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"E-commerce shopping and In person shopping: A COMPARATIVE STUDY"

A Bachelor's Marketing Research Study Presented to the Faculty of Business Administration Systems plus Computer College

In Partial Fulfillment of the Requirements for the Degree of Bachelor of Science in Business Administration Major in Operations Management

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### CHAPTER I

### **BACKGROUND OF THE STUDY**

### INTRODUCTION

Nowadays, online shopping is one commonly used for medium convenient shopping. Clothes, electronic, baby needs online shopping become trends with each passing days but having this trends has an affiliated advantages and disadvantages.

Today's generation the internet played a big role that allows communicating easily using messenger, Facebook, Instagram and obtaining all information's. The internet brings the online shop to consumers and customer since it can easily access with the use of technology including the prices, details of the products, and the payment method. Online shopping is one of the commonly used medium for convenient shopping. It is, in fact, a popular means of shopping among the internet community (Bourlakis et al 2008) no matter clothes. Electronics, or pets, online shopping trend is becoming popular with each passing day;

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hundreds of websites and applications are being created and deployed every year to cater this rising demand of comfortable shopping trends.

Yes, It is very convenient to have this online shopping but don't forget the traditional way of purchasing product which is the in person shopping wherein other people prefer to have this traditional way of shopping particularly for certain items. According to study if you want to save more money just do the in person shopping because you have the assurance that the product has a good quality and can last for a longer period of time.

The Internet is not only a networking media, but it is also used as means of transaction for consumers at global market. The usage of internet was grown rapidly over past years and it is become a common means for delivery and tracking information, services, and goods.

According Tarun Mettal (2019), Online Shopping that glorious invention which allows people to buy things from the comfort of their homes; No more travelling to multiple stores to find the right product; no more having to deal with over-enthusiastic sales persons; no more standing in long lines at the checkout counter.

The e-commerce boom has certainly changed the way we shop for the better. But, like everything else, the world of online shopping is not all roses. Despite all the efforts of e-commerce companies to alleviate them, there are a few problems that customers still have to face while shopping

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online such as lack of personalization, poor tracking and delays of delivery, not having flexible return policy, and lastly additional charges.

Yes, It is very convenient to have this online shopping but don't forget the traditional way of purchasing product which is the in person shopping wherein other people prefer to have this traditional way of shopping particularly for certain items. According to study if you want to save more money just do the in person shopping because you have the assurance that the product has a good quality and can last for a longer period of time.

Keep in mind that online and in-person customers aren't mutually exclusive categories; some of the same customers who enjoy shopping on your website also miss visiting your store. For instance, 26% of shoppers who choose to pick up online orders say they shop in-store after picking up their items. While it's important to improve the digital experience for the connected customer, even those who interact with your brand via digital channels may also be yearning for an in-person experience.

The traditional in-store shopping journey has never been solely about convenience or speed. Brick-and-mortar stores play major roles in the community as hubs that foster casual relationships and face-to-face social interactions. "Stores aren't just places to buy things," Karande says. "They are part of the communities they serve. A lot of consumers miss the

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interaction of going to stores — and they want to get out of the house, too."

Seller is the one factor considered in determining the succession of the Application. Some researchers suggested that online shopping is the way to connect to the buyers. However, a previous study revealed some of the buyers did not want to use online shopping applications because of lack of resources and lack of knowledge that's why they went to in person shopping.

This study aims to discover the difference between e-commerce shopping and shopping in person and the cons and pros of these two.

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## STATEMENT OF THE PROBLEM

This study was designed to determine what was the most preferred way of purchasing product perceived by the BSBA student of Systems Plus Computer College.

Specifically, it sought to answer the following questions: 1. What is the profile of the students in Systems Plus Computer College? 1.1 Age 1.2 Gender 2. In what extent does e commerce shopping and in person shopping affect the students: 2.1 Time 2.2 Convenience 2.3 Prices 2.4 Variety 2,5 Quality

3. Which of the two way of purchasing product does the students preferred the most?

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- 3.1 E-commerce shopping
- 3.2 In person shopping

# SIGNIFICANT OF THE STUDY

The outcome of the study may help those businesses and marketing due to its nature alone. It's also beneficial the following.

The buyer since they are the study, this may be information to them to understand the impact of e-commerce to them and how they can fit their resources to the way of purchasing product.

**The entrepreneur**, it will totally help them to understand the importance of e-commerce to their businesses and how to deal with it in spite of having the traditional way of shopping.

**Future researcher**, this may serve as their guidelines and future references for them to have enough knowledge and information of the study to the related field.

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### THEORETICAL FRAMEWORK

# **Shopping Continuum Theory (SCT)**

With the emergence of e-commerce, there have been many studies, but theoretical research on e-commerce still seems to be in its infancy, especially from the point of view of theoretical research on consumer behavior. (Cow, Kiecker, & Little, 2002).

Consumer choice processes go through heuristic decision making processes in multiple purpose situations due to limited consumer rationality and asymmetrical information features (e.g. Simonson and Tversky, 1992) With regard to this decision heuristic, the tripartite perspective may provide a more reasonable theoretical explanation of consumer activities related to choice.

Hence, due to this lack of theoretical development of consumer choice under goal situations with tripartite aspect, my study focuses on how does a consumer make a decision in purchasing, whether its online or on-site in order to explain consumer behaviors in making a preference between the said topic above. Our subject is based on Cognitive Continuum Theory (CCT) (Hammond, 1988), which is based on the tripartite view.

While the impact of the effect on decision-making has been widely reported in many previous studies, the effect has been seen as an

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inappropriate Moderator of decision making. It is significant to study the interaction of cognitive

And emotional factors on store environmental indexes to understand how Cognition and impact interact in the decision-making process, and how interactions influence shopping choices.

Consequently, there's a study purpose is to provide a theory called "Shopping Continuum Theory (SCT)" in order to understand the consumer's choice for purchasing online; to examine relationships between online shopping environments and shopping tasks from both cognitive and affective aspects; And to provide meaningful managerial implications to online retailing. (Eun Jung Choi, 2018)

# THEORY OF REASONED ACTION (TRA)

Founded by Martin Fishbein and Icek Ajzen in the late 1960s, Thought Theory focuses its analysis on the importance of pre-existing attitudes in the decision-making process. The basis for the theory postulates that consumers act on behavior based on their intent to create or receive a particular result. In this analysis, the consumer is a rational actor who chooses to act in the best interests of the consumer.

Depending on the theory, specificity is essential for the decisionmaking process. Consumers only take specific action when an equally specific outcome is expected. From the moment the consumer decides to

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act until the action is over, they retain the ability to change their mind and decide on another action plan.

Marketers can learn several lessons from the Theory of Reasoned Action. First of all, when they sell a product to consumers, marketers have to associate a purchase with a positive outcome, and that outcome has to be accurate. Axe Body Spray used this concept in a very efficient way by tying its product to the desirability with women. Secondly, the theory emphasizes the importance of getting customers through the sales pipeline. Marketers need to understand that the long delays between the original intent and completion of the action give consumers ample time to dissuade themselves from a purchase or challenge the outcome of the purchase. (Ohio University, 2015)

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# **Conceptual Framework**

In what extent does e commerce shopping and in person shopping affect the students: In what extent does e commerce shopping and in person shopping affect the students:

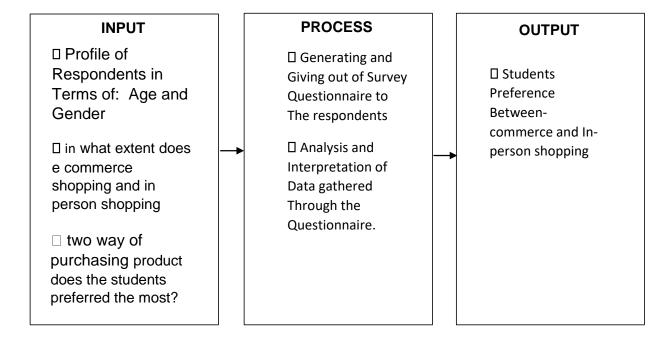


Figure 1. Conceptual Framework

Figure 1 shows the conceptual framework of the students of Sytems Plus Computer College, QC campus that the input consists of the respondents' profile and the research question which in what extent does e commerce shopping and in person shopping. The process to be used requires the survey questionnaire to be analyzed in order to formulate solution and generate answer to the researcher's problems. The output presents the possible outcome of the study.

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### **DEFINITION OF TERMS**

The following terms are conceptually and operatively defined for better understanding and appreciation of this study.

**Asymmetrical** - having parts or aspects that are not equal or equivalent; unequal

**Cognitive** - the mental action or process of acquiring knowledge and understanding through thought, experience, and the senses

**Consumer** - a person who purchases goods and services for personal use.

**Continuum** - a continuous sequence in which adjacent elements are not perceptibly different from each other, although the extremes are quite distinct.

**E-commerce** - commercial transactions conducted electronically on the internet.

**Heuristic** - enabling someone to discover or learn something for themselves.

**On-site -** taking place or situated at a particular place or site.

**Online** - controlled by or connected to another computer or to a network.

**Preference** - greater liking for one alternative over another or others.

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Rationality - the quality of being based on or in accordance with reason or

logic.

**Theory** - a supposition or a system of ideas intended to explain

something, especially one based on general principles independent of the

thing to be explained.

**Tripartite** - shared by or involving three parties.

SCOPE AND DELIMITATION

This study focused on a comparative study on what is the best way

to purchase product between the two: e-commerce shopping or in person

shopping by the BSBA students of SPCC Cubao. We chose them to be

the respondents because we thought that they are capable and accessible

to respond to us. Also, we wanted to share our knowledge to them about

how e-commerce shopping and in person shopping works. This study will

be held on the campus of SPCC Cubao.

One limitation of this study is that the sample size is limited to only

BSBA students of SPCC Cubao, which may not be representative of the

entire population. Additionally, the study only focuses on comparing the

two methods of shopping, and does not delve into other factors that may

affect purchasing decisions, such as cultural differences or personal

preferences. Furthermore, the study is limited to the context of SPCC

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Cubao, and the findings may not be generalizable to other settings or regions.

### **CHAPTER II**

#### REVIEW OF RELATED LETERATURE AND STUDIE

# **Top Online Shopping Sites in the Philippines**

## **LAZADA**

Lazada is one of the most popular online shopping sites in the Philippines. Like a sizable virtual department store, the shopping platform provides a wide selection of products. It includes fashion apparel, electronics, car accessories, and home appliances. Also, kids wear, baby accessories, ladies' and men's bag, shoes, and many more. In addition Lazada is also popular in other countries like Singapore, Vietnam, Malaysia, and Thailand From makeup to the latest gadgets, Lazada's got you covered. It also holds frequent promos, with the grand year-end sale being one of its most-awaited events.

12 days for provincial addresses, except for some remote areas.

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### SHOPEE

One of the hottest shopping online here in the Philippines, especially for women's needs. But also everything that you need can find in the shop online. It sells many products online and everything is also in the shop. Similar to Lazada, this online store offers a wide range of goods at discount prices, including furniture, electronics, books, tools, and clothing. Thanks to its promos and catchy, LSS-inducing ad jingles, Shopee is the most popular e-commerce site in the Philippines, according to Statista. Like Lazada, this online shopping site has a broad selection of items, ranging from furniture, electronics, books, hardware products, and fashionable pieces at bargain prices.

### **Customer Purchasing Decision Using Online Application**

According to statistics, the Philippines generated US\$1,237 million in e-commerce revenue in 2017, and this is expected to increase to US\$2,619 million by 2022. Online shopping is popular because it provides convenience, cost savings, and a wide range of products available on a single website. Customers can easily make purchases using internet-connected devices such as desktops, laptops, computers, and mobile phones. Online retailers offer incentives such as discounts and promotions to attract customers to their websites. This creates an opportunity for

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major retailers to increase their revenue by distributing their products more efficiently (Macarayo, 2017).

Consumer purchasing decisions are a key component of e-commerce success, and analyzing these decisions is important for establishing an effective online shopping experience. To encourage online shopping, e-commerce companies must understand the factors that drive purchasing behavior. According to a study, customer feedback, trust, perceived utility, and information quality are the most important factors influencing online purchase decisions. Other factors such as word-of-mouth, loyalty, and post-recovery satisfaction also play a role (Prasetyo& DelaFuente, 2020).

Mobile commerce (m-commerce) has gained popularity in the Philippines due to the increasing use of smartphones. Popular online shopping websites such as Zalora and Lazada have launched mobile applications that are highly used by customers to browse and purchase products. Payment options such as Globe Gcash and Smart Money have enabled internet retailers to accept money transfers. Smart e-Money has partnered with Citi Philippines and Visa to offer Charge2Phone, which is a sticker-based contactless payment product that allows mobile phones to be used as a credit card or wallet. This innovation is expected to encourage cashless purchases through the internet (Euro monitor, 2015).

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# E-commerce is becoming the new normal

In Southeast Asia, consumers are increasingly turning to online shopping due to the availability of a wide range of goods and services, competitive prices, and improved delivery options. The widespread use of mobile devices, especially smartphones, has also made it easier for people to shop online (Tomlinson, 2015). Convenience is cited as the top reason why Filipinos love to shop online, with door-to-door delivery, affordability, and accessibility being other important factors. The increasing engagement in online shopping, coupled with the availability of payment technologies, has resulted in the steady growth of local ecommerce businesses (Visa Consumer Payments Attitude Study 2015).

In the Philippines, the e-commerce industry has around 10 million customers daily. Online shopping has made Filipinos more efficient, enabling them to save time on traffic and work more, thereby generating more income for the country (Balci, 2017). Traffic congestion is one of the reasons why people prefer online shopping. Despite the fact that the number of active cardholders is not high in the Philippines, it has not hindered the growth of the e-commerce industry. Most people prefer to shop online using their mobile devices, particularly smartphones, with others using desktops and laptops. Due to this trend, it is expected that

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mobile commerce will experience significant growth in the near future.

MasterCard conducts an annual Online Shopping Survey, which revealed in 2012 that local deals and promo websites dominated the country's e-commerce market due to concerns over security and transaction speed.

# On the e-commerce is booming in the Philippines

According to Malaya Business Insight, e-commerce transactions in the Philippines were valued at 264 billion PHP in 2021, growing by more than 15% from 2020. E-commerce is becoming increasingly popular in the Philippines due to its convenience and accessibility. Shoppers can easily browse and purchase products online using a laptop or mobile phone, and have their items delivered directly to their doorstep. Online shopping saves time, money, and energy as there is no need to physically travel to stores or walk from shop to shop. Availability of products is also easier to check as they are linked to a database, and price comparisons can be made across various e-commerce websites.

From a business perspective, setting up an online shopping website has become much easier, with platforms designed especially for e-commerce sales. Small businesses can now offer their products and services to a larger market than previously possible with traditional offline shopping. The future standard for interacting with clients, purchasers, and suppliers is shifting online, and e-commerce allows businesses to access millions of customers anytime, anywhere.

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Online shopping in the Philippines is expected to continue growing, especially with the convenience it offers during the COVID-19 pandemic.

Customers are now turning to screens rather than physical stores.

# **E-commerce shopping**

Online shopping was pioneered in 1979 by English entrepreneur Michael Aldrich. According to Svonavec (September 2017), online shopping offers many advantages to consumers, such as 24/7 availability, faster and more convenient shopping, and lower prices due to lower operating costs. However, backordered goods and lack of in-person communication can be drawbacks.

In the Philippines, as noted by Francia (October 2018), some shoppers prefer inspecting products in person before making a purchase, and shipping costs and delivery times are important considerations. A report by Research Tech Lab found that, although e-commerce is growing in popularity in the country, 68.61% of Filipinos still prefer traditional shopping.

E-commerce has seen rapid growth in recent years, with at least 37.7 million e-commerce users in the Philippines in 2018, up from 30.2 million

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in 2016, and this number is expected to reach 53.8 million by 2020 (Eshopworld.com). However, the Philippines lags behind other Southeast Asian countries in terms of e-commerce sales.

According to Willy Kruh, today's consumers are constantly shopping online, not just during regular business hours or at local stores. This global online marketplace allows consumers to buy from retailers and manufacturers located anywhere in the world.

Online shopping has revolutionized the traditional shopping experience, as noted by Huang et al. (2019). While traditional shopping allows customers to physically examine products with their senses, online shopping is limited by the size of a 2D screen and the use of search keywords or classifications. A "VR online shopping platform system" is a long-term goal for the development of online shopping.

Both online and traditional shopping have advantages and disadvantages, and consumers may choose one over the other depending on their preferences and needs. In India, internet retail accounts for a market size

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of Rs. 52,000 crores and is growing at a rate of 100% per year, making it a significant factor in the country's economy.

### Consumers

According to a study by Meta, shoppers are returning to physical stores, but their digital shopping habits developed during the pandemic continue to remain strong. The Seasonal Holidays Study by Meta surveyed nearly 2,000 people aged 18+ in the Philippines in December 2021 to determine their year-end shopping attitudes and behaviors during Mega Sales or shopping holiday promos. The study found that while 67 percent of shoppers made purchases in-store, a higher 79 percent also made online purchases. The study also revealed that almost 7 out of 10 shoppers have discovered and shopped on social platforms, and 76 percent of them are Gen Z and Millennials. The study outlined five new year-end Mega Sale Days consumer shopping trends, including driving new product discovery, shifting consumer shopping behaviors, and the influence of entertaining and immersive experiences on purchase decisions. Cross-border shoppers in the Asia Pacific region start shopping earlier and focus on brand value, with 48 percent making a cross-border purchase. Brands need to engage shoppers authentically by being social and mobile-first, creating immersive experiences, and finding ways to communicate their brand values and purpose.

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# **In-Person Shopping**

The competition among mall operators has given rise to a new shopping culture that aims to provide customers with convenient and luxurious experiences. Visual merchandising is a powerful marketing tool that creates a unique, enjoyable shopping experience for customers. It silently and effectively communicates with customers, triggering their buying impulses in just a few seconds. This study explores customers' opinions about the critical factors of visual merchandising used by retail stores, department stores, or malls to influence their purchasing behavior. The study used the descriptive research method to explain the characteristics of mall-goers. Although 90% of shoppers usually notice the visual presentations of malls, the majority of them do not make impulse buying decisions based on visual effects alone. A simple store environment is sufficient for most customers. The top three factors of visual merchandising that influence customers' preference for visiting retail stores, department stores, or malls are a well-planned store arrangement and layout, courteous salespeople, and a diverse product assortment with broad aisles and more space. Customers tend to engage in impulse shopping behavior when there are deals and other enticing offers available, particularly those related to price. (Cuello, 2020).

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# Filipinos are fastest adopters of online shopping in region

A study by social network company Meta and consulting firm Bain & Co. found that Filipino consumers are using an increasing number of digital platforms for online shopping, and they are willing to switch apps to get faster delivery times. According to a June 2022 poll, each user in the country is using over 16 apps, a 108% increase from the same period in 2017. This growth rate was the highest in Southeast Asia, with Vietnam in second place with 96% and Indonesia and Thailand at 90%.

Consumers are using various online platforms, including e-commerce marketplaces, food delivery services, large retailer websites, small online stores, and product categories for consumers. The report highlighted that this trend further supports the finding that more consumers in the region are trying new or alternative purchasing experiences.

In the Philippines, Malaysia, Singapore, and Thailand, customers are switching platforms because of faster delivery times, emphasizing the importance of a positive consumer experience for online purchases. However, the survey also found that Southeast Asian consumers generally switch brands for price and item quality, with clothing and footwear, electronics, and cosmetic products being the non-essential goods where brand switching behavior was more evident. Rising product prices may have led customers to place a greater emphasis on value for money. (Tyrone Jasper C. Piad September 08, 2022)

# Prefer in-store shopping over online sites

According to a report by Research and Tech Lab, a digital research and consultancy business, Filipino consumers still prefer shopping in physical stores over online platforms, despite the convenience of online transactions. The report was based on the opinions of online shoppers during the period of July to September, while popular e-commerce sites Lazada and Shopee were running promotions.

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The study found that 68.61% of Filipinos still prefer traditional shopping,

as they value the physical appeal of products and are often suspicious of

the trustworthiness of websites. Additionally, many consumers prefer to

scrutinize goods before making a purchase and feel more at ease when

they can take the item right away after paying.

However, the report also noted that the majority of consumers who

purchase on both traditional and online platforms are between the ages of

18 and 31. These consumers conduct online product searches prior to

making in-person purchases, despite preferring to see the goods for

themselves. This indicates that modern technology has blurred the lines

between online and offline channels, allowing consumers to switch

between them as they see fit.

The report concludes that malls continue to play a significant role in the

lives of Filipino consumers as long as conventional shopping remains their

preferred method. This is in contrast to the United States, where 20-15%

of malls are expected to close over the next five years.. (Arra B Francia

2018)

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#### **E-commerce Market**

According to a study conducted by Statista Research Department in November 2022, the e-commerce market has been experiencing significant growth in the Philippines due to changing consumer preferences for online shopping and the constant increase in smartphone usage. The most popular e-commerce marketplaces among Filipino consumers are Lazada, Shopee, and Zalora. These platforms offer goods from their fulfillment centers and third-party sellers and often provide discounts, free shipping, and cash-on-delivery payment options to attract customers.

In addition to traditional e-commerce, social commerce is becoming increasingly popular among the social media-savvy Filipino population. With Facebook being the most popular social media platform in the Philippines, many brands and retailers are taking advantage of the opportunity to promote and sell their products and services on the platform. This can be done through creating a Facebook business page or setting up an online store on Facebook shops. Smaller businesses and individual sellers can also showcase their products on Facebook's built-in marketplace. Other social media platforms such as Instagram and TikTok have also integrated a shopping feature that allows businesses to create profiles or pages and sell their products at no additional cost. Additionally,

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these platforms have introduced a live streaming or live shopping feature, which has led to the rise of the "shoppertainment" phenomenon.

### **FOREIGN LITERATURE**

### On the Importance of Ecommerce

According to marketer, in 2022, global retail ecommerce sales will surpass \$5 trillion for the first time, accounting for more than a fifth of overall retail sales. And by 2025, total spending will exceed \$7 trillion, despite slowing growth. Today, ecommerce shoppers can discover and be influenced to purchase products or services based on recommendations from friends, peers and trusted sources (like influencers) on social networks like Facebook, Instagram and Twitter. Many social media platforms now offer ecommerce features, such as in-app checkout, shippable posts and "Buy Now" buttons that take users directly to a brand's product page. For many retailers, the growth of ecommerce can expand their brands' reach and positively impact their bottom lines. But retailers who have been slow to embrace the online marketplace are the ones facing the biggest challenges.

In February 2019, online sales narrowly surpassed general merchandise stores for the first time, including department stores, warehouse clubs and supercenters. And since shoppee and lazada took away the price of shipping, more consumers are comfortable with online shopping — which means larger retailers have little choice but to go

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digital. For customers, ecommerce makes it possible to shop from anywhere, any time. That means buyers can get the products they want and need faster without being constrained by operating hours of a traditional brick-and-mortar store. Plus, with shipping upgrades that make rapid delivery available to customers, even the lag time of order fulfillment can be minimal (think Shopee and Lazada for example).

Ecommerce also makes it easier for companies to reach new, global customers. An online store isn't tied to a single geographic location — it's open and available to any and all customers who visit it online. With the added benefits of social media advertising, email marketing and SEO (search engine optimization), brands have the potential to connect with massive target audiences who are in a ready-to-buy mindset. With a physical store alone, you may find your options are limited when it comes to innovation. However, as the ecommerce ecosystem continues to mature and improve, your business will have access to the latest technologies to help streamline business processes. With a variety of apps and integrations at your fingertips, you'll be able to improve workflows, better execute your marketing strategy and improve the overall shopping experience. Since the beginning of 2020, 45% of ecommerce software buying activity has come from enterprise-level companies.

Arrival of global retailing giants, online shopping will most likely gain more momentum.

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CONVENIENCE OF E-COMMERCE SHOPPING AND IN-PERSON

**SHOPPING** 

Convenience is online shopping's biggest gift to shoppers. According

to the blog of Visual Communication Guy (2019), there are many reasons

why online shopping is convenient. First, modern websites are easy to

navigate. You can scroll through hundreds of products or use filters to

narrow down to the exact item you want. The graphics are attractive and

product images are crystal clear. Anything you plan to shop is properly

visualized on websites. Product details are comprehensively written and

payment methods make it easy to complete payments instantly.

TIME MANAGEMENT ON SHOPPING

Convenience helps you order food at the comfort of your couch. Fast

delivery helps you save time by not cooking the meal or driving to go get

the meal. However way you look at it, online shopping is more time saving

than traditional shopping.

Sure, not every product is delivered on the same day. But considering that

making an order takes as little as five minutes, buying items online helps

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you save a lot of time. What would usually take days to find around the city can be done in a couple of hours. If you want to buy a laptop and don't know how to go about it, all you have to do is shop around. On a shopping site like Amazon, there are hundreds of laptops. They are categorized based on their specifications and what they are designed to do. (The VCG blog, 2019)

# **COST OF SHOPPING**

Although some people go out of their way to buy extravagant items, most people are always looking for ways to save money. Whether you are buying a new smartphone or looking for a cocktail dress, you probably would want to minimize your costs.

Online shopping sites help you lower your budget to the lowest possible figure. No matter how rare what you want to buy is, there is a different platform willing to help you get a better deal. Even on the same shopping website, it's not unusual to find the same product being sold at different prices. If you want to save money when buying anything online, check its prices online. Don't accept the first price you find. Compare prices from several shopping platforms. Make sure the product has the same specifications on all websites. Then, compare their shipping prices and pick the one that helps you save the most. (The VCG blog, 2019)

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### SHOPPING THROUGH E-COMMERCE STORES

According to John Blockstock (2019), "An online store is a website through which customers place orders. It may represent a small local store, a major retailer, an e-commerce store or an individual who sells projects through a third-party site, such as eBay. The online store can operate under a number of business models, including business-to-consumer, business-to-business or consumer to consumer. To operate an online store, you'll need a product catalog, a shopping cart, and other items."

According to Nyxone (2017), "Many people around the world prefer to shop online and buy products from several brands and companies that they cannot find or are not available for purchase in their home countries. Nowadays, and with the help of the new technology and the support of the internet, people from all around the world started to purchase items online by simply sitting in their homes. Purchasing items and products through the Web is a very easy task to do. It is now playing a very important role in everybody's life especially elderly people, as well as people with a very busy life schedule. It provides a very comfortable service for its customers, by being able to save the item in the personal shopping bag, and buy it later on. Shopping through the Web simply works for people with a valid credit card, a debit card or an internet bank account."

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According to Vinay Prajapati (2021), "Online shopping is simple. You don't need to get ready and go to the neighborhood market. There you visit many stores to find the product of your choice. While you opt for online shopping, you can do it from anywhere, anytime. You don't need to worry about your working hours. 40% of shoppers believe it saves their time, and it is why people buy online. Today online shopping is possible on your mobile phone. Just install the store app and start shopping for you, your family, or friends. Sending favorite gifts to your loved one is also easy and convenient. Around 58% of shoppers shop online because of the availability to shop online 24/7."

### **IN-PERSON SHOPPING**

According to Chris B. Murphy and Amy Drury of Investopedia (2020), the term "brick-and-mortar" refers to a traditional street-side business that offers products and services to its customers face-to-face in an office or store that the business owns or rents. The local grocery store and the corner bank are examples of brick-and-mortar companies. Brick-and-mortar businesses have found it difficult to compete with mostly webbased businesses like Amazon.com Inc. (AMZN) because the latter usually have lower operating costs and greater flexibility.

According to Retailzipline (2019), shopping in brick-and-mortar stores can be about more than merely meeting physical needs for

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merchandise. It can also be a way to meet people's emotional needs for feelings of privacy, certainty, and mastery over their choices. It's not far-fetched to conclude the potential exists for Brick and mortar retailers to meet other emotional needs for excitement, a sense of community, and intellectual growth, to name a few and develop serious customer loyalty in the process. Compelling brick-and-mortar stores are spaces that make customers "fall in love" and want to keep coming back.

# Variety of Choices of shopping

According to Curtis' blog post (2019), online shopping provides fast and convenient access to a vast variety of products. However, the sheer volume of options available can sometimes be overwhelming, especially if you are unsure of what you want to buy. For instance, a simple search for a phone can yield thousands of results, making it challenging to make a decision. However, most online shopping websites provide helpful tools, such as filters and search functions, to help you navigate through their catalogs more easily. These tools allow you to narrow down your search and find exactly what you are looking for. The same applies to products ranging from kitchen appliances to office furniture. While the vast array of items available can be daunting, the tools provided by online retailers can make the shopping experience more manageable and efficient.

#### Consumer's Preference

Understanding customer preferences is crucial whether a company is selling a product or offering a service, according to Amy Clark (2015). Customers are the determinants of a company's success, as profits come from them. Providing good customer care involves fulfilling the promises made to customers, and it is only possible to meet their needs if their

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preferences are understood to an extent that enables anticipating their needs and exceeding their expectations.

Paying attention to customers is the key to understanding their likes and dislikes, as Amy explains. Engaging in these activities might seem challenging, but the rewards are substantial. Firstly, it significantly improves the organization's image, and secondly, it results in numerous repeat sales and referrals. The opinion of customers is critical since most people rely on recommendations from friends, relatives, and colleagues when selecting products or service providers. Therefore, a negative experience of a single customer can deter many potential clients. It is essential for an organization to invest as much as possible in understanding customer preferences.

### The Millennial

The millennial generation, consisting of 77 million individuals, is one-and-a-half times larger than Generation X and almost equal in size to the baby boomer generation. Known as digital natives, they are often characterized as creative, socially conscious, solution-focused, and team-oriented (DeVaney, 2015). According to research by DLSU Alumna Pineda and Swedish researcher Bernhardsson, the millennial generation was born after 1985 and has been heavily exposed to various forms of traditional and technology-enhanced media from a young age. By the age of 8, many of them already owned a mobile phone, music player, or electronic game pad (Deterle, Dede, & Schrier, 2008). With constant access to computers and the internet, many of them have grown up using online resources such as Wikipedia for their daily homework assignments. Millennial learners possess a self-service learning skill, have a habitual ability to quickly obtain relevant and immediate knowledge and information, and view technology engagement as second nature to learning (Pineda, 2009).

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In summary, the millennial generation and technology are intertwined (Pineda & Bernhardsson, 2011).

#### E-commerce

E-commerce refers to the exchange of products and services using the Internet, which includes a variety of information, programs, and resources for both buyers and sellers, such as mobile shopping and secure online payments. Many businesses with an online presence utilize an online store or platform to handle logistics, fulfill orders, manage marketing and sales operations, and more.

According to eMarketer, global retail e-commerce sales are expected to surpass \$5 trillion in 2022, making up more than a quarter of all retail sales. Despite slowing growth, overall spending is projected to exceed \$7 trillion by 2025. To fully understand e-commerce, it's important to examine its development, evolution, and impact on the business sector. We will also discuss the benefits and drawbacks of e-commerce, as well as its future prospects. (eMarketer, in 2022)

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everything related to e-commerce, including industry news and trends, growth strategies, and success stories.

# **Immediacy**

One advantage of traditional shopping over online purchasing is the immediacy of purchase. Customers can buy the item or service they need from a retailer and use it immediately, without any lag or waiting time.

Online shopping, due to the nature of the business model, cannot offer the same level of immediacy. Usually, it takes between one day to several weeks before the product reaches the end customer, depending on where it is purchased from and what company is handling the deliveries (Markham, 2016). Waiting times can be a significant factor for some customers, particularly for products that require immediacy, such as foodstuffs with short shelf lives. Although online food purchasing exists, it is dominated by cooked food deliveries, while most customers prefer to buy their food products from traditional shops (Markham, 2016).

# **Tangibility**

Traditional marketing has the advantage of allowing customers to physically see and feel the items they are buying, which is particularly important for clothing as customers can try on clothes to see if they fit well. In contrast, online marketing relies on pictures, videos, and measurements

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to accurately describe the size and appearance of an item. While this is usually sufficient, there are times when it can be a significant obstacle, especially if the delivered item looks significantly different from the picture. As a result, the clothing industry still relies heavily on traditional marketing (Markham, 2016)

## **CHAPTER III**

## METHOD OF THE STUDY AND SOURCES OF DATA

This research represents the research design, description and respondent, data gathering procedure, instruments and statistical analysis

Research design

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This study used a comparative design. Comparative Study analyzes and compares two or more objects or ideas. Comparative studies are the studies to demonstrate ability to examine, compare and contrast subjects or ideas. (Bukhari, Syed Aftab Hassan, 2011). According to Merriam-Webster Dictionary, a comparative design is a method of investigation (as of ethnologic phenomena and relations) based on comparison

## Population and Sampling

The respondents of this study are the BSBA students of Systems plus Computer Cubao Academic Year 2022-2023. We randomly select 40 students from the said course.

The survey is concise of two (2) parts, First part requested the demographic profile of respondent including the name but optional, age and the gender of the respondent, while the second part consist the multiple choices of the respondents in terms of their shopping preferences.

#### **Research Instrument**

For this study, a modified survey questionnaire was used in gathering data. The questionnaire has two parts. The first part of the questionnaire deals with the demographic profile of the respondents while

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the second part consists of item that determined the Students Preferred method of purchasing products.

## Data gathering and procedure

This study was consisted of 6 phases

Stage 1: Constructed the instrument used to gather data.

Stage 2: Looked for respondents that cover only the BSBA students of SPCC Cubao.

Stage 3: Asked permission from the adviser/professor to conduct a survey.

Stage4: Distributed survey questionnaire.

Stage5: Retrieved of survey questionnaire.

Stage 6: Tabulated, analyzed and interpreted the data gather using several statistics tool.

## **Statistical treatment Data**

The questioner was given to the 40 selected of BSBA students from the SPCC. Each student was given 10 items of online survey. Responses to the questionnaire by the BSBA students were statistically analyze with the data requirements of the study. Descriptive statistics such as

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frequency count and percentage considered in interpreting the data that

was collected from the questionnaire.

In the statement of the problem number one/ in determining the

demographic profile of the respondents the researcher will utilize

frequency distribution and percentage.

Percentage Formula

P=F (100)N

Where

P=Percentage

F=Frequency

N=Number of Respondent

In the statement of the problem number two/ in determining the

commodities that consumer buy over the internet, phone or retail store the

researcher will utilize frequency distribution and percentage.

Percentage Formula

Where

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P=Percentage

F=Frequency

N=Number of Respondent

In the statement of the problem number three, in determining the level of the reason of the sum of student in SPCC why choose to buy the internet the researcher will utilize weighted mean.

## Weighted Mean:

This study used weighted average mean to calculate and analyze the data. It is used for average value.

 $WM = \Sigma FX$ 

Ν

Where

WM=Weighted Mean

F=Frequency of Score

X=Raw Score

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## N=Number of Respondent

In the statement of the problem number four, in determining the level of the disadvantage of buying over the internet the researcher will utilize weighted mean.

## Weighted Mean:

This study used weighted average mean to calculate and analyze the data. It is used for average value.

#### Where

WM=Weighted Mean

F=Frequency of Score

X=Raw Score

N=Number of Respondent

The questions were structure using the Likert scale. In the survey type, five choices were provided for every question or statement. The scale was

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used to interpret the total respondent for every survey question by computing the weighted

Given Weights; 1 – Strongly Disagree, 2 – Disagree, 3 – Agree, 4 –

Strongly Agree

Range; 1.00 – 1.49 – Strongly Disagree, 1.50 – 2.49 – Disagree, 2.50 –

3.49 - Agree, 3.50 - 4.00 - Strongly Agree

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## **CHAPTER 4**

## **RESULTS**

This chapter presents the summary and tally of the information from the Questionnaires which were answered by the respondents of the study,

This chapter also includes the demographic information of the

Respondents, which helped the researchers, answer the statement of the problem, as well as the researchers' interpretation and analysis of the gathered data, which will be shown in the following pages of this study?

## **PROFILE RESPONDENTS**

**Table 1 Distribution of Respondents by Age** 

Age Range	Number of Respondents	Percentage
15 – 20	3	7.5%
21 – 25	33	82.5%
26 – 30	4	10%
TOTAL	40	100%

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Table 1 show that out of 40 respondents, 7.5% of student is at 15-20 years old, 82.5% of the student from 21-25 years old and 10% of the students is 26-30 years Old. This indicates that the respondents are almost evenly distributed among ages.

**Table 2 Distribution of Respondents by Gender** 

Gender Range	Number of Respondents	Percentage
Male	14	35%
Female	26	65%
TOTAL	40	100%

Table 2 shows that out of 40 respondents, 35% (14) are male while 65% (26) are female. The table clearly indicates that most of the respondent of the study are female. The researchers were not able to determine any gender Bias due to the large difference between the male respondents and the female Respondents.

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# Table 3 E-COMMERERCE SHOPPING AND IN PERSON SHOPPING; A COMPARATIVE STUDY

## (Time)

					Weighted	Verbal
Time	1	2	3	4	Mean	Interpretation
I would rather shop						
online store because it					2.03	Agroo
saves time browsing	1	7	24	8	2.03	Agree
items than in a physical						
store.						
I would rather shop in a						
physical store because I						
can get my purchase					1.83	
immediately than wait	0	8	17	15	1.65	Agree
2-3 days for delivery in						
the online store.						
Total					1.93	Agree

Table 3 – Based on the responses of the participants, the weighted mean for time is 1.93, which falls under the "Agree" category. This suggests that the majority of the participants agree that online shopping saves time by

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allowing them to browse items quickly, while they also agree that physical shopping allows them to get their purchase immediately without waiting 2-3 days for delivery. Overall, the participants find both shopping methods to have advantages and disadvantages in terms of time efficiency, but they have varying preferences based on their individual schedules and needs.

# Table 4 E-COMMERERCE SHOPPING AND IN PERSON SHOPPING; A COMPARATIVE STUDY

## (Convenience)

					Weighted	Verbal
Convenience	1	2	3	4	Mean	Interpretation
I would rather shop in						
an online store than wait	2	9	21	4	2.03	Agree
in queues or face						
crowds in a physical						
store.						
I would rather shop in a						
physical store because	1	8	18	13	1.93	Agree
it has a wide selection						
of items.						
Total					1.98	Agree

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Table 4 – Based on the responses of the participants, the weighted mean for convenience is 1.98, which falls under the "Agree" category. This suggests that the majority of the participants find both online and physical shopping to be convenient, but there is a slight preference towards online shopping due to its ability to avoid queues and crowds. However, there is still a considerable number of participants who prefer physical shopping because of its wider selection of items. Overall, the participants find both shopping methods to be convenient, but they have varying preferences based on their individual needs and preferences.

Table 5 E-Commerce Shopping and In Person Shopping; A Comparative Study

(Price)

					Weighted	Verbal
Price	1	2	3	4	Mean	Interpretation
Physical store offers						
better prices and	4	14	15	7	2.38	Agree
discounts.						
Online products are						
cheaper than physical	3	7	13	17	1.90	Agree
stores.						

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Total			2.14	Agree

Table 5 – Based on the responses of the participants, the weighted mean for price is 2.14, which falls under the "Agree" category. This suggests that the majority of the participants believe that both online and physical stores offer competitive prices, but there is a slight preference towards physical stores for better prices and discounts. However, there is still a considerable number of participants who believe that online products are cheaper than physical stores. Overall, the participants find both shopping methods to be relatively affordable, but they have varying preferences based on their individual perception of price and discounts offered by each shopping method.

# Table 6 E-COMMERERCE SHOPPING AND IN PERSON SHOPPING; A COMPARATIVE STUDY

## (Variety)

					Weighted	Verbal
Variety	1	2	3	4	Mean	Interpretation
I would rather shop in a						
physical store because	1	3	11	25	1.43	Strong Agree
of the more selection of						

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goods and services.						
I can buy different						
products in an online	4	9	14	13	2.10	Agree
store than in physical						
stores.						
Total					1.80	Agree

Table 6 –Based on the responses of the participants, the weighted mean for variety is 1.80, which falls under the "Agree" category. This suggests that the majority of the participants strongly agree that physical stores offer a greater variety of goods and services compared to online stores. However, there is still a considerable number of participants who agree that online stores offer a different selection of products compared to physical stores. Overall, the participants find both shopping methods to offer different varieties of goods and services, but they have varying preferences based on their individual needs and preferences.

Table 7 E-COMMERERCE SHOPPING AND IN PERSON SHOPPING; A COMPARATIVE STUDY

(Quality)

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					Weighted	Verbal
Quality	1	2	3	4	Mean	Interpretation
I would rather visit a						
physical store to assure	0	3	12	25	1.45	Strong Agree
the quality of the						
product that I will buy.						
I would rather visit a						
physical store because	0	4	14	22	1.55	Agree
I can test products						
before buying them.						
Total					1.50	Agree

Table 6 – Based on the responses of the participants, the weighted mean for quality is 1.50, which falls under the "Agree" category. This suggests that the majority of the participants strongly agree that they prefer to visit physical stores to ensure the quality of the products they will buy, and they also agree that they can test products before purchasing them in physical stores. Overall, the participants find physical stores to be more reliable in terms of product quality, as they have the opportunity to inspect the products firsthand. However, there is still a considerable number of participants who find online stores to be convenient for purchasing products they are already familiar with or have purchased before.

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## **CHAPTER 5**

## SUMMARY, CONCLUSIONS, AND RECOMMENDATION

This chapter presents the summary of the data gathered by the researcher, conclusions formed from the said data, and relevant recommendations.

## **Summary of Findings**

This study sought the E-commerce shopping and In-person shopping, Comparative Study. Of Systems Plus Computer College Cubao, academic year 2022-2023. This includes the demographic profile of the participants in term of age, gender.

This study used the descriptive survey methodology. The researcher used questionnaires are tools for gathering data needed this study. There were a total of 40 respondents in the study composed of

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college student of (BSBA) Bachelor of Science business administration major of operation management.

The researcher used a Likert- scale type of questionnaire as tools for gathering the data needed for this study. This study used frequency distribution and percentage in order to analyze and interpret the data gathered from the survey form, based on the result of the statistical analysis of the data. The finding may be summarized as follows.

## 1. Profile of respondent.

- 1.1 Majority of them were 21-25 years old that cover a 82.5% percent share of the overall population, 10% of them were 26-30 years old, 7.5 of them were 15-20 years old (table 1,)
- 1.2 Out of 40 participants, 14 of them are male that cover 35%percent share, and the remaining 26 of them are females that cover a percent share 65% percent. (table 2)
- 2. In what extent does e commerce shopping and in person shopping affect the students.

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- 2.1 Time between e-commerce and in-person shopping. The respondents agree that shopping online saves time browsing items than in a physical store, (table 3,)
- 2.2 Convenience between e-commerce and in-person shopping. The respondents agree that they would rather shop online than wait in queues or face crowds in a physical store,(table 4,)
- 2.3 Price between e-commerce and in-person shopping. The respondents agree that physical stores offer better prices and discounts, (table 5,)
- 2.4 Variety between e-commerce and in-person shopping. The respondents agree that they would rather shop in a physical store because of the more selection of goods and services, (table 6).
- 2.5 Quality between e-commerce and in-person shopping. The respondents strongly agree that they would rather visit a physical store to assure the quality of the product that they will buy, (table)

#### Conclusion

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Based on the findings of the study, following conclusions was draw.

- E-commerce shopping and in-person shopping has different effects on students depending on their shopping preferences and needs.
- 2. E-commerce shopping is preferred by students for its convenience and time-saving benefits.
- In-person shopping is preferred by students for its better prices, discounts, and variety of goods and services.
- 4. The quality of the product is a significant factor for students when it comes to shopping, and they prefer to visit physical stores to ensure the product's quality.
- The time and convenience factor make e-commerce shopping more popular among students, while physical stores offer better prices, discounts, and variety of goods.

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6. The preference for e-commerce or in-person shopping among students depends on their individual priorities and shopping habits.

## Recommendations

Based on the finding of the study and conclusion reached, the following recommendations are proposed.

- 1. Retailers should focus on providing a seamless shopping experience both online and in-store to cater to the needs of all students.
- 2. Physical stores can offer better discounts and deals to attract students who prefer in-person shopping.
- 3. Online retailers can provide more information and visual aids to help students assess the quality of products better.
- 4. Retailers can offer a hybrid shopping experience where students can order products online and pick them up in-store to provide the best of both worlds.
- 5. Retailers can invest in technology such as virtual reality to provide a unique and immersive in-store experience for students who prefer physical shopping.

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6. Retailers should conduct more research and gather feedback from students to understand their shopping preferences and tailor their offerings accordingly.

Reference