

Customer Satisfaction towards Online Purchase of Second Hand Products - A Study with reference to OLX

¹Ajith Anjitha & ²P. Deepika

¹Ex-student, Master of Commerce, Maharajas College, Ernakulam (India)

²Ex-student, Master of Commerce, St. Thomas Arts and Science College, Puthencruz (India)

ARTICLE DETAILS

Article History

Published Online: 29 Sep 2018

Keywords

Online purchase, Second hand goods, Customer satisfaction, Online platform

*Corresponding Author

Email: [anjithapullumalayil\[at\]gmail.com](mailto:anjithapullumalayil[at]gmail.com)

ABSTRACT

The second hand goods' market has increased substantially in recent years. This paper analyses the customer satisfaction of online purchase through OLX. Study found that the people have a moderate level of satisfaction towards OLX and the socio economic variables like gender age occupation have no association with satisfaction level. The study also examined different variables affecting customer while they making their purchase. Majority variables show that they were significant while customer made purchase. Customer also thinks shopping through OLX is superior when compared to physical shops.

1. Introduction

Second hand goods are goods that has been purchased by or otherwise transferred to a second or later end user. These goods are beneficial to the purchaser as the price paid is lower than the same item brought new. Now-a-days the trade of second hand goods came to be through online. Internet based commercial transactions are common now-a-days. There are many sites like OLX, e-Bay, Quikr etc. which act as a medium for purchase and sale of used goods.

OLX (online exchange) operates on the grounds of furniture, musical instruments, cars, motor cycles, real estate properties and much more. The popular slogan of OLX is "sell it". This platform is totally free from brokerage charges. The funny advertisements of OLX on TV & internet stimulate the customers to go about selling & buying.

2. Statement of Problem

Second hand goods are goods that has been purchased by or otherwise transferred to a second or later end user. OLX is a medium through which sellers can sell their used goods & buyers can buy. There is no botheration of brokerage charges in OLX. It is time saving & convenient method. A country like India, the demand for second hand goods is high because of over population and poverty. So, this study will reveals the customer satisfaction towards OLX and identify the impact of socio economic factors in purchase of second hand goods through OLX.

3. Significance of the study

According to associate chamber of commerce, the second hand goods market has recorded a growth of 15% per annum. Purchase and sale of second hand products lead to maximum utilization of resources in an economy. This enhances the sustainable growth of economy. Thus OLX made a better contribution towards the economy by providing a platform for purchase as well as sale of second hand products. This study aims at the assessment of customer level satisfaction of OLX.

4. Objectives

- To access the customer satisfaction regarding online purchase of second hand products through OLX.
- To analyze the association between the socio economic variables and satisfaction among consumers.
- To know the factors affecting the online purchase of second hand products through OLX.

5. Methodology

The study is empirical in nature using data collected through questionnaires distributed among customers of OLX. A Sample of 60 customers of OLX were selected for the study.

6. Limitations

- The study is limited to online purchase of second hand goods through OLX.
- Customer's attitude may fluctuates in different circumstances.
- The limitations of a snowball sampling are applicable in this study also.

Table 1 Profile of sample

Variable	Category	Frequency	Percentage
Gender	Male	46	77
	Female	14	23
	Total	60	100
Age	Below 20	14	23
	20-30	34	57
	30-40	4	7
	40-50	6	10
	Above 50	2	3
	Total	60	100
Education	Up to 10 th	1	2
	Plus two	16	27
	Graduation	24	56
	Post-graduation	7	12
	Professional	2	3
	Total	60	100

Occupation	Government	3	5
	Private	13	22
	Business	5	8
	Agriculture	2	3
	House	2	5
	Student	34	57
	Total	60	100
Region	Rural	36	60
	Urban	24	40
	Total	60	100

Source: Survey data

Table 2
Customer satisfaction

Mean	Mean
Information provided in site	3.38
Price of the product	3.46
Quality of the product	3.39
Quantity of the product	3.90
Replacement of defect products, if any	3.20
Settlement of complaint, if any	3.02

Source: Survey data

Customer satisfaction is shown in table 2. Six aspects are considered to evaluate satisfaction. As all the values above the

Table 4
Factors affecting the customers while they made purchase

Variable		Mean score	P value	Inference@ 5% level of significance
V1	Opinion on seek advice from other customers of OLX before purchase	3.01	< 0.05	Significant*
V2	Opinion on inspect product before proceed to purchase	4.09	< 0.05	Significant*
V3	Opinion on bargain with the seller	3.50	< 0.05	Significant*
V4	Opinion on checking the product after it is delivered.	4.38	< 0.05	Significant*
V5	Opinion on delivered product had met the expectation	3.14	< 0.05	Significant*
V6	Opinion on shopping through OLX is better than buying from physical shops.	3.72	< 0.05	Significant*
V7	Opinion on suggesting OLX to others	2.95	< 0.05	Significant*
V8	Opinion on facing problems while purchase	3.92	< 0.05	Significant*

Source: survey data

*significant at 5% level of significance

Factors affecting the purchase were shown in table 4. All variables except one variable (V7) have showed a mean score of above 3 (the mean value) denotes the variables affected the customers positively. One sample t-test is used for the analysis.

7. Conclusion

Customer satisfaction towards online purchase of second hand products with special reference to OLX is a study based on sampling survey. Primary data for the study were collected through structured questionnaires. The study led to the following conclusion.

mean value (mean score=3) customers have a moderate level of satisfaction towards online purchase of second hand goods through OLX

Table 3
Association of customer satisfaction with socio-economic variables

Variable	P value	Inference
Gender	0.25	Not significant
Age	0.051	Not significant
Education	0.027	Significant*
Occupation	0.32	Not significant
Region	0.045	Significant*

Source: survey data

*significant at 5% level of significance

Table 3 shows the association of customer satisfaction with different socio-economic variables. There is no significant relation between gender, age, occupation of the customer with customers satisfaction as p value is higher than 0.05. But there is a significant relation between regions, educational qualification (at 5% level of significance).

their expectations. And it also seems they are not that much confident to suggest OLX to others.

It has been observing that customers have eagerly tried and used new things in the market. But it is not economically viable to spend money on each and everything in the market. Therefore OLX opens an online platform to sell the old and

used accessories. Both the customer and seller will get the economic benefits through this in a convenient way.

Acknowledgement

We would like to thank editor and Vineeth Sir for the thorough feedback and helpful suggestions.

References

1. Alba, J., Lynch, J., Weitz, B., Janiszewski, C., Lutz, R., Sawyer, A., & Wood, S. (1997). 'Interactive home shopping: Consumer, retailer, and manufacturer incentives to participate in electronic marketplace'. *Journal of marketing*,
2. Kumar, U. (2015): 'Consumer Perception and Satisfaction with Service Quality of Online Stores E Commerce in Andhra Pradesh'. Sri Krishnadevaraya University. Retrieved from <http://hdl.handle.net/10603/107152>
3. Arthi, J., 'Customer Satisfaction of E commerce and Online Shopping A study with reference to Online Customers in Chennai city', University of Madras. Retrieved from <http://hdl.handle.net/10603/190167>
4. Noorzia Nasreen, V. 'A Study Of Attitudes Buying perceptions And Satisfaction Of Online Shoppers Of India', Sri Venkateswara University. Retrieved from <http://hdl.handle.net/10603/119606>
5. Dimitrios I. Maditinos, Konstantinos Theodoridis, (2010): 'Satisfaction determinants in the Greek online shopping context', *Information Technology & People*, Vol. 23 Issue: 4, pp.312-329, <https://doi.org/10.1108/09593841011087789>
6. www.ecommerce.about.com
7. www.academic.edu
8. www.indianchamber.org
9. www.olx.in
10. www.olxworld.com