

A Comparative Study of Traditional Shopping and Online Shopping: Special Reference to Dharga Town

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Abstract

The invention of internet has caused a massive turning on traditional way of purchasing. Nowadays online shopping is growing rapidly and the number of internet users also increasing. Even though, most of the consumers are using traditional shopping. This study examines the comparison between traditional shopping and online shopping special reference to Dharga Town. Accordingly, 188 samples were selected by snowball sampling technique for this study and primary data for this study was collected through questionnaire from the persons who involve in both traditional and online shopping. The data was analyzed descriptively using SPSS software and also arithmetic mean model and graphs were used in this study. According to the research conclusion, online shopping is more convenient than traditional shopping, online shopping has more opportunities to compare prices of goods than traditional shopping and traditional shopping is safer than since there is a risk of online fraud and security issues like hacking in online shopping were identified as main differences between traditional and online shopping. As well as there is price differentiation between these shopping methods and online shopping has best price for the goods than traditional shopping. Therefore, this study suggests that traditional shopping should increase the shopping convenience. At the same time online shopping should give returning facilities and should ensure security.

Keywords: Online Shopping, Traditional Shopping, Comparative study

1. Background of the study

Traditional shopping is a method of buying a product by going to the shop directly. In the early days, before the invention of money, there was a barter economy. People exchanged the goods and services for another goods. But after the introduction of money, people are buying goods and services after paying money. However, this process happens when the buyer and the seller meet directly with each other.

In later times, because of the technological growth there was massive changes and improvements in human activities. Specially, after the invention of internet there was a transformation in purchasing process. There is no need to meet the buyer and seller directly in order to purchase goods and services. Initially the procurement system was very limited but now it is actively developing. Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser (Reddy etc., 2014). There are some similar words to online shopping such as e-shopping, e web-store, e-shop, web-shop, web store, online store.

Each purchasing system has its own set of pros and cons. Traditional shopping has some benefits such as can touch the product, easily return, no need any internet connection, can see the product closer, better security, can try on clothes but it can take more time, can't compare the price of a good and limited time that means within a limited time we choose the good and decide to buy in a particular place. Otherwise, we want to go many shops to choose the goods. Similarly, online shopping has advantages such as convenient, time saving, better price, greater selection and no crowd. At the same time, it has security problems, delivery problems, complicated websites and also higher chance of fraud. Therefore, consumers have different views on the better shopping method among traditional and online shopping.

At the same time, specifically the covid 19 situation has created many issues in the shopping behavior of consumers and in the economy nowadays. Sometimes traditional shopping may so easy, fast and practically possible method. But sometimes the online shopping may very much comfortable shopping method within this covid 19 period. Therefore, to create easiness, efficiency, comfortable, find out the best prices for the goods in the critical economic situation is very essential concept. As well as generally, studies related to this topic are very rare in the research area. Based on this, comparative study between the traditional and online shopping is a needful concept to identify the best way of shopping among the current busy life of the people and critical situation. Therefore, this study has done by the researchers.

2. Literature review

Sarkar & Das (2017) identify the difference between online shopping and offline shopping in India. The study uses five stage consumer decision making model and the comparison was made based on certain parameters like convenience, variety, consumer review, comparison shopping, discount, availability of unique products, tangibility and trialability, shopping experience, delivery of products and return of products. It concluded that, mostly the teenagers who are fueling the amazing growth story of online shopping in India.

Cao *et al.* (2012) examine the interactions between e-shopping and traditional in-store shopping. A structural equations model was applied in this study. The results show that online searching frequency has positive impacts on both online and offline shopping frequencies and online buying positively affects offline shopping.

Andersone & Sarkane (2009) find the changes in purchasing behaviour between online and traditional retail stores of Latvian consumers. In this study used quantitative and qualitative methods such as grouping, questionnaire method, analysis and statistic method etc. The research found that average size of purchase in traditional shopping still is larger than in the online shopping. Shopping habits are changing but not very fast.

Jigyasha & Japneet (2017) identify the consumer preference towards online shopping and traditional shopping. The study used descriptive analysis and primary data was collected through questionnaire. It concludes almost all of them have experienced both online and in-store shopping.

Reddy & Jaya Laxmi (2014) examine the concept off E-shopping and traditional shopping. In this study data was collected by using primary and secondary sources. The research found that online shopping is increasing at a very large scale and E-shopping is highly convenient and time saving.

Khatwani (n. d.) explains the online and offline shopping as a comparative study and also it explains about the pros and cons of online shopping, types of e-commerce threats and its advantages over

traditional shopping. This study concludes that people are not likely to use online shopping every time but only prefer it sometimes. Therefore, it says that traditional shopping is better than online shopping.

Although there are some past literature related to this concept over the world, studies in Sri Lanka specially in the research area of Dharga Town is very rare and also the method of finding the comparison also differ than the previous studies. Thus, this study has done by the researcher to enhance the new knowledge in this field.

3. Objectives

The main objective of this study is to compare and understand the differences between traditional shopping and online shopping in Dharga Town area. Accordingly, the sub objectives of the study are,

- To analyze the difference between traditional and online shopping on efficiency, convenience, vast range of production, comparing prices and safety.
- To find out the Price difference of traditional shopping and online shopping.

4. Methodology

This study is based on primary data sources and data was collected through well-structured questionnaire from the persons who involve in both traditional shopping and online shopping. For that purpose, 188 samples were selected by snowball sampling method for this study. The data was analyzed descriptively using SPSS software. To analyze the comparison between the traditional and online shopping, arithmetic mean model and graphs were used in this study and based on this, the results for the study purpose have been achieved.

To find out the comparison, the following formula for the mean deviation is used;

$$\sum \frac{fx}{N}$$

$$\text{Decision Rule: } 1 + 2 + 3 + 4 + 5 + 6 + 7 = \frac{28}{7} = 4$$

Accordingly, the result is accepted when the mean value is more than four. At the same time, the result is rejected when the mean value is less than four or less than 50 percentage (James, 2021).

The questionnaire included questions to find out the comparison or difference between the two shopping methods and the responses have given with the value from 1 to 7. Accordingly, the value from 1 to 7 indicate the followings;

7 – Very appropriate

6 – Appropriate

5 – Somewhat appropriate

4 – Neither appropriate nor inappropriate

3 – Somewhat inappropriate

2 – Inappropriate

1 – Very inappropriate

5. Results and Discussions

(i) Comparison between traditional shopping and online shopping using arithmetic mean model

The comparison between traditional shopping and online shopping has been analyzed according to the data collected through the questionnaire. Accordingly, in data analysis, while the mean has the value of more than four was accepted that is, there is a different between traditional and online shopping in efficiency, convenience, vast range of production, comparing prices and safety.

Table 1: Result of arithmetic mean model on comparison between traditional shopping and online shopping

| Comparison /Difference | 1 | 2 | 3 | 4 | 5 | 6 | 7 | Sample | Cumulative Frequency | Mean | Result |
|---|----|----|----|----|----|----|----|--------|----------------------|------|------------------|
| Online shopping is more efficient than traditional shopping | 30 | 22 | 50 | 27 | 20 | 24 | 15 | 188 | 681 | 3.62 | Inappropriate |
| Online shopping is more convenient than traditional shopping | 5 | 12 | 16 | 31 | 59 | 48 | 17 | 188 | 903 | 4.8 | Very appropriate |
| Traditional shopping may not offer a vast range of products, like online shopping | 26 | 32 | 35 | 36 | 18 | 24 | 17 | 188 | 692 | 3.68 | Inappropriate |
| There is no opportunity to compare prices and products in traditional shopping like online shopping | 4 | 12 | 26 | 25 | 63 | 45 | 13 | 188 | 882 | 4.6 | Appropriate |
| Traditional shopping safer than since there is a risk of online fraud and security issues like hacking in online shopping | 8 | 9 | 12 | 33 | 56 | 52 | 18 | 188 | 912 | 4.8 | Very appropriate |

Source: Computed data, 2021

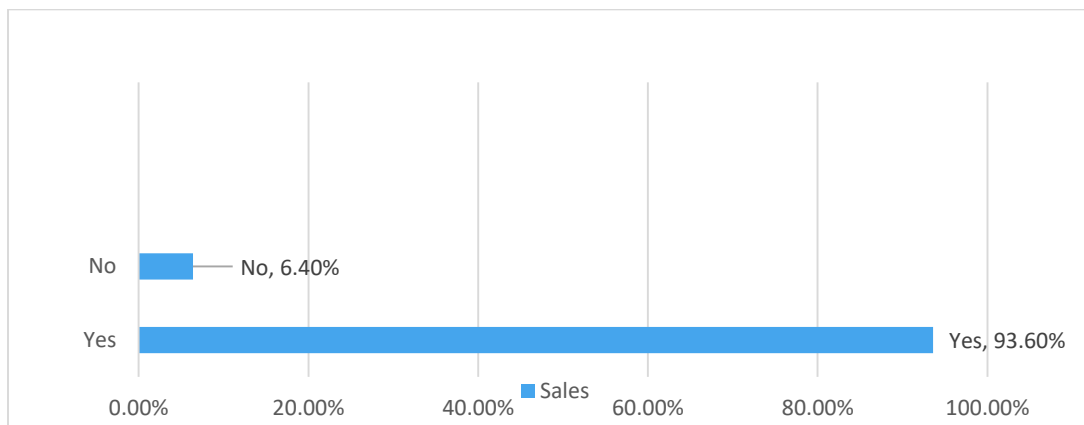
According to the data of the above table, the statements like online shopping is more convenient than traditional shopping, traditional shopping safer than since there is a risk of online fraud and security issues like hacking in online shopping have got mean value of 4.8. So, these differences between traditional and online shopping are strongly acceptable. The difference that there is no opportunity to compare prices and products in traditional shopping like online shopping is acceptable because of the mean value is 4.6. The differences Online shopping is more efficient than traditional shopping and Traditional shopping may not offer a vast range of products, like online shopping are not accepted. Because the mean value of those two differences is less than 4.

Thus with the above results we can find differences between both shopping methods specifically on convenience, comparing prices and safety.

(ii) Price difference of traditional shopping and online shopping

Furthermore, the above comparison, the price of a product is an important determinant of the demand of a good. Therefore, the concept of price is separately analyzed here. That means, we should find out that is that any price differences and also if it is which method has best price for the consumers. So, these are clearly described through following charts,

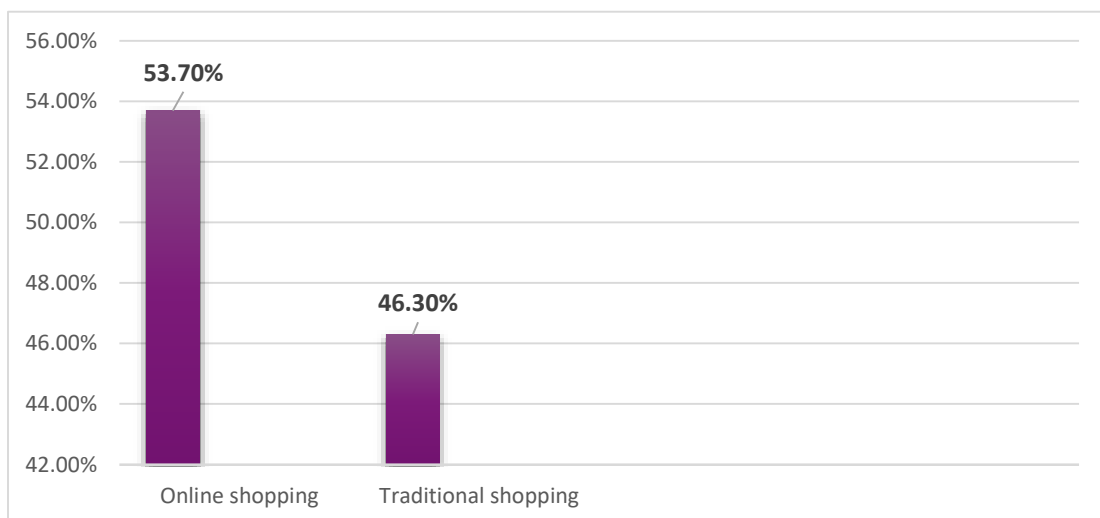
Figure 1: Price difference



Source: Computed data, 2021

According to the above chart, it shows that 93.6% of respondents feel that there is a price difference between online and traditional shopping as well as 6.4% of respondents says that they didn't feel any difference on price between both shopping methods. Accordingly, we can say that there is a price difference between the two methods of shopping. At the same time, respondents identify that where they get best price among these two methods. That is described in the following chart.

Figure 2: Best price



Source: Computed data, 2021

According to the data analysis, 53.7% of respondents agreed that online shopping has the best price. On the other hand, 46.3% of respondents agreed that traditional shopping has the best price. So, comparatively, online shopping has the best price.

6. Conclusion

This study contributes to understand the comparison between online shopping and traditional shopping and differences such as online shopping is more convenient than traditional shopping, there is no opportunity to compare prices and products in traditional shopping like online shopping and traditional shopping safer than since there is a risk of online fraud and security issues like hacking in online shopping were identified as main differences. As well as, online shopping is more efficient than traditional shopping and traditional shopping may not offer a vast range of products, like online shopping do not indicate any differences between both shopping methods. In addition to that, more than 93% of respondents feel price difference between online shopping and traditional shopping and most of the respondents agreed with online shopping has the best price.

According to that, the study suggests that traditional shopping should increase the shopping convenient to the customers like showing the availability of the goods, showing their prices of goods in their specific websites or any other ways to giving facility of comparing the prices of the goods in different shops. At the same time online shopping should give return facilities and should ensure security to feel more comfortable in online shopping like paying after receiving the goods.

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