

# Impact of Online Payment on Grocery Delivery Service

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## Abstract:

Technological innovation has brought about a lot of comfort to the life of humankind. Be it for online purchase, payment of bills, shopping etc. furthermore, covid has redefined many business models as majority of purchases are now happening online. This research is an attempt to find the impact of online payment on grocery delivery services. There are many factors that impact the online shopping habits of people, like their attitude, ease, standard etc. chi-square test is applied to conduct the research.

## Introduction:

Technological advancement and modernization have brought a whole new world of digital environment. This digitalization has transformed the human life in many ways. It has not just brought comfort and easy to mankind but has made things faster with better time utilization. Be it in terms of online payments of electricity bills, mobile recharges, or purchase of goods and services online. This research is an attempt to study the impact of online payments for grocery business during and post covid phase.

Digitalization: the use of digital technology like computer, laptop and internet to enable and improve processes and generate greater business revenue is called digitalization. Due to a setback caused during Covid times, people across the global were made to stay locked in their four walls. In such uncertain circumstances they were made to do all the transactions from purchase of small food stuff to big electronics gadgets through online means. During such times the processes and businesses of online trade had taken a boost.

Online payment: the process of making online payment for purchase of goods and service is called online payment.

Types of online payment:

1. Debit/ credit card: Debit cards provide a financial limit to purchase within own means. While under credit card a credit limit is provided by the respective bank to the customer. Any purchases can be made within that limit.
2. Prepaid card payment: these are the cards issues by respective stores to their customers to carry physical currency. Any payment can be made within the amount put in the card.
3. Bank transfer: this option is generally chosen by clients making huge payment in one go.
4. E-Wallet: it is a new type of concept coming in practice these days. Herein the client and the merchant sign up. The bank account of the client is linked to the E-Wallet account and the payment gets directly deducted from the clients bank account.

Grocery store: it is a store that retails general range of food products. It may be fresh or packed products.

Online grocery stores: it is a way of buying food items using online web based shopping services. Here the customer can arrange for a home delivery of the product grocery shoppers have local, national and international options available to them.

### **Advantages of online grocery store:**

1. It saves time: one can conveniently sit at home and make purchases, without physically going to the store.
2. No unwanted luxurious purchases: many times, going to the physical store can lead to unintentional purchases.
3. Comparison: online purchase provides a customer a wider scope of comparison to the customer. The price, quality, weight etc of the products can be compared before making a purchase. Further the reviews of previous customers can give a better idea about the product quality.
4. Easy return: the biggest advantage of online purchase is that it provides an easy return option to the customer.
5. Find everything you need: one of the advantages of online purchase is that the customer gets all the options available at one place. They don't have to physically hunt to various stores to find the perfect product of their choice.

### **Review of literature:**

Rakesh Kumar (2017), in the research title, 'A Study on Consumers Attitude towards online Grocery Shopping in Selected States of Northern India' study seeks to understand the consumers attitude towards online grocery shopping and to identify some factors that may foster or hinder its acceptance. Conclusively the research has shown that the businesses have gained new models of business. Furthermore, under the retail sector, online grocery has great scope. Also the various factors influencing the grocery demand are the socio- economic variables and customer attitude.

Parmar Jitesh (2016), in the research titles, 'An Empirical Study on the Formation of Consumer Shopping Intention with reference to online Grocery shopping in Gujarat' the researcher found the relationship between four factors Attitude towards purchasing behaviour, subjective norms, perceived behavioural control and purchase intention.

Sudhahar (2017), in the research title, 'Consumers Buying Behaviour in Departmental Stores a Study in Tirupur District' the objectives of the study was to know the buying behaviour, impulsive behaviour and satisfaction level and problems of consumers in departmental store. Further the study is about the impact of online marketing on consumer. Descriptive analysis and chi square test was used to conduct the research. Conclusively, it was found that socio-economic factors such as gender, educational qualification, occupational status, monthly income of the family, duration of shopping, distance travelled, amount spent and impulsive purchases significantly differ with shopping trends and impact the shopping behaviour of departmental stores.

Revathi Bala (2016), in the research topic, 'A Study on Consumers Attitude towards Online Shopping in Coimbatore City', the researcher found the socio-economic profile of the respondents, their reasons, attitude, level of satisfaction and their problems for online shopping. Chi square test, t-test, ANOVA, correlation, multiple regression and factor analysis was used to conclude the research. Conclusively it was found that majority of the respondents were male and for the comfort and ease they preferred to do online shopping

### **Objectives of the research**

1. To study the influence of demographic factors on online grocery shopping
2. To identify the factors that affect consumers buying behaviour for Online Grocery Shopping.

### **Hypothesis of the study**

#### **Hypothesis 1:**

H0: There is no significance relation between product type and mode of payment

H1: There is significance relation between product type and mode of payment

### Hypothesis 2:

H0: There is no significance relation between product type and mode of payment

H1: There is significance relation between product type and mode of payment

### Hypothesis 3:

H0: There is no significance relation between product type and delivery mode

H1: There is significance relation between product type and delivery mode

### Research methodology:

Primary data was collected through Google questionnaire from 150 students. The research was conducted on the students and professions of various fields.

### Technique of data collection

1. Questionnaire
2. Personal Interview

### Collection of data:

### Hypothesis 1:

H0: There is no significance relation between product type and mode of payment

H1: There is significance relation between product type and mode of payment

Does product type have any impact on mode of payment

| Product              | Disagree | Agree | Total |
|----------------------|----------|-------|-------|
| Cold Drinks          | 7        | 17    | 24    |
| Fruits and vegetable | 8        | 26    | 34    |
| Packaged food        | 14       | 52    | 66    |
| Others               | 16       | 10    | 26    |
| Total                | 44       | 105   | 150   |

Using, Chi – Square test, p value = 0.570964

As, p value > 0.05 , H0 is not Rejected

Therefore, there is no significance relation between product type and mode of payment

### Hypothesis 2:

H0: There is no significance relation between gender and mode of payment

H1: There is significance relation between gender and mode of payment

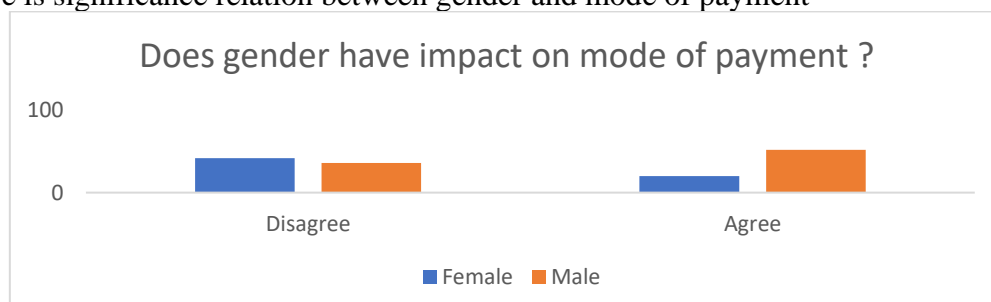
Does gender has an impact on mode of payment

| Gender      | Disagree | Agree | Grand Total |
|-------------|----------|-------|-------------|
| Female      | 42       | 20    | 62          |
| Male        | 36       | 52    | 88          |
| Grand Total | 91       | 59    | 150         |

Using, Chi – Square test, p value = 7.44E-05

As, p value < 0.05 , H0 is Rejected

Therefore, there is significance relation between gender and mode of payment



From the above chart, we can interpret that for male mode of payment plays an important role while ordering from online grocery shopping

### Hypothesis 3:

H0: There is no significance relation between product type and delivery mode

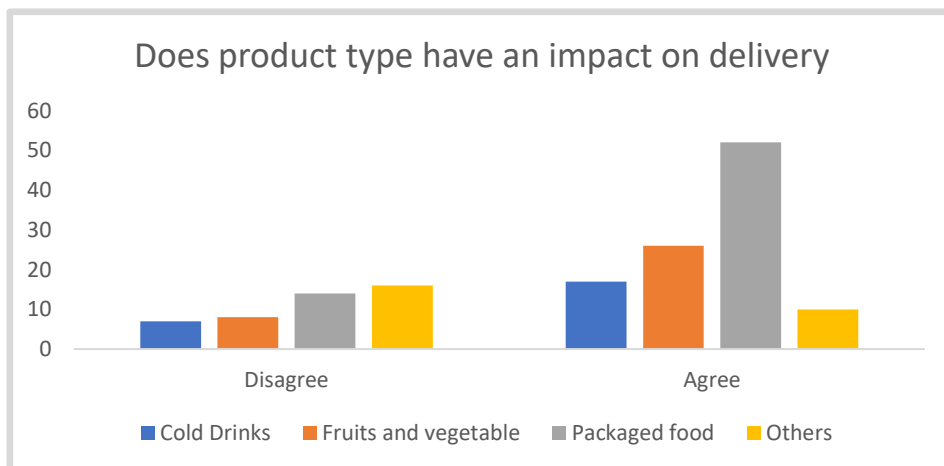
H1: There is significance relation between product type and delivery mode

| Does product type have an impact on delivery |          |       |             |
|--|----------|-------|-------------|
| Product                                      | Disagree | Agree | Grand Total |
| Cold Drinks                                  | 7        | 17    | 24          |
| Fruits and vegetable                         | 8        | 26    | 34          |
| Packaged food                                | 14       | 52    | 66          |
| Others                                       | 16       | 10    | 26          |
| Grand Total                                  | 44       | 105   | 150         |

Using, Chi – Square test, p value = 0.0013088

As, p value < 0.05 , H0 is Rejected

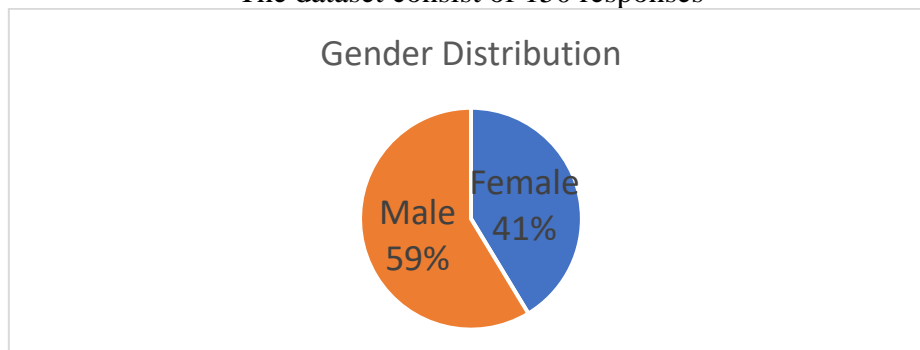
Therefore, there is significance relation between product type and delivery mode



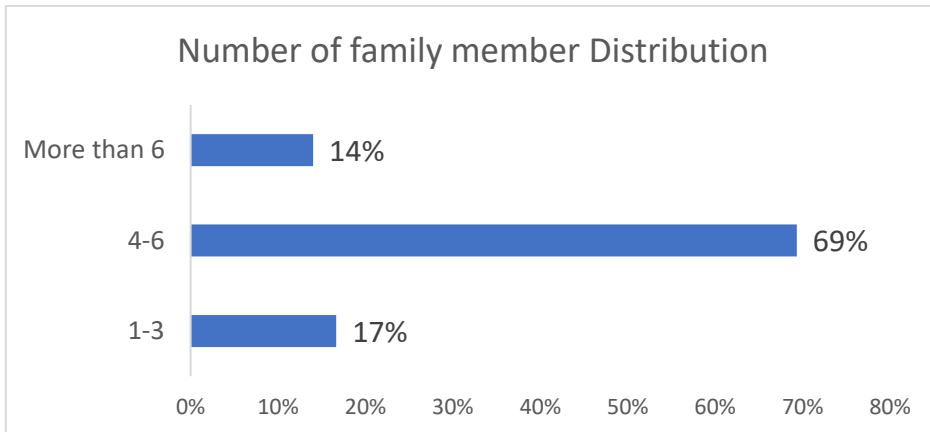
From above chart, we can interpret that, respondent believe that product type have an impact on delivery

### Interpretation and conclusion of data:

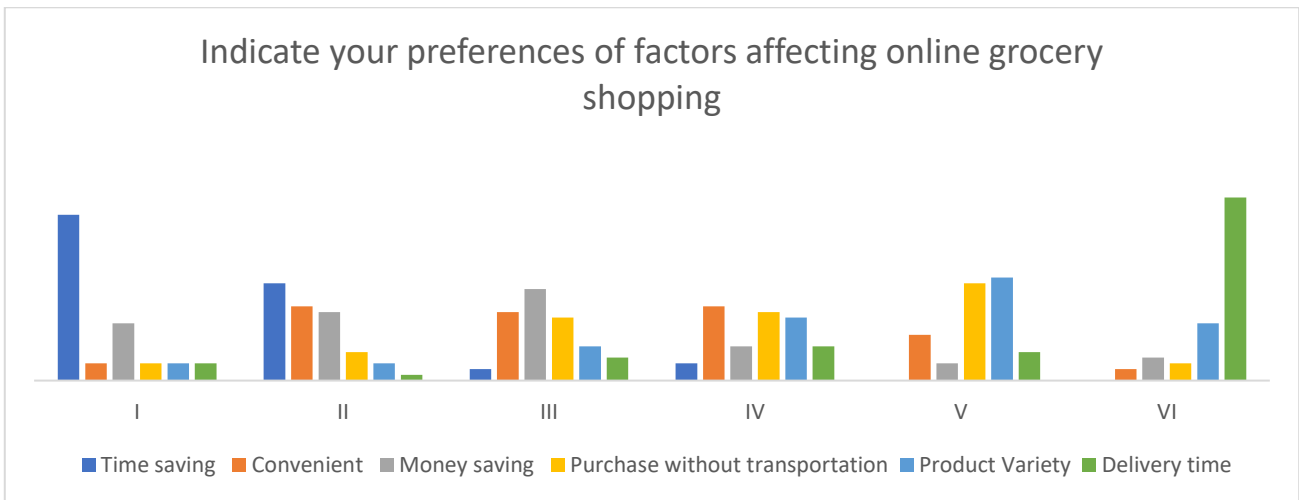
The dataset consist of 150 responses



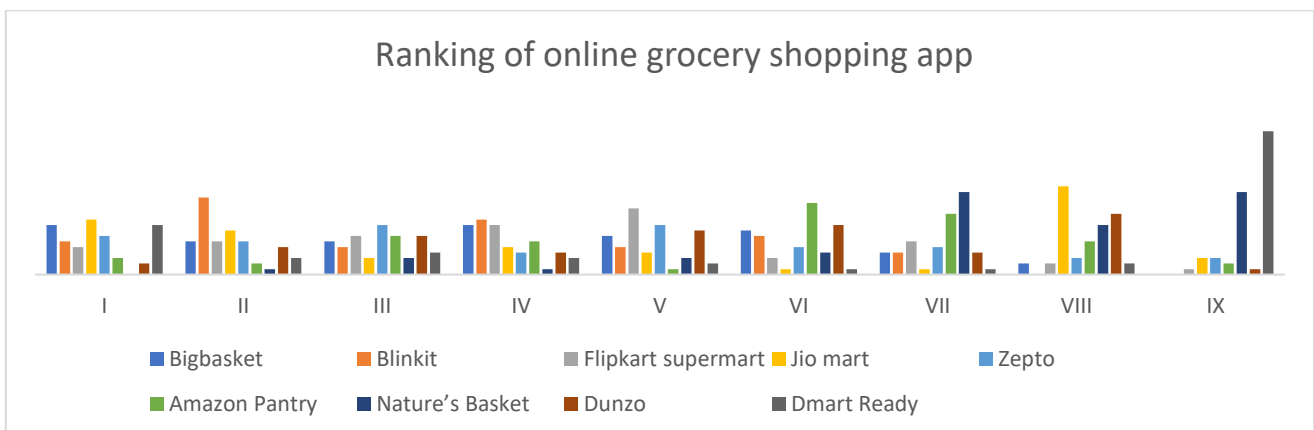
Dataset consist pf 59% male and 41% female



Dataset consist of more number of families with 4 -6 family member.



From above chart we can interpret that,  
 Factor Time saving is highly preferred while doing online grocery shopping  
 Factor Delivery time is least preferred while doing online grocery shopping



From above chart we can interpret that  
 Online grocery shopping app are preferred as:

- 1<sup>st</sup> – Bigbasket
- 2<sup>nd</sup> – Blinkit
- 3<sup>rd</sup> – Zepto
- 4<sup>th</sup> – Flipkart
- 5<sup>th</sup> – Dunzo



- 6<sup>th</sup> – Amazon pantry
- 7<sup>th</sup> – Nature's Basket
- 8<sup>th</sup> – Jio mart
- 9<sup>th</sup> – Dmart Ready

## Reference

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