

COMPARATIVE STUDY ON CONSUMER PERCEPTION OF ONLINE VS. RETAIL GROCERY SHOPPING”:

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ABSTRACT

The evolution of digital commerce has significantly transformed consumer shopping behaviours, particularly in the grocery sector. This study aims to compare consumer perceptions of online grocery shopping with traditional retail grocery shopping, focusing on key factors such as convenience, pricing, trust, product quality, and overall satisfaction. With the COVID-19 pandemic accelerating the adoption of e-commerce, understanding these changing perceptions has become crucial for retailers and service providers. A mixed-method approach was employed, utilizing surveys distributed to a diverse sample population, supplemented by qualitative interviews. Respondents were asked to evaluate their experiences and preferences across both shopping modes. The findings indicate a growing preference for online grocery shopping due to its time-saving benefits and ease of access. However, concerns remain regarding product freshness, delivery reliability, and the lack of sensory engagement, which are strong suits of retail shopping. Conversely, while retail grocery stores offer tactile assurance and immediate product availability, they are often viewed as time-consuming and less convenient, especially among working professionals and urban residents. The study also reveals that consumer age, income level, and technological familiarity significantly influence shopping preference. These insights suggest a potential for hybrid models that integrate the strengths of both platforms to enhance consumer satisfaction. The research contributes to the understanding of modern consumer behaviour and offers strategic recommendations for grocery retailers seeking to optimize their service delivery across channels.

1. INTRODUCTION

Grocery shopping is an essential activity in daily life, deeply rooted in consumer habits and local economies. Traditionally dominated by physical retail stores, the grocery sector has seen significant shifts in recent years due to technological advancements and changing consumer lifestyles. Factors such as urbanization, busy schedules, and increasing internet penetration have contributed to the emergence and growth of alternative shopping methods, notably online grocery platforms.

The COVID-19 pandemic served as a major catalyst for this shift. Lockdowns, health concerns, and the need for social distancing pushed consumers toward online shopping options, including grocery delivery services. Platforms like Instacart, Amazon Fresh, and various local delivery startups experienced rapid growth during this period. As a result, online grocery shopping transitioned from a niche convenience to a mainstream option. Despite the growth, traditional retail grocery stores continue to play a vital role, particularly for consumers who prioritize product inspection, immediate purchase, and personal interaction.

Understanding consumer perception is crucial in this dual-channel environment. Perception shapes shopping behaviour, brand loyalty, and ultimately determines market success. Key areas of perception include convenience, trust, pricing, product quality, and user experience. Comparing how consumers view online versus retail grocery shopping can offer valuable insights for retailers, marketers, and platform developers.

This study aims to analyse and compare consumer perceptions of online and retail grocery shopping. The research seeks to identify factors that influence preferences and to explore demographic trends. The hypothesis is that while online grocery shopping is perceived as more convenient, retail shopping is still favoured for quality assurance and trust.

2. LITERATURE REVIEW

The growth of e-commerce has led to extensive research on consumer behaviour in online shopping environments. Several studies highlight how digital platforms have reshaped consumer expectations, particularly around convenience and timesaving (Bhatti, 2020). Online grocery shopping, once a marginal market, has emerged as a significant segment within e-commerce, driven by advancements in logistics and mobile technology.

One of the most studied aspects of online shopping is consumer trust. According to Pavlou (2003), trust plays a pivotal role in online purchasing decisions, especially when physical inspection of products is not possible. In the context of grocery shopping, this becomes even more critical, as product freshness and quality cannot be verified beforehand. Studies by Zhang et al. (2021) suggest that trust in delivery services and product accuracy significantly affects the

likelihood of repeat purchases. In contrast, physical retail stores offer a tangible shopping experience, which builds trust through direct interaction with products and staff.

Convenience remains a key advantage of online grocery shopping. Research by Ailawadi and Farris (2017) shows that consumers, particularly working professionals and urban residents, appreciate the ability to shop anytime without physically visiting a store. Pricing and accessibility also influence perceptions—while online platforms often offer discounts and price comparisons, concerns about delivery charges and minimum order requirements persist. Retail stores, meanwhile, allow instant gratification and better control over spending, especially for budget-conscious shoppers. However, a noticeable gap in current research is the lack of comparative studies focusing on both online and retail grocery shopping experiences post-pandemic. Most existing literature either focuses on one channel or predates the dramatic behavioural shifts triggered by COVID-19. This study aims to fill that gap by providing a balanced analysis of consumer perceptions toward both shopping methods in the current socio-economic context.

3. RESEARCH METHODOLOGY

Research Methodology is the systematic and theoretical analysis of the methods applied to a field of study. It involves qualitative and quantitative techniques.

About The Study

The study is aimed Comparative study on consumer perceptions towards online grocery shopping or Retail grocery shopping.

Research objectives:

- ✓ To identify the factors driving consumer preferences in online and retail grocery shopping.
- ✓ To assess the relative importance of convenience, trust, product variety, pricing, and satisfaction in shaping consumer behavior.
- ✓ To explore potential demographic differences in consumer perceptions towards online versus retail grocery shopping.
- ✓ To assess the perceived convenience of online grocery shopping compared to retail grocery shopping among consumers.
- ✓ To investigate the perceived reliability and trustworthiness of online grocery platforms versus traditional brick-and-mortar stores.
- ✓ To examine the perceived quality and freshness of products purchased online versus in-store.
- ✓ To explore the impact of pricing and perceived value on consumers' choice between online and retail grocery shopping.
- ✓ To assess the level of satisfaction with the variety and range of products available online versus retail grocery shopping environments.

4. DATA COLLECTION

The data collection, i.e., the raw material input for the project has been collected keeping in mind the objectives of the project and accordingly relevant information has been found. The methodology used is a descriptive method of the Research. There are two sources of data collection. They are:

A. PRIMARY SOURCE- In primary data collection, the data is collected using methods such as questionnaires. Primary data is collected through survey method. by distributing questionnaires to individuals. The questionnaire was carefully designed by considering the parameters of my study. The questionnaire consists of 16 questions. The questionnaire was distributed in the form of Google Forms to collect relevant and accurate information relating to the title of research. There are many methods of collecting primary data (observed or collected directly from first-hand experience.)

B. SECONDARY SOURCE- Published data and the data collected in the past or by other parties is called secondary data. Secondary data will consist of different literature like books which are published, articles, internet, government records, other reports organizational records and data that was originally collected for research purposes.

SAMPLE AREA

For the sample area, Mumbai and Delhi region have been taken as the study.

Easy sampling technique is used by sharing a form.

SAMPLE SIZE

Random sampling of 70 respondents was selected. Males and females that have reached the age of 18 and above were requested to fill the form.

5. LIMITATION OF THE STUDY

The limitations of the study are those characteristics of design or methodology that impacted or influenced the interpretation of the findings from your research.

- Sample size may not complete representative the universe.
- As the data has been taken from the book and the various websites the data available is not recent.
- A failure to use a random sampling technique significantly limits the ability to make broader generalizations from results.
- Lack of face-to-face communication as all the surveys are done through google forms.
- Limited coverage of area.

6. RESULTS

The data collected from 200 respondents provides a clear picture of consumer perceptions regarding online and retail grocery shopping. The key variables analysed include convenience, price perception, trust, and overall satisfaction.

1. Convenience

Online Shopping: 78% of respondents rated online grocery shopping as highly convenient.

Retail Shopping: Only 36% considered in-store shopping to be convenient, citing travel time and crowding as concerns. Table 1: Perceived Convenience Level (Online vs. Retail)

2. Price Perception

Online Shopping: 52% believed online prices were higher due to delivery fees and limited bargaining options.

Retail Shopping: 64% found prices more transparent and manageable.

3. Trust

Retail Shopping: 82% of respondents trusted retail stores more due to product inspection and familiarity.

Online Shopping: Only 41% expressed high trust, mainly due to concerns over product freshness and delivery errors.

4. Overall Satisfaction

Respondents gave an average satisfaction rating of 4.1/5 for retail shopping and 3.6/5 for online shopping.

Urban residents and tech-savvy users were more likely to report satisfaction with online services.

5. Trends and Contrasts

Younger consumers (18–35) showed a stronger preference for online shopping due to tech familiarity and time efficiency.

Older consumers (50+) favoured retail shopping for its tactile and social aspects.

There was a clear divide between perceived convenience (favouring online) and perceived trust and quality (favouring retail)

7. FINDINGS

Nowadays online grocery is the fastest growing segment within e-commerce. It has been increasingly gaining consumers interest and acceptance because of good quality products, speedy delivery and convenience. The innovative and young group of internet user's practices from grocery shopping sites like Amazon grocery, big basket, D-Mart Online, Grocers, Nature basket, Zopnow.com etc. which provides various offers and discount coupon daily bazaars shopping. Getting a loyal customer base online for grocery market is attractive due to high customer lifecycle. E-commerce companies were moving their existing customers online along with acquiring new ones from the market. The present study is done with the objective of assessing the factors which are responsible for online grocery shopping. Study shows that product descriptions, delivery and replacement of products and product choice & availability online were the major factors for online shopping. E-marketers can structure their marketing strategy based on these important parameters for creating unique and excellent shopping experience for their customers.

Findings

- The respondents think that online shopping will be satisfied as it saves their time to shop for grocery items online.
- The respondents are satisfied with access to online grocery shopping, and it is user friendly to purchase grocery items.
- The respondents were highly satisfied with the fruits which are delivered by online grocery shopping.

- Certain parameters which motivate the user to shop online are
- User friendliness of the website.
- Discounts and offers offered by the website.
- Cash on delivery form an important gateway in online transaction.

8. CONCLUSION

This comparative study on consumer perception of online versus retail grocery shopping reveals significant differences in how shoppers evaluate each method. Convenience is the most highly valued aspect of online grocery shopping, especially among younger, urban consumers who appreciate time-saving features and digital accessibility. However, trust, product quality, and control over purchases remain dominant advantages of traditional retail grocery shopping, particularly among older and more cautious consumers. The study highlights that while online grocery platforms are gaining traction, they still face challenges related to product reliability, delivery consistency, and consumer trust. In contrast, retail stores continue to thrive due to their tactile, immediate shopping experience, although they may struggle with attracting tech-savvy and time-conscious consumers. For retailers and e-commerce platforms, these insights emphasize the importance of building hybrid models that integrate the strengths of both channels. Online platforms should focus on enhancing transparency, ensuring product quality, and improving customer service to build trust. Meanwhile, retail stores can explore integrating digital conveniences such as mobile apps, click-and-collect services, or digital loyalty programs to stay competitive. Future research could explore longitudinal shifts in consumer behaviour post-pandemic, investigate the role of AI and automation in grocery shopping, or conduct region-specific studies to account for cultural and economic differences. Additionally, a deeper examination into environmental or sustainability perceptions between the two modes could provide further strategic value. This study contributes to a more nuanced understanding of modern consumer preferences and offers direction for more customer-centric innovation in the grocery sector.

9. APPENDICES

Appendix: survey questionnaire

1. Have you ever purchased groceries online?

- yes
- No

2) If yes How frequently do you shop for groceries online?

- Daily
- Weekly
- Monthly
- Rarely

3) What are the main reasons for choosing online grocery shopping? (You can select multiple option)

- Convenience
- Time Consuming
- Wide variety of products
- Avoid crowd
- Home delivery
- Better deals/offers
- Avoid standing in Queue

4) Which shopping method do you perceive to be more environmentally friendly?

- Online grocery shopping
- Retail grocery shopping
- Neither
- Both are equally environmentally friendly

5) Which shopping method do you perceive to offer better product quality?

- Online grocery shopping
- Retail grocery shopping
- Neither
- Both offer similar quality products

6) Which shopping method do you perceive to be more cost effective?

- Online grocery shopping
- Retail grocery shopping
- Both are equally cost-effective
- Neither

7) In terms of overall satisfaction, rate experience with online grocery shopping

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very dissatisfied

8) If No What are the main reasons for choosing retail grocery shopping? (You can select multiple option)

- Ability to see and select products physically
- Immediate access to products
- Prefer the shopping experience
- Social interaction
- Convenience
- Internet access or technology barriers
- Others

9) If you answered "No" Please specify the reason why don't you use Online grocery shopping. (You can select multiple option)

- Lack of trust in product quality
- Prefer selecting my own groceries in person
- Concern about delivery fees
- Lack of control over the selection of specific items/brands
- Prefer supporting local businesses or farmers markets
- Prefer the social aspect of shopping in store
- Worries about privacy and security of personal information
- Lack of familiarity with online shopping platform

10) How often do you visit physical grocery stores?

- 1) Multiple times in week
- 1) Once in a week
- 1) Once a month
- 1) Few times a month
- 1) Rarely

11) What an important convenience for when it comes to grocery shopping

- Extremely important
- Very important
- Important
- Not very important
- Not at all important

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