

Study on Customer's Behaviour on Reverse Logistics Towards E-commerce Platforms

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Abstract:- India is an arising economy in this present reality. The demography of the Indian population is favorable for most of the businesses as a large portion of the population is comprised of young people. These youthful clients have high spending power contrasted with other age classification clients. Usage of the internet is also increasing day by day and the number of internet users is very high and it is predicted that India will soon be among one of the most Internet Users in the world. Therefore, adaptability to online shopping has become easy for the urban population. Online shopping in cities like Coimbatore is not a new thing. This research work aims to study Consumers spending and purchasing behaviour of products on online shopping and reasons for the high return of goods from customers. The Study found out that spending and purchasing behaviour on online shopping (e-retailing) is more than customary mortar and block store shopping is expanding. The study also found that reasons for high return of return of goods from customers.

Keywords:- Consumers, behaviour Reverse Logistics, E-Commerce

I. INTRODUCTION

Internet shopping is becoming daily practice for the greater part of the residents. 10 years prior just scarcely any internet business stages were available for web-based shopping. Today the opposition is extremely intense for internet business stages (sites/portable application). The number of players has risen essentially. The inclination to e-retailing is expanding quickly. Anyway, e-retailers ought not to disregard returns from the purchasers, since returns influence not just the income yet additionally customer faithfulness. As the income of e-retailer is expanding, the converse of items is additionally expanding. Each return is gone with the likelihood of lost clients. In web-based retailing since the customer can't contact and feel the item, there are high chances that shoppers wind up purchasing incorrectly items. Accordingly gets back to e-retailers are such a thing that can't be diminished to anything.

II. REVIEW OF LITERATURE

Avinash Kumar Pathak, Neeraj Joshi, Rajesh Kumar (2020)^[1], this exploration paper is centered around the Indian web-based business industry and how end-buyers think uniquely in contrast to the business, and how the hole like the administration is excessively wide between level 1 urban communities and level 2 or level 3 urban areas. They have utilized the information to break down and observe how might huge information and blockchain help these businesses in tracking down advanced arrangements.

Aruna Desai and DR. M. Sreenivasa Rao (2019)^[2], this research is undertaken to describe the online returns in supply chain management and their effect on the supply chain, identifying the reasons behind these online returns. The whole study is based on the Hyderabad region. This research reveals the effect of online customer returns on the supply chain management and worked for the improvement in the effective working of the entire reverse logistics system in the supply chain.

Chris Harris and Katharine Bohley Martin (2014)^[3], This paper gives that reverse logistics have changed drastically from when a client truly bought an item at a physical store to the present climate where an item can be bought on the web and returned without the client truly venturing foot outside of their own home. This article researches the advancement of reverse logistics, its significance, related issues, the significance of good data. Reverse logistics might just turn into an expense of carrying on with work.

III. OBJECTIVES OF THE STUDY

- To know the customer's spending and purchasing behavior of products
- To find apt reasons for the high return of goods from customer's

IV. RESEARCH METHODOLOGY

A descriptive research design is utilized for this study. The study is fundamentally founded on primary data, but secondary data is additionally gathered for literature review and to frame a solid hypothetical base for the study. Statistical test was utilized in SPSS to test hypotheses and investigate relationships between study variables. This research depends on both primary and secondary data. The research is led for e-retailers in India only. E-retailers that offer types of assistance were not the piece of this study as just item

returning cycle was the center point. The study is led in the Coimbatore locale (India). the questionnaire was planned and the size of the study was 262.

V. HYPOTHESIS OF THE STUDY

- **H₀**. There is no significant difference between Age and Categories of products ordered till date
- **H₀**. There is no significant difference between income and spending on e-commerce purchases in a year

VI. ANALYSIS AND INTREPRETATION

➤ *Percentage Analysis:*

Demographic factors	Factors/Variables	Frequency	Percent
Age	18 – 25 years	94	35.9
	26 – 35 years	97	37.0
	36 – 58 years	49	18.7
	59 years & above	22	8.4
	Total	262	100.0
Marital status	Married	148	56.5
	Unmarried	114	43.5
	Total	262	100.0
Educational qualification	School level	21	8.0
	UG	100	38.2
	PG	74	28.2
	Diploma	37	14.1
	Professionals	30	11.5
	Total	262	100.0
Gender	Male	136	51.9
	Female	126	48.1
	Total	262	100.0
Monthly Income	Less than 15,000	74	28.2
	15,001 – 25,000	83	31.7
	25,001 – 50,000	75	28.6
	More than 50,001	30	11.5
Designation	Total	262	100.0
	Student	64	24.4
	Government employee	57	21.8
	Private employee	66	25.2
	Business	42	16.0
	Homemaker	13	5.0
	Retired	20	7.6
	Total	262	100.0

Table 1:- Socio-Economic Factors
Source: Primary Data

✓ *Interpretation:*

Age: It is revealed from the table-1 that 37.0 percent of respondents belong to the age group of below 26 – 35 years, 35.9 percent of respondents belong to the age group of 18 – 25 years, 18.7 percent of respondents belong to the age group of 36 – 58 years and 8.4 percent of respondents belongs to the age group of 59 years & above.

Marital status: The table-2 shows that out of the total respondents 262 took the study, 56.5 percent of the respondents are married and 43.5 percent of the respondents are unmarried.

Educational qualification: The table 3 illustrates that the majority of the respondents, i.e., 38.2 percent are undergraduate whereas 28.2 percent of the respondents are postgraduate. Out of the remaining respondents, 14.1 percent

of the respondents are educated by diploma, 8.0 percent of the respondents are professionals. And 11.5 percent of the respondents have completed till school level.

Gender: The table 4 shows that out of the total respondents taken for the study, 51.9 percent of respondents are male and 48.1 percent of respondents are Female.

Monthly Income: The majority of the respondents who come in the income group between Rs. 15,001 – Rs.25,000 (31.7per cent). Apart from that, 28.6 percent of the respondents earn an annual income of Rs. 25,001 – Rs. 50,000, next income level of the respondents is 28.2 percent

of the respondent’s income is Less than Rs.15,000, whereas remaining 11.5 percent of the respondents earn an annual income More than Rs.50,001.

Designation: It is noted that 24.4 percent of the respondents are from Students, 21.8 percent of the respondents are government employees, 25.2 percent of the respondents are from private employees, 16.0 percent of the respondents are from Business, and 5.0 percent of the respondents are Homemaker. 7.6 percent of the respondents are from Retired. Most (42.6 percent) of the respondents are from Private employees.

- **To know the customer’s spending and purchasing behaviour of products**

ANOVA					
Spending on e-commerce purchases in a year					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	91.460	3	30.487	42.394	0.000*
Within Groups	185.536	258	0.719		
Total	276.996	261			

Table 2:- Income and Spending on e-commerce purchases in a year
Source: Primary Data

✓ *Interpretation:*

The ANOVA table states that the sig value 0.000 is less than 0.01, at a 1 percent level of significance. Hence the null hypothesis is rejected for the amount spent on e-commerce purchases in a year.it concludes that there is a significant difference between the amount spent on e-commerce purchases in a year and the Income of the respondents.

ANOVA						
	Sum of Squares		df	Mean Square	F	Sig.
Different Categories of Products ordered till date? [Electronics and accessories]	Between Groups	3.090	3	1.030	4.881	0.003*
	Within Groups	54.228	257	0.211		
	Total	57.318	260			
Different Categories of Products ordered till date? [Fashion related products]	Between Groups	1.012	3	0.337	1.351	0.258**
	Within Groups	64.453	258	0.250		
	Total	65.466	261			
Different Categories of Products ordered till date? [Cosmetics]	Between Groups	0.0138	3	0.046	0.186	0.906**
	Within Groups	63.836	258	0.247		
	Total	63.973	261			
Different Categories of Products ordered till date? [Toys and Baby products]	Between Groups	3.169	3	1.056	4.705	0.003*
	Within Groups	57.919	258	0.224		
	Total	61.088	261			
Different Categories of Products ordered till date? [Home and décor]	Between Groups	1.157	3	0.386	1.634	0.182**
	Within Groups	60.908	258	0.236		
	Total	62.065	261			
Different Categories of Products ordered till date? [Groceries]	Between Groups	1.842	3	0.614	3.173	0.025*
	Within Groups	49.918	258	0.193		
	Total	51.760	261			

Different Categories of Products ordered till date? [Healthcare]	Between Groups	2.551	3	0.850	3.840	0.010*
	Within Groups	57.143	258	0.221		
	Total	59.695	261			
Different Categories of Products ordered till date? [Kitchen related products]	Between Groups	0.334	3	0.111	0.517	0.671**
	Within Groups	55.624	258	0.216		
	Total	55.958	261			
Different Categories of Products ordered till date? [Handbags and luggage]	Between Groups	0.279	3	0.093	0.428	0.733**
	Within Groups	56.057	258	0.217		
	Total	56.336	261			
Different Categories of Products ordered till date? [Sports, Fitness and Outdoors]	Between Groups	3.738	3	1.246	5.366	0.001*
	Within Groups	59.914	258	0.232		
	Total	63.653	261			
Different Categories of Products ordered till date? [Books]	Between Groups	1.164	3	0.388	1.881	0.133**
	Within Groups	53.206	258	0.206		
	Total	54.370	261			

Table 3:- Age and categories of products ordered till date
Source: Primary Data

✓ Interpretation

The p-value of the variables namely Electronics and accessories, Toys and Baby products, Groceries, Healthcare, Sports, Fitness, and, Outdoors are less than 0.05, at a 5% level of significance. Hence null hypotheses are rejected for these variables. It concludes that there is a significant difference between these variables and the age of the respondents.

The p-value of the variables namely Fashion related products, Cosmetics, Home and décor, Kitchen related products, Handbags and luggage, Books is more than 0.05, at a 5% level of significance. Hence null hypotheses for the variables are accepted. It concludes that there is no significant difference between these variables and the age of the respondents.

• To find apt reasons for the high return of goods from customer’s

S.NO	factors	Total score	Garrett Mean score	Mean Rank
1	Product different from their description	11577	44.19	9
2	Company shipping the wrong product	11375	43.42	10
3	Product doesn’t meet Expectations	12268	46.82	8
4	Physically damaged	13072	49.89	7
5	Product misrepresentation	13533	51.65	4
6	Misfit (size doesn’t match)	14474	55.24	1
7	Product availability at a cheaper price elsewhere	13696	52.27	3
8	Poor quality	13865	52.92	2
9	Missing parts or accessories	13224	50.47	6
10	Defective/does not work properly	13392	51.11	5

Table 4:- Garrett Ranking Technique
Source: Primary Data

✓ Interpretation

Based on the ranks assigned by the sample respondents, the prime reason for returning the product is analyzed through Garrett Ranking Techniques. It is evident from the above table reveals that the misfit (size doesn’t match)(55.24), this matches with the fashion-related products, it was the category of products that returned by most of the customers, followed by Poor quality(52.92), Product availability at a cheaper price

elsewhere(52.27), Product misrepresentation(51.65), Defective/does not work properly(51.11), Missing parts or accessories(50.47), Physically damaged(49.89), Product doesn't meet Expectations(46.82), Product different from their description(44.19), Company shipping the wrong product(43.42).

VII. FINDINGS AND CONCLUSION

Fashion related items and electronic equipment with their accessories comprise the most orders from each of the other accessible classes of items. Fashion-related Products are returned most returned items, misfit being the explanation. Hardware additionally has impressively high possibilities of return. The significant explanations behind return are low quality of item, harmed merchandise, and accessibility of a similar item at a less expensive cost on some other internet business site. There is colossal potential in the Indian market for e-retailers. Individuals are additionally getting more mindful with regards to the item merchandise exchanges, agreements of e-retailers. In this way, it is presently past E-retailers' control to lessen bring the rate back. Indeed e-retailers should make their merchandise exchanges cutthroat. The quickest and simple return component will build the turnover of e-retailers. This increment turnover will along these lines increment the overall revenue of e-retailers which in any case appears to be troublesome.

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