



A STUDY ON PERCEPTION OF RURAL PEOPLE TOWARDS E-COMMERCE IN TENKASI DISTRICT, TAMILNADU

Deepa Lakshmy.R , Research Scholar,
Department of Commerce,
Sarah Tucker College, Tirunelveli
E-Mail: dlakshmy@yahoo.com

Dr. E. Angel Saral Rose,
Assistant Professor of Commerce
Sarah Tucker College, Tirunelveli
Mail: angeljeff.rose1982@gmail.com

ABSTRACT

The main aim of the study is to study the perception of rural people about risk in e-commerce and identify the reasons for rural people choosing e-commerce. This is an empirical and analytical study. Survey method through structured questionnaire was adopted for the study, as it attempts to evaluate the perceptions of rural people towards e-commerce. The study is mainly based on primary data. The primary data was collected through distribution of questionnaires to 150 rural people. Questionnaires were distributed only to rural people who were comfortable with computers and bought some goods online at least a few times. It was distributed to rural people residing mainly in Tenkasi district. Convenience sampling method was adopted taking into account availability and approachability of the rural people for the purpose of data collection. Since the concept of online buying is new to India, there are no readymade lists of online buyers. Hence, non-random sampling method has been used to collect data. The scope of e-commerce transactions has grown rapidly over last few years. The study of the rural areas in Tenkasi district reveals that lot of prospect and potential is there for e-commerce companies to spread their demand in rural areas. Internet revolution has been a great factor to attract rural people especially from the younger age. The lifestyle of rural areas has also been affected with the variety of reasons as escalating figure of education, awareness and definitely electronic and social media. E-commerce is gaining popularity over traditional shopping due to reasons like ease, flexibility, selection of choice and payment mode, affordability, shopping experience, etc.

KEY WORDS: E-commerce, Rural people, Perception, Prospect and Potential

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INTRODUCTION

E-Commerce has produced a revolutionary new way for businesses to communicate and interact with the customers. It has power to expand the businesses beyond the global

boundaries by giving them a competitive edge in the global marketplace. Businesses around the world are embracing this technology with great zeal as they realize the potential it offers. India is one of the



countries where this trend seems to be catching on. Indian companies are fast jumping into the e-commerce boom, and adopting e-commerce as a business technology in much the same manner as in other parts of the world. The dawn of new era has already begun in India and the driving engine is information technology.

STATEMENT OF THE PROBLEM

B-2-C model of e-commerce refers to the availability of products from business to the consumer itself. Online shopping is a kind of e-business by which anyone can make shopping through various e-commerce sites without any physical settings of stores or markets. Recently, the popularity and demand of e-commerce and other virtual products has been hugely emerged because of the vast availability of internet. There is a large number of e-commerce sites at present and thousands of products are sold all over the world daily through the e-business model. The satisfaction of consumers should be taken into consideration by every enterprise irrespective of their status and designation. Discovering the perception and satisfaction of products among rural people enables the enterprise to sell their products in a better way and use of the collected information to make its service before placing it on the market. Thus the present study has been proposed and entitled as "A Study on perception of rural people towards e-commerce in Tenkasi District".

OBJECTIVES OF THE STUDY

- 1) To study the perception of rural people about risk in e-commerce
- 2) To identify the reasons for rural people choosing e-commerce

METHODOLOGY OF RESEARCH

This is an empirical and analytical study. Survey method through structured questionnaire was adopted for the study, as it attempts to evaluate the perceptions of rural people towards e-commerce.

DATA COLLECTION PROCEDURE:

The study is mainly based on primary data. The primary data was collected through distribution of questionnaires to 150 rural people. Questionnaires were distributed only to rural people who were comfortable with computers and bought some goods online at least a few times. It was distributed to rural people residing mainly in Tenkasi district.

SAMPLING METHOD:

Convenience sampling method was adopted taking into account availability and approachability of the rural people for the purpose of data collection. Since the concept of online buying is new to India, there are no readymade lists of online buyers. Hence, non-random sampling method has been used to collect data.

LIMITATIONS OF THE STUDY

1. The main objective of the study is to identify measure and evaluate the perception of rural people about e-commerce. Since

marketing is a wider area, the study is restricted to online buying only.

ANALYSIS AND INTERPRETATION

Table 1
Sources of awareness on e-commerce

Sr. No	Source of awareness	No. of Respondents	Percentage
1.	Friends and relatives	18	12.0
2.	TV advertisement	16	10.9
3.	Apps	29	19.3
4.	Newspapers and Magazines	14	9.3
5.	Mobile	16	10.6
6.	Company Websites	7	4.6
7.	Social Media sites	50	33.3
	Total	150	100

Source: Primary data

Table 1 shows that 33.3% of the rural people are influenced by social media sites in getting awareness on e-commerce, 19.3% of the rural people are influenced by Apps, 12% of the rural people are influenced by friends and relatives, 10.9% of the rural people are influenced by TV advertisements, 10.6% of the rural people are influenced by mobile phones, 9.3% of the rural people are influenced by newspapers & magazines and 4.6% of the rural people are influenced by company websites. It is inferred that Social media plays a vital role in educating customers on new services and products in the market.

Table 2
Frequency of shopping online

Sr. No	Frequency	No. of Rural people	Percentage (%)
1.	Almost Daily	14	9.3
2.	Weekly	36	24.0
3.	Once in a month	39	26.0
4.	During offer period	35	23.3
5.	During festive seasons	26	17.4
	Total	150	100

Source: Primary data

Table 2 shows that for 9.3% of the rural people shop through e-commerce on daily basis, 24.0% of the rural people do e-commerce weekly, 26% of the rural people shop online once in a month, 23.3% of the rural people prefer e-commerce only during offer periods and 17.4% of the rural people prefer during festive seasons.

It is inferred that the rural people do a planned e-commerce according to their need and benefit.

Table 3
Reasons for choosing e-commerce

Sr. No	Reasons	No. of Respondents	Percentage (%)
1.	Reasonable Price	16	10.7
2.	Convenience	24	16.0
3.	Brand Comparability	11	7.3
4.	Quick Delivery	14	9.3
5.	Variety of products	20	13.3
6.	Ease in payment	13	8.7
7.	Return of products	7	4.7
8.	Advertisements	6	4.0
9.	Sales Promotion (Discounts, offers etc.)	12	8.0
10.	Customer Reviews	10	6.7
11.	Surprise to near ones	8	5.3
12.	Recommendation by family and friends	9	6.0
	Total	150	100

Source: Primary data

Table 3 shows that 16% of the rural people prefer e-commerce for convenience, 13.3% of the rural people prefer e-commerce for availability of variety of products, 10.7% of the rural people prefer for reasonable price of the products, 9.3% of the rural people prefer for quick delivery, 8.7% of the rural people prefer for ease in payment, 8% of the rural people prefer due to Sales Promotion (Discounts, offers etc.), 7.3% of the rural people prefer due to brand comparability, another 6.7% of the rural people shop on the basis of customer reviews, 6% of the rural people shop on recommendation by family and friends and 4.7% of the rural people prefer due to return of

products. It is inferred that convenience, variety of products and offers, reasonable price and quick delivery are major reasons for opting e-commerce.

Association between Marital Status of Rural people and Perception about risk in e-commerce

An attempt has been made to find the association between marital status of rural people and perception about risk in e-commerce by applying 'ANOVA' test. The following hypothesis is framed.

The null hypothesis (H₀₁) "There is no significant association between perception about risk in e-commerce and marital status of rural people in Tenkasi District".



The alternative hypothesis (H_{a1})“There is a significant association between perception about risk in e-commerce and marital status of rural people in Tenkasi District”.

The result of ‘ANOVA’ test for association between perception about risk in e-commerce and marital status of rural people is presented in Table 4.

Table 4
Association between Marital Status of Rural people and Perception about risk in e-commerce

Perception about risk in e-commerce	Marital Status (Mean Score)			F Statistics
	Married	Unmarried	Others	
Cannot get to examine the product	3.6111	3.8439	3.0909	5.613*
May not receive the same product as displayed on the website	3.7903	3.6879	3.0455	5.705*
Might receive malfunctioned merchandise	3.5054	3.5421	3.7273	0.705
Feel that credit-card details may be misused	3.3978	3.7556	3.6920	6.387*
Cash on delivery option may not be available	3.4014	3.4969	3.0367	3.479*
Might not receive the delivery of the product ordered online	3.5520	3.5113	2.6364	9.591*
There is a risk of receiving products late	3.4713	3.7413	3.6364	8.785*
Home delivery by a stranger may not be safe	3.6398	3.7577	3.3636	2.444
Feel that it will be difficult to settle disputes	3.6989	3.7864	3.6818	1.223
Problems in returning product purchased online	3.7509	3.6386	3.4091	2.136

Source: Primary data

*-Significant at five per cent level

It is understood from Table 4 given above that, may not receive the same product as displayed on the website and problems in returning product purchased online are the important perception variables about risk in e-commerce among the rural people who are married as their mean scores

are 3.7903 and 3.7509 respectively. It is further understood that cannot get to examine the product and feel that it will be difficult to settle disputes, when shopping online are the important perception attributes about risk in e-commerce among the rural people who are unmarried as their



mean scores are 3.8439 and 3.7864 respectively. The table further shows that might receive malfunctioned merchandise and feel that credit-card details may be misused are the important perception variables about risk in e-commerce among the other rural people as their mean scores are 3.7273 and 3.6920 respectively. Regarding the perception about risk in e-commerce among different marital status of rural people, cannot get to examine the product, may not receive the same product as displayed on the website, feel that credit-card details may be misused, cash on delivery option may not be available, might not receive the delivery of the product ordered online and there is a risk of receiving products late are statistically significant at 5 % level. Thus it is inferred that there is a significant association between perception about risk in e-commerce and marital status of rural people in Tenkasi District.

Association between Qualification of Rural people and Perception about risk in e-commerce

An attempt has been made to find the association between qualification of rural people and perception about risk in e-commerce by using ‘ANOVA’ test. The **following hypothesis is framed.**

The null hypothesis (H₀₂) - “There is no significant association between perception about risk in e-commerce and qualification of rural people in Tenkasi District”.

The alternative hypothesis (H_{a2}) - “There is a significant association between perception about risk in e-commerce and qualification of rural people in Tenkasi District”.

The result of ‘ANOVA’ test for association between perception about risk in e-commerce and qualification of rural people is presented in Table 5.

Table 5
Association between Qualification of Rural people and Perception about risk in e-commerce

Perception about risk in e-commerce	Qualification (Mean Score)						F Statistic
	Below HSC	HSC	Graduate	Post Graduate	Diploma	Others	
Cannot get to examine the product	3.8966	4.1047	3.7857	3.4434	3.8956	3.3323	6.035*
May not receive the same product as displayed on the website	3.6379	3.6744	3.9388	3.6289	3.5938	3.1282	7.009*
Might receive malfunctioned merchandise	3.6552	3.4302	3.5867	3.4969	3.5156	3.1267	2.103



Feel that credit-card details may be misused	3.2586	3.9767	3.7423	3.2767	3.5885	3.6667	5.777*
Cash on delivery option may not be available	3.3793	3.6628	3.6071	3.2736	3.3229	3.1376	6.605*
Might not receive the delivery of the product ordered online	3.1545	4.0000	3.5867	3.3585	3.6198	3.1814	5.867*
There is a risk of receiving products late	4.0000	4.0814	3.8316	3.2044	3.4635	3.4333	6.966*
Home delivery by a stranger may not be safe	3.6034	4.0148	4.0077	3.2453	3.6927	3.1879	5.648*
Feel that it will be difficult to settle disputes	3.6379	3.8140	4.0510	3.3596	3.7708	3.3333	7.266*
Problems in returning product purchased online	3.5172	3.5116	4.0204	3.3365	3.8594	3.1926	5.950*

Source: Primary data

*-Significant at five per cent level

It is understood from Table 5 given above that there is a risk of receiving products late and cannot get to examine the product, are the important perception variables about risk in e-commerce among the rural people who are below HSC as their mean scores are 4.0000 and 3.8966 respectively. It is further understood that cannot get to examine the product and there is a risk of receiving products late are the important perception attributes about risk in e-commerce among the rural people who have completed their HSC as their mean scores are 4.1047 and 4.0814 respectively. The table further shows that, feel that it will be difficult to settle disputes, and problems in returning product purchased online are the important perception attributes about risk in e-commerce among the rural people who are graduates as their mean scores are

4.0510 and 4.0204 respectively. The table further highlights that may not receive the same product as displayed on the website and might receive malfunctioned merchandise are the important perception attributes about risk in e-commerce among the rural people who are post graduates as their mean scores are 3.6289 and 3.4969 respectively. The table further indicates that cannot get to examine the product and problems in returning product purchased online are the important perception variables about risk in e-commerce among the rural people who are diploma holders as their mean scores are 3.8956 and 3.8594 respectively. The table further elucidates that credit card details may be misused and there is a risk of receiving products late are the important perception attributes about risk in e-commerce among the rural people who have other qualification as

their mean scores are 3.6667 and 3.4333 respectively. Regarding the perception about risk in e-commerce among different qualification of rural people, cannot get to examine the product, may not receive the same product as displayed on the website, credit card details may be misused, cash on delivery option may not be available, might not receive the delivery of the product ordered online, there is a risk of receiving products late, home delivery by a stranger may not be safe, feel that it will be difficult to settle disputes, and problems in returning product purchased online are statistically significant at 5 % level. Thus it is inferred that, there is a significant association between perception about risk in e-commerce and educational qualification of rural people.

Association between Occupation of Rural people and Perception about risk in e-commerce

An attempt has been made to find the association between occupation of rural people and perception about risk in e-commerce, 'ANOVA' test is used and the following hypothesis is framed.

The null hypothesis (H₀₃) - "There is no significant association between perception about risk in e-commerce and occupation of rural people in Tenkasi District".

The alternative hypothesis (H_{a3}) - "There is a significant association between perception about risk in e-commerce and occupation of rural people in Tenkasi District".

The result of 'ANOVA' test for association between perception about risk in e-commerce and occupation of rural people is presented in Table 6.

Table 6
Association between Occupation of Rural people and Perception about risk in e-commerce

Perception about risk in e-commerce	Occupation (Mean Score)						F Statistics
	Self employed	Pvt employee	Govt employee	Professional	Not working	Others	
Cannot get to examine the product	3.8371	3.8149	3.3478	4.0000	3.5988	3.2067	4.962*
May not receive the same product as displayed on the website	3.7247	3.9594	3.6522	3.6000	3.3488	3.2000	6.818*
Might receive malfunctioned merchandise	3.6517	3.5327	3.4348	3.5882	3.4826	3.2500	1.569
Feel that credit-card	3.5225	3.7178	3.0435	3.3412	3.7965	3.7900	3.855*



details may be misused							
Cash on delivery option may not be available	3.5674	3.6411	3.0000	3.2588	3.2616	3.5000	3.277*
Might not receive the delivery of the product ordered online	3.5618	3.6749	3.2609	3.6706	3.3372	3.1245	7.205*
There is a risk of receiving products late	3.8034	3.6163	3.0589	4.0941	3.6279	3.7500	7.060*
Home delivery by a stranger may not be safe	3.4775	3.9526	3.4348	3.5059	3.6628	3.1879	5.178*
Feel that it will be difficult to settle disputes	4.0000	3.7833	3.5652	3.6824	3.6221	3.3585	6.607*
Problems in returning product purchased online	4.0393	4.0068	2.9086	3.4235	3.5000	3.6926	5.577*

Source: Primary data

*-Significant at five per cent level

It is understood from Table 6 given above that problems in returning the product purchased online and feel that it will be difficult to settle disputes are the important perception attributes about risk in e-commerce among the rural people who are self-employed as their mean scores are 4.0393 and 4.0000 respectively. It is further understood that problems in returning product purchased online and may not receive the same product as displayed on the website are the important perception variables about risk in e-commerce among the rural people who are private employees as their mean scores are 4.0068 and 3.9594 respectively. The table further shows that may not receive the same product as displayed on the website and feel that it will be difficult to settle disputes are the important perception variables about risk in e-

commerce among the rural people who are government employees as their mean scores are 3.6522 and 3.5652 respectively. The table further highlights that there is a risk of receiving products late and cannot get to examine the product are the important perception variables about risk in e-commerce among the rural people who are professionals as their mean scores are 4.0941 and 4.0000 respectively. The table further indicates that feel that credit card details may be misused and home delivery by a stranger may not be safe are the important perception attributes about risk in e-commerce among the rural people who are unemployed as their mean scores are 3.7965 and 3.6628 respectively. The table further elucidates that feel that credit card details may be misused and there is a



risk of receiving products late are the important perception variables about risk in e-commerce among the rural people who are engaged in other occupation as their mean scores are 3.7900 and 3.7500 respectively. Regarding the perception about risk in e-commerce among the rural people belonging to different occupation of rural people, cannot get to examine the product, may not receive the same product as displayed on the website, feel that credit card details may be misused,, cash on delivery option may not be available, might not receive the delivery of the product ordered online, there is a risk of receiving products late, home delivery by a stranger may not be safe, feel that it will be difficult to settle disputes and problems in returning product purchased online are statistically significant at 5 % level. Thus, it is inferred that there is a significant association between perception about risk in e-commerce and occupation of rural people.

SUGGESTIONS

➤ Fear of cyber crime is the biggest challenge to e-commerce adoption in India. Though many security measures are employed when using credit or debit card for online payments, still consumers have their own inhibitions about fraudulent cyber activities. Therefore, credit card companies should develop improved security programmes updating with the

global technology to gain consumer's confidence.

➤ Rural people are worried about the privacy of the data. They are scared that their personal and financial information will be stolen. Therefore it is important that both technological and legal tools should be used to enhance the security of e-commerce. It becomes necessary for an internet retailer to guarantee secured online transactions.

CONCLUSION

The scope of e-commerce transactions has grown rapidly over last few years. The study of the rural areas in Tenkasi district reveals that lot of prospect and potential is there for e-commerce companies to spread their demand in rural areas. Internet revolution has been a great factor to attract rural people especially from the younger age. The lifestyle of rural areas has also been affected with the variety of reasons as escalating figure of education, awareness and definitely electronic and social media. E-commerce is gaining popularity over traditional shopping due to reasons like ease, flexibility, selection of choice and payment mode, affordability, shopping experience, etc. Online shopping requires just a smart phone or laptop and diminishes the hindrance of place as the physical set-up of goods at stores requires lot of space. With the enhancing level of awareness and information, lot of

scope is there and the market is yet to be explored as far as e-commerce sites are concerned.

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