ACCEPTANCE OF HOME DELIVERY MODEL IN CONTEXT WITH THE CONSUMER’S PROFESSIONAL SITUATION

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ABSTRACT:

This paper is based on the market survey conducted for 89 respondents from various professional situations in context with their behaviour pattern for shopping online especially in context with Home Delivery. The objective of the current paper is to understand the consumer perception about home delivery for apparel, value associated with it and inhibition for acceptance of home delivery. The preference for accepting home delivery is analyzed in context with the professional situation of the customers and its findings are reported.

INTRODUCTION

Home delivery service is considered as the ‘last mile logistics’. It is also a very important touch point with the customer and has the potential to influence customer’s perception to the brand and the service. This provides potential avenues for cross sell and up-sell which are areas which are not sufficiently tapped in the e-commerce model. In the current paper we look at specific area of the comfort for a customer to accept a home delivery and its relation to the professional situation of the customer.

To begin with we define what we understand by the term home delivery. Home delivery refers to deliveries of goods to the customers’ homes (or another location of the customers’ choice such as workplaces) rather than customers having to collect the goods in-person from a physical point of sale. In home delivery operations, therefore, the physical distribution of the goods from the point of purchase to the customer needs to be organized and carried out by specialized delivery companies rather than by the customer. Many other situations lead to home delivery including the delivery of traditional mail (or telephone) order products and the delivery of large and/or heavy items such as furniture. Accordingly all e-commerce products involve home delivery, but all home deliveries are not generated by e-commerce. (Park and Regan)

Although home delivery plays a crucial role in the distribution chain, limited attention has been paid to the issues associated with the home delivery model. Some exception is the work of Campbell and Salvelsberg, which examines consumer direct service problems faced by individual retailers providing home delivery. That work points to the necessity of integrating order capture (acceptance) and delivery. Park and Regan identified key issues of delivery to be not at Home Problems, Reverse Logistics or returning of goods, reliable and efficient delivery and increasing demand for faster delivery.
OBJECTIVE

The objective of this paper is to find whether the acceptability of a home delivery is independent of the professional situation of the customer

RESEARCH METHODOLOGY

Research Design

The research objective as outlined above clearly indicates the need for a qualitative as well as quantitative research design as research objective demands description of consumer opinion about home delivery. A survey instrument is created and administered to a population of around 200 respondents with a yield of around 45% and 89 respondents.

Data Sources

The primary research data was based on questionnaire response data received from the 89 respondents who were administered the data. The secondary data source was based on the resources as mentioned in the references.

Survey Questionnaire

The survey questionnaire used consisted of 12 questions. A five level Likert Scale was used wherever applicable. The questionnaire is provided in the Appendix below.

Sample Demographics

The data shows that the sample populate is diverse consisting of a good mix of male and female population, a diverse professional situation and wide spread age group with most of the population in metros in India.

1. Where do you live?

<table>
<thead>
<tr>
<th>Location</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro India (Mumbai, Pune, Bangalore, Delhi, Kolkata, Chennai)</td>
<td>69</td>
<td>76%</td>
</tr>
<tr>
<td>Non Metro in India</td>
<td>5</td>
<td>6%</td>
</tr>
<tr>
<td>Outside India</td>
<td>15</td>
<td>17%</td>
</tr>
</tbody>
</table>
2. Your Age

3. Your Gender

4. What is your professional situation?

Data Analysis and Interpretation

Reliability

The reliability of the data is found based on the value of Cronbach alpha. Cronbach’s alpha is a coefficient of internal consistency. As per the value of $\alpha$, the current data is found to be an “acceptable” data sample.
More than 56% prefer to have a home delivery service

More than half of the people (56%) prefer to have home delivery service. There is a low population around 15% who do not prefer to have goods delivered home. The remaining 29% of people are neutral.

A sizeable population around 47% prefers to pick up from collection points

A sizeable population prefers to pick up the goods from collection points / nearest stores instead of accepting a home delivery.
HYPOTHESIS TESTING

Ho    Acceptance of Home Delivery is independent of the category of Profession
Ha    Acceptance of Home Delivery is not independent of the category of Profession

We use a Chi Square Test to test the following hypothesis

\[
\chi^2_{\text{critical}} = \text{chiinv}(\alpha, \text{df})
\]

\[
\text{df} = (c-1)(r-1)
\]

\[
\chi^2_{\text{Observed}} = 5.99
\]

\[
\chi^2_{\text{Expected}} = 0.89
\]

\[
P_{\text{value}} = \text{chitest}(\text{observed range}, \text{expected range})
\]

Since, \( F_{\text{observed}} < F_{\text{critical}} \), we accept the null hypothesis.

Since, \( P_{\text{value}} > \alpha \), we accept the null hypothesis.

So we conclude that acceptance of Home Delivery option is independent of the professional situation of the person.
CONCLUSION
Home Delivery is an acceptable option to most people. However there is a sizeable number who also prefers to collect from a collection centre or a nearby store. The acceptability of home delivery service is not dependent on the professional situation of the customer.

FURTHER STUDY DIRECTIONS
Further studies for the Home delivery models can be in the areas of collection point centers. It can be explored what parameters are important for a collection point / store where a pickup can be arranged. Variations of the existing delivery models can be studied further.

REFERENCES

APPENDIX
Survey Questionnaire
Objective: To understand the consumer expectations regarding home delivery of e-Apparel (online apparel) business model
This questionnaire attempts to understand the various expectations for home delivery of an online (internet) purchases of apparel (clothes and/or accessories).

Overview - Online apparel shopping (e-Apparel) is a segment in its nascent stage. People are still getting used to the idea of shopping for clothes and accessories online. There are two aspects to this activity - one is the actual purchase online and the second is the home delivery - or "the last mile" as it is termed. This questionnaire attempts to find the consumer expectations regarding the last mile with an aim to enhance the apparel home delivery model.

* Apparel refers to clothes and accessories like earrings, bracelets etc.
** Metro refers to Mumbai, Pune, Bangalore, Delhi, Kolkata and Chennai. All other cities are non-metros

* Required
1. Where do you live? *
○ Metro in India (Mumbai, Pune, Bangalore, Delhi, Kolkata, Chennai)
○ Non Metro in India
○ Outside India

2. Your Age *
○ 15-24
○ 25-34
○ 35-44
○ 45-54

3. Your Gender *
○ Male
○ Female

4. What is your professional situation? *
○ I work full time
○ I work part time
○ I do not work
○ I am on leave
○ I am retired
○ Other: __________________________

5. What are the difficulties you face to get to your apparel shopping destination (mall / shopping plaza / local store)? *
○ No difficulties
○ Lack of Time
○ High Traffic
○ Long Distance
○ Other: __________________________

6. Have you ever purchased any goods online (using the internet)? *
○ Yes
○ No
7. Would you shop online for apparel? *

☐ Yes
☐ No

8. If No, The reasons

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not comfortable with online purchasing</td>
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<tr>
<td>Find it Inaccurate</td>
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<tr>
<td>Need to have a trial before purchase</td>
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<td>Need to interact with sales person</td>
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<tr>
<td>Need to examine orders - feel / touch the garment accessory</td>
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<td>Need to bargain and agree on price</td>
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<td>Find it inconvenient</td>
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<td>Refund / Exchange is tooome</td>
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<tr>
<td>Don't prefer home delivery</td>
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</table>

9. Have you ever had a home delivery of an apparel that you had already purchase (include both online and offline purchase)? *

☐ Yes
☐ No

10. Would you be comfortable with a home delivery for an apparel already purchase (include both online and offline purchase)? *

☐ Yes
☐ No

11. If Yes, What is the importance of the following delivery factors for you?

<table>
<thead>
<tr>
<th></th>
<th>Very Important</th>
<th>Important</th>
<th>Neutral</th>
<th>Unimportant</th>
<th>Very Unimportant</th>
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<tbody>
<tr>
<td>Delivery costs</td>
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<td>Delivery time slot allocation</td>
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<td>Returning Policy</td>
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<td>On time</td>
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<td>Security</td>
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<tr>
<td>Speed</td>
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</table>
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