping. Hence there are security issues regarding payments.

Another research by Saleem, Khan, Ahmed, Ali, Shah, and Surti (2017) clarifies that the common public in Pakistan is not prone to shop online for shopping. For grocery shopping, online shoppers are in a state of ambiguity as to what to buy online because they cannot evaluate the product in a physical sense.

Mostly, elderly people are not a fan of shopping online. Nasir Uddin and Sultan (2011) proved in their research study that there is no relationship between age and the inclination of shopping online. The study also revealed that higher education makes online shopping less effective.

Research Methodology

This research has adopted the Quantitative research method using the Survey as the data collection tool. For the survey, two hundred respondents were met in Karachi.

Sampling

The relevant data were collected through questionnaires. The researcher used the method of the convenient sampling technique. To determine the suitable sample size for the study Shah and Goldstein (2006) in their study state that small samples are associated with partial results that bar the objectivity of the matter ascertaining minimum reliability. Keeping this in mind, the present study needs a minimum sample size of 200. Swilley and Goldsmith (2013) use 225 valid responses while Kim, Kim, and Park (2010) use 264. Accordingly, the study reserves 200 respondents as a sample size.

Objectives of the study

In order to analyze the prevailing trend of online shopping in Pakistan, the present study is carried out to examine three dimensions of the online shopping trend in Karachi. The study works on the following objectives:

- To find out what is the users' satisfaction level for the delivered product.
- To find out which product do the users buy online?
- To find out which web portal is famous among the masses of Karachi?
- To find out what is the reason, either utilitarian or hedonic, for shopping online instead of in-store shopping.

Theoretical Framework

The empirical research dwells two theories that represent the underlying concept of the research. One is the Expectation Confirmation Theory while another one is the Diffusion of Innovation Theory.

Expectation confirmation theory (ECT) states that the event that has occurred a while ago must have the expecting results. Jiang and Klein (2009) argue that before any occasion people tend to have high expectations. For that satisfaction, people are satisfied and relieved when things meet positively with their expectations, but if the case becomes negative then people remain un-satiated. This property makes ECT a powerful explanatory tool.

Proposed by E.M. Rogers in 1962, the Diffusion of Innovation Theory posits that in how much time after the launching, the products gain momentum and spread (or diffuse) through a certain number of populations. Kaminski (2011) asserts that the diffusion of innovation alludes to the procedure that happens as individuals embrace another thought, item, practice, theory, etc. Rogers mapped out this procedure, focusing on various cases; few are available to the new thought and embrace its utilization.

Findings

Table 1

Q. Why do you shop online?	Frequency
To save time	99
for convenience	35
to have fun	20
Not in the mood to go alone to the mart	17
Not available offline	13
If it aesthetically satisfies me	9
For unique things	7
Grand Total	200

Interpretation

The figures in Table 1 above clearly state that 50% of the sample people in Karachi opt for online shopping just to spare roaming around the mart and save their time. On the other hand, the factor of convenience lies ahead for convincing 18% of people to shop online. Needless it is to mention the fun that 10% of people savor while shopping online so as to enjoy the particular experience. According to the figures, 6.5% of people from the survey poured in about the unavailability of certain products in the traditional market forcing them to head for online shopping. Some people admire a product while surfing online and thus 5% of the sample goes for online shopping due to the aesthetic satisfaction. Online shopping attracts 4% of the sample for purchasing the unique things available online.

Table 2

Are you satisfied with the quality of the product you bought online	Frequency
Yes	149
No	46
Sometimes	5
Grand Total	200

Interpretation:

During the survey on asking the people what is their satisfaction rate for the product they buy online, it turned out that the majority of 75% people are satisfied while a minority of 23% is not really satisfied with the quality of product delivered to them. Only 2% of the people gave a fifty-fifty response.

Table 3

Which online shopping website do you opt for shopping?		Frequency
Daraz.pk		151
alibaba		23
homeshopping.pk		14
Websites of brands		2
aliexpress		1
eBay		1
Facebook pages		1
Facebook websites		1
facebook pages, like Tarzz, Outfitters		1
goto.com.pk		1
Online pages		1
souq. com		1
Symbios		1
tambeauty.com for makeup		1
Grand Total		200

Interpretation

The figures in table 3 clearly argue the people's preference towards the shopping websites; their choice states that Daraz.pk is the most successful online web store among all as 75% of the respondents have shown their affinity for daraz.pk. On talking to the customers 75% of all have recommended daraz app or daraz.pk web portal to opt for shopping. Another web store Alibaba.com with a score of 12% appeared to be the second preferred website with for the customers. The website Homeshopping.pk comes in the third with

7% preference score. The rest of the people voted for different Facebook pages and the Brand's own website for clothing.

Table 4

3. What types of goods do you go for shopping online?

Clothes	123
makeup	30
electronics	18
footwear	11
crockery	8
Jewelry	3
Books	3
edibles	3
Gifts	1
Grand Total	200

Interpretation

As the figures in table 4 clearly demonstrate that the 61% sample respondents prefer to buy clothes in majority followed by the lower ratio of makeup, electronics, footwear, crockery, jewelry, books, and edibles.

Discussion

Since online surfing has become a regular activity, but when the products were offered online for selling purposes, people could not resist shopping online. The present study covers a sample of 200 people in Karachi belonging to all walks of life. The respondents include housewives, students, and professionals (male and female).

The findings presented above draws a clear picture of the people's attitude, preference and satisfactory level towards online shopping. The research explores that among the people of Karachi, Daraz.pk is found to be the most valued and recommended web store for online shopping. A respondent also commented saying they find it handy to buy from their recommended website Daraz.pk because they get the delivery on time which makes 2 to 3 days as a delivery time; also, they find a huge variety of goods on a single website which makes them able to get their desired thing without toiling hard on different websites. The Internet World Stats shared the information naming Daraz.pk as the topper followed by homeshopping as a runner-up.

The empirical study presented the fact that the majority of the sample prefer to buy fabric online rather than in-store shopping. A lesser majority buys crockery, electronic items like LED, mobile phones and Tablets. People have eloquently opined to buy jewelry online and they found it extremely high in quality with no frauds. The research digs out the fact about people being majorly satisfied by the quality of the product they ordered online. Despite a few cases from the sample that faced a low quality, the overall response was satisfactory.

In this fast-paced world, be it the office work or grabbing things at the mart, people prefer the options that help save their time and kill the inconvenience. Same is the case for online shopping, from the sample survey, 50% of the majority expressed that their affinity for online shopping leads to the reason that it saves their time and energy. On the other hand, a lesser majority said that they have fun when they shop online; ordering the product online and surfing on web excites them.

Conclusion

The survey questionnaire was prepared and distributed among personal contacts and received 200 responses. The researcher made a thorough analysis of the Study of people's preference for online shopping with reference to the city Karachi. According to the

conceptual model and theoretical context of the study, it is of opinion that online shopping is successful with minimum risks afloat. Although there are numerous products in the market the product that is bought online by a large number of people is 'clothes/fabric', the latter comes the jewelry, footwear, and crockery. People are highly satisfied with the quality and the majority hasn't faced any sort of fraud. Among several web portals, Daraz.pk has been the favorite of all. To conclude the results, referring to online shopping, people save their time, have fun and feel it more convenient to order their selected item online and receive it at their doorsteps.

Limitations

This study comprises the results of 200 people in Karachi. Another study can be done on a large scale.

Not everyone uses the internet or has an interest in online shopping which is why the researcher had a hard time searching for people who are interested in online shopping.

The questions were pertinent to online shopping as the lengthy questionnaires remain unanswered by the public.

Recommendations

- Although a lesser number of people faced the frauds nevertheless the fraud incidents do happen, the potential risks decline people's disposition for shopping online. All sorts of frauds need to be eradicated completely.
- Online customers want more and more economical prices, this can be the real breakthrough for the online sellers.

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