

DISSERTATION THESIS

A Study to Analyze the Consumer Behavior of Medical and Dental Products through
E-Commerce.

Submitted by

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INTRODUCTION

1.1 Background

Difference between offline & online stores: Referred to sales in the Indian consumer goods industry, the online sales occupied at a very low percentage rate. That could be caused by many reasons, but the most importance is the advantages exist in both traditional shops and online market, both of them have specific characteristics. Example in traditional way of purchase the consumer can read and check the quality of goods before purchase, and after service is more directly to the customer, but how ever the traditional stores have limited goods. The limitations of the traditional stores are more likely as the advantage of online store.

The Consumer behavior with respect to e-commerce site has been of great interest to sales and marketing. The knowledge of the e-commerce consumer behavior helps the sales and marketing team to understand how the consumers think, feel and select alternative ways of procurement. A consumer buying behavior is mostly influenced by various cultural, social, personal, psychological and most importantly technological factors for procurement via e-commerce site. Most of these factors are unpredictable and beyond the hands of the sales and marketing team but should be considered while understanding the complex behavior of consumers towards e-commerce procurement.

- E-commerce is also riding the wave of growth in the healthcare tech sector. This is because healthcare is the next big thing in the online retailing space as there is large amounts of untapped potential. The increase in life expectancy together with the increase in demand for quality healthcare products has increased the demand for healthcare supplies.

- According to iResearch's 2015 china online medical product consumer behavior More than 70% of online medical product consumers made online purchases because of the “lower prices”, “direct delivery service” and “category variety.” Nearly 60% of the consumers made online purchases for protecting their privacy.
- iResearch's analysis indicates that online medical product retailers can work to increase publicity efforts so that the public becomes more aware of the possibility of purchasing medical products online. By doing this, retailers can establish a good brand image which will in turn result in an increase in online medical product purchases.
- According to iResearch's 2015 china online medical product consumer behavior Over half of online medical product consumers paid close attention to the price and quality of products, the retailer's website reputation, product variety, the reputation of the corresponding offline drugstore and delivery speed.

Materials and Methods

Study design

It is a descriptive cross-sectional study. Primary data was collected in form of closed ended set of questionnaire that were sent via email, text and face to face interaction with the respondents in the city of Hyderabad

Study setting

The study was conducted in Hyderabad, the capital city of Telangana, a southern State in India. Hyderabad is a major metropolitan city and urban region with more than 200 dental clinics more than 100 hospitals and more than 300 diagnostic centers. The sample was selected randomly, and the questionnaire was sent to them on mails or on texts to validate their responses.

Duration of the study

The study was conducted for a period of 90 days (three months), from February 05, 2018, to May 05, 2018, until the desired sample size is reached.

Sample size

The questionnaire was forwarded to 200 respondents which includes Dentist, Physicians, Procurement managers, Administrative managers, and others who are involved in the purchase process. A total of 151 responses were used for the analyses.

Sampling technique

The questionnaire was sent to the respondents via email, text. The respondents were assured that the participation in the study was completely voluntary and they were free to withdraw from the study at any stage. The questionnaire was distributed to all the respondents who are within the city range and also who are located at city outskirts so that required response can be obtained.

SAMPLE SELECTION

INCLUSION CRITERIA:

1. The questionnaire was given to the respondents who were involved in the process of purchase for their organisation.
2. All clinics, hospitals, nursing homes, diagnostics, day care centre were included where there was a scope of purchase.
3. All the junior doctors or residents working in hospitals or clinics and involved in purchase were included.

EXCLUSION CRITERIA:

1. Students and internee were not provided the questionnaire
2. Respondents who have submitted partially filled form.

DATA COLLECTION TOOL:

The data was collected using a Questionnaire made on google forms. The Questionnaire contained close-ended questions pertaining to Name, Age, Organisation Name, No. Of Beds Or Chairs, Designation In The Organisation, Frequency Of Purchase Of Material, Method Of Purchasing Material/Products, Advantages And Reasons Of Online/Offline Purchase, Rating For Online/Offline Purchase, Reason For Choosing That Particular Site For Purchase, why they have chose that particular site.

DATA COLLECTION PROCEDURE:

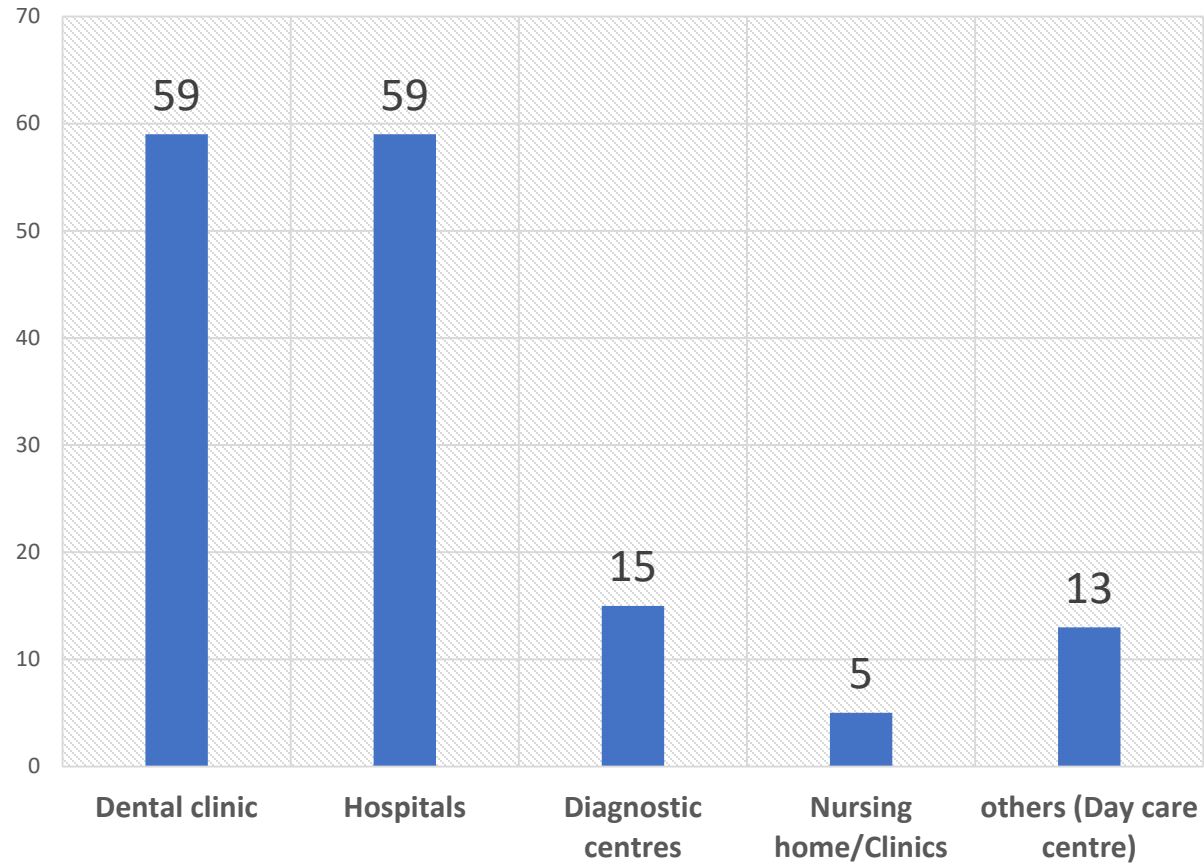
The questionnaire was sent to the respondents via email, texts with consent and the responses were been stored in google sheets. For ease of communication with the respondents, questions were translated into local language at times. Partially filled forms were not accepted.

DATA ANALYSIS PROCEDURE:

The data was tabulated and analyzed using Microsoft. The significance of association between various factors such as age group and method of purchase, Frequency and no. of chairs and beds available and the data was analyzed.

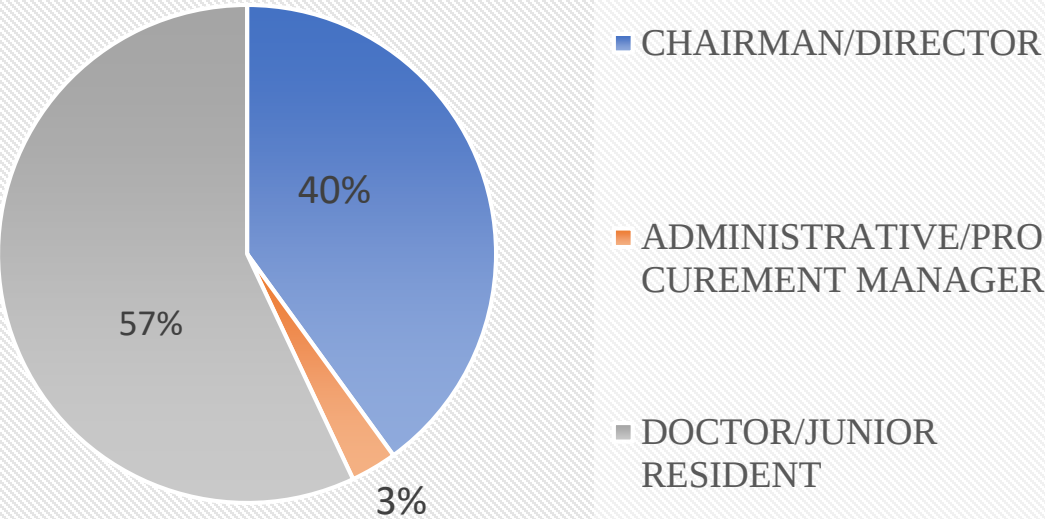
STUDY FINDINGS.

NUMBER OF ORGANISATION WHO HAVE RESPONDED TO THE QUESTIONNAIRE



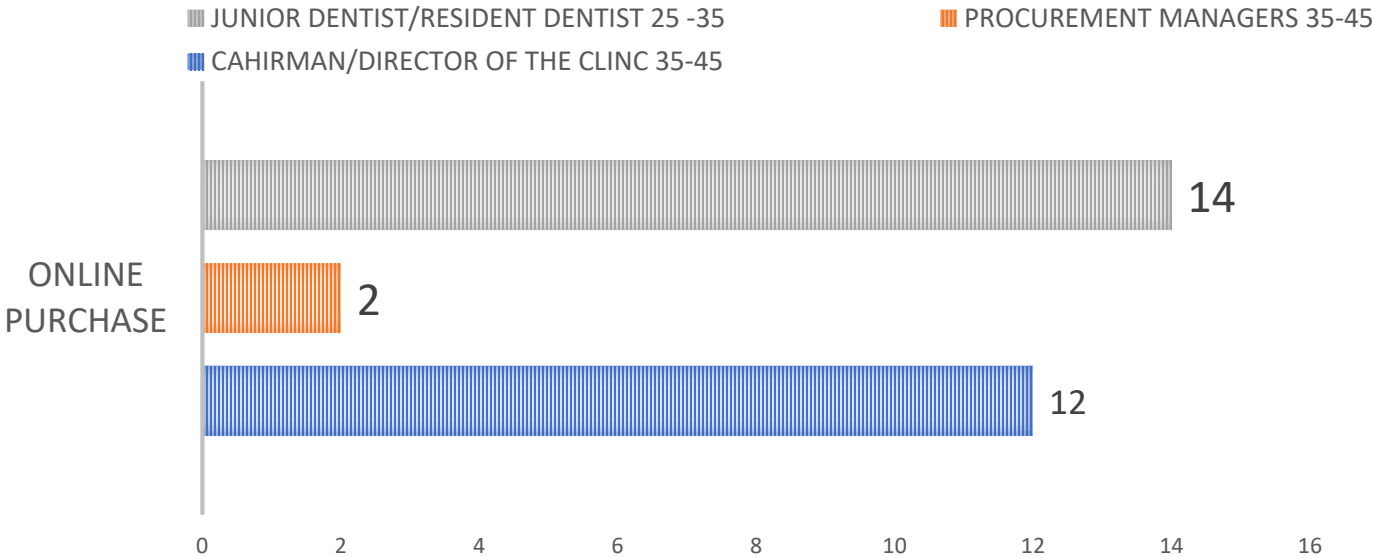
The graph shows the number of respondents from each area. As you can See here that the hospitals and dental respondents are more in number Compared to others as these two organisations have a high requirement of material and the purchase is done monthly ,weekly or as and when Required. The diagnostic centres which Were covered are the chains which were available in the Area where the sample was covered.

DESIGNATION OF RESPONDENT IN THE DENTAL CLINIC



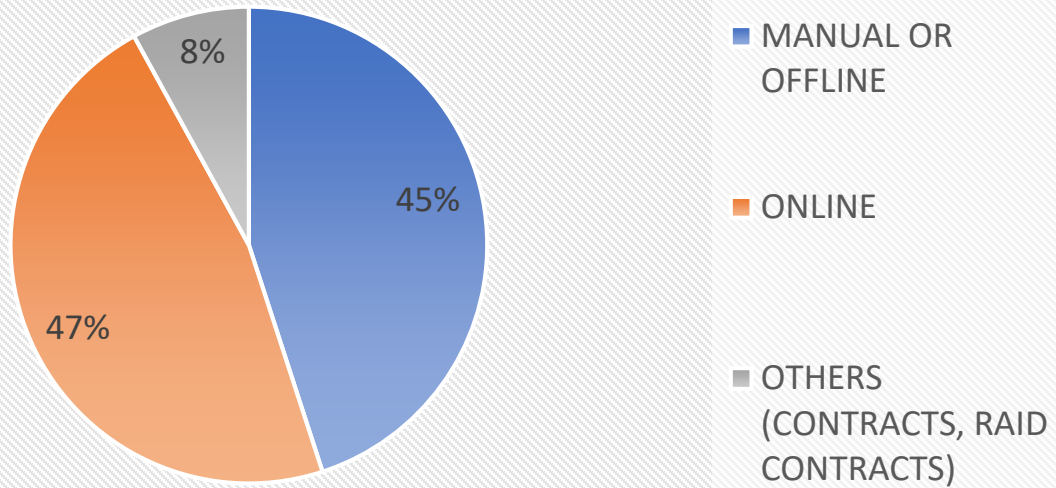
The designation of the respondent was collected to know that they are involved in the purchase process for the clinic and their level of education and involvement in the procurement process.

ONLINE PURCHASE



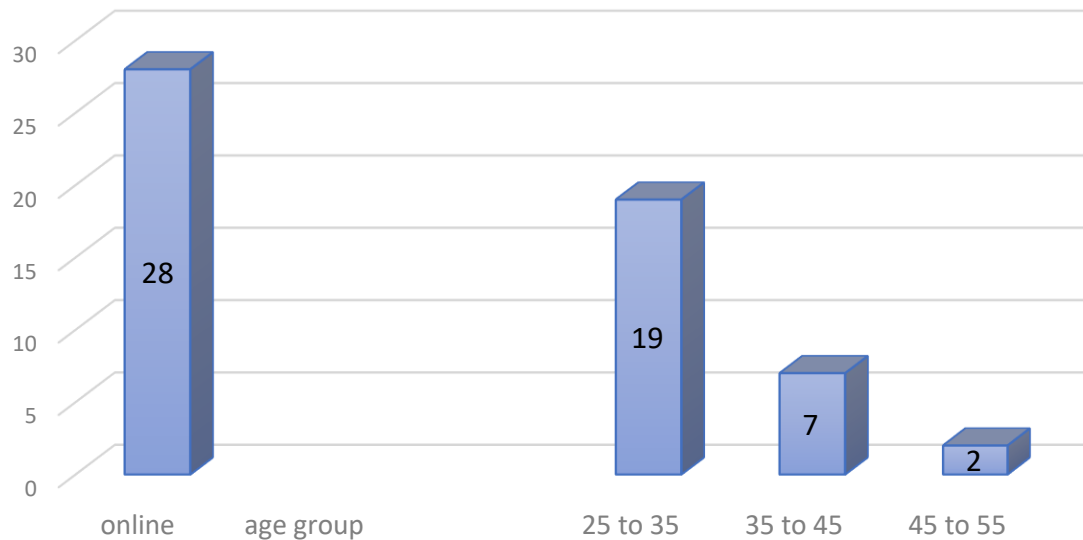
In this graph it can be observed that out of the 59 respondents 28 respondents purchase products from online website/app and their various designations and age groups specified.

SPECIFY THE MODE OF PURCHASE



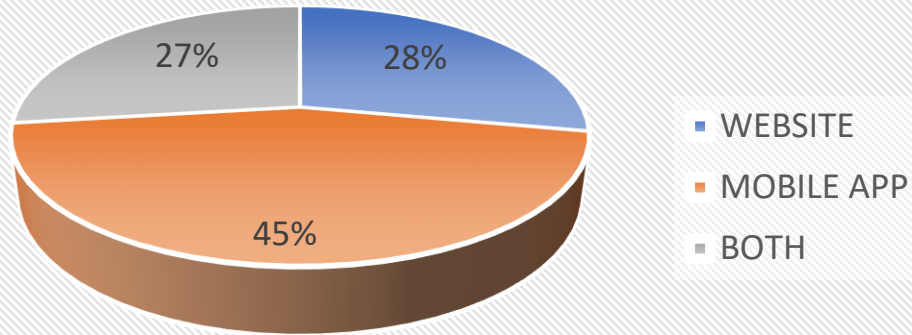
The mode of purchase was also specified by those 59 respondents. It is observed that 45% of the respondents use offline way of purchase and 8% purchase material on basis of contracts, and 47% of the respondents use online portal for their material purchase.

ONLINE PURCHASE



The graph shows the age groups of those respondents who use online portals for their purchase/ procurement.

METHOD OF PURCHASING ONLINE



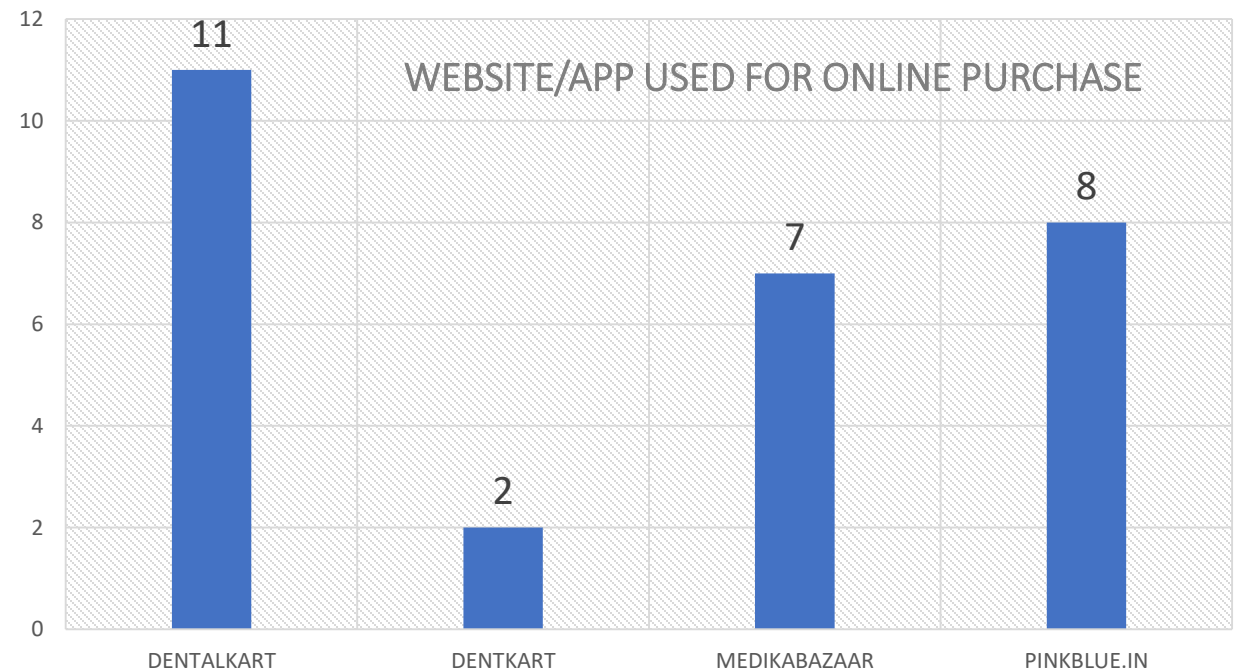
The graph shows the most used app or website by the respondents. It can be seen that most of the respondents use dentalkart and 2nd most preferred is pinkblue and then Medikabazaar.

The graphs show the mode of purchase of those respondents who choose an online method of Purchase.

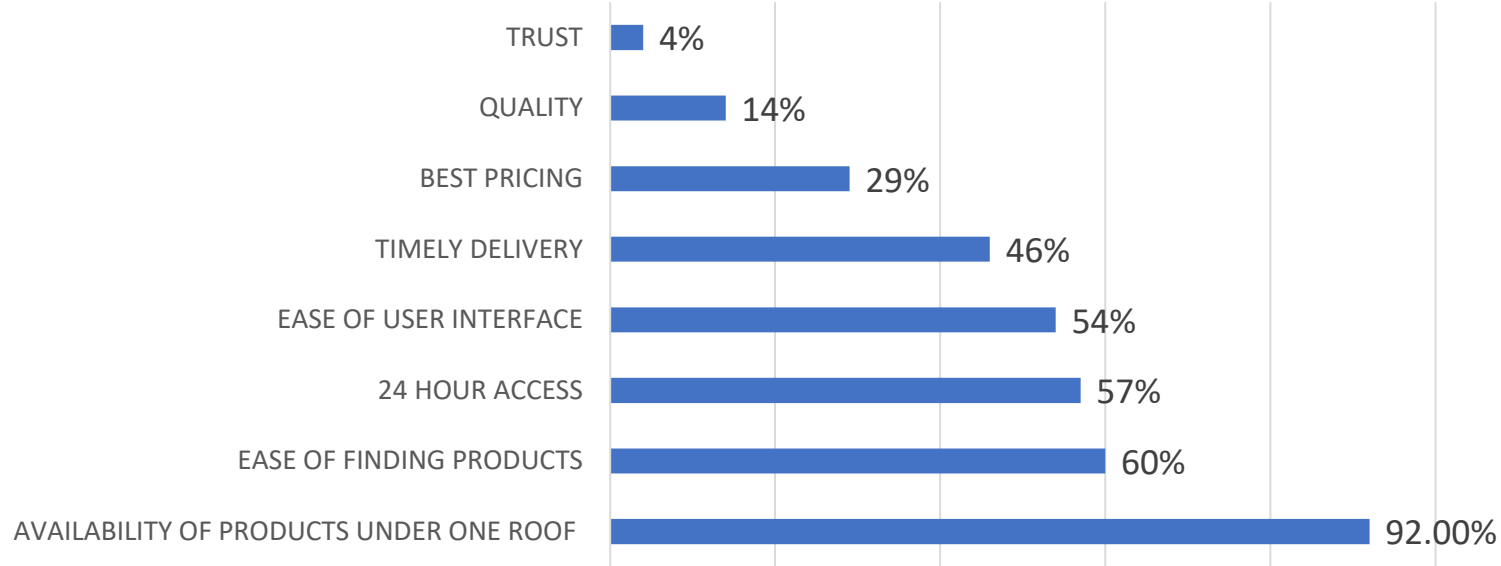
Here it can be observed that most of the respondents i.e. 45% use a mobile app to place an order Online for their purchase.

28% use the website for placing an order on the website they feel They are comfortable with

27% use both the app/website for placing the order online



REASONS FOR CHOOSING A ONLINE PORTAL FOR PURCHASE OF DENTAL PRODUCTS



The reasons for choosing the online portal by the respondent was

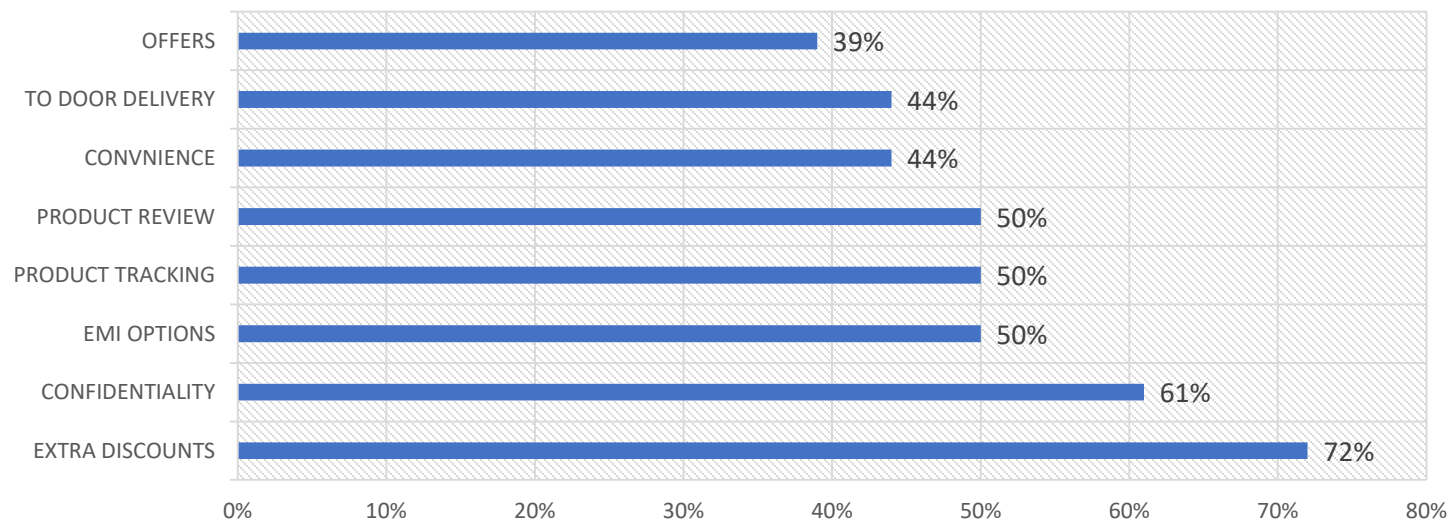
92% has voted for availability of products under one roof

60% ease of finding the product

57% 24 hour access

54% ease of user interface.

ADVANTAGES OF PURCHASING DENTAL PRODUCTS ONLINE



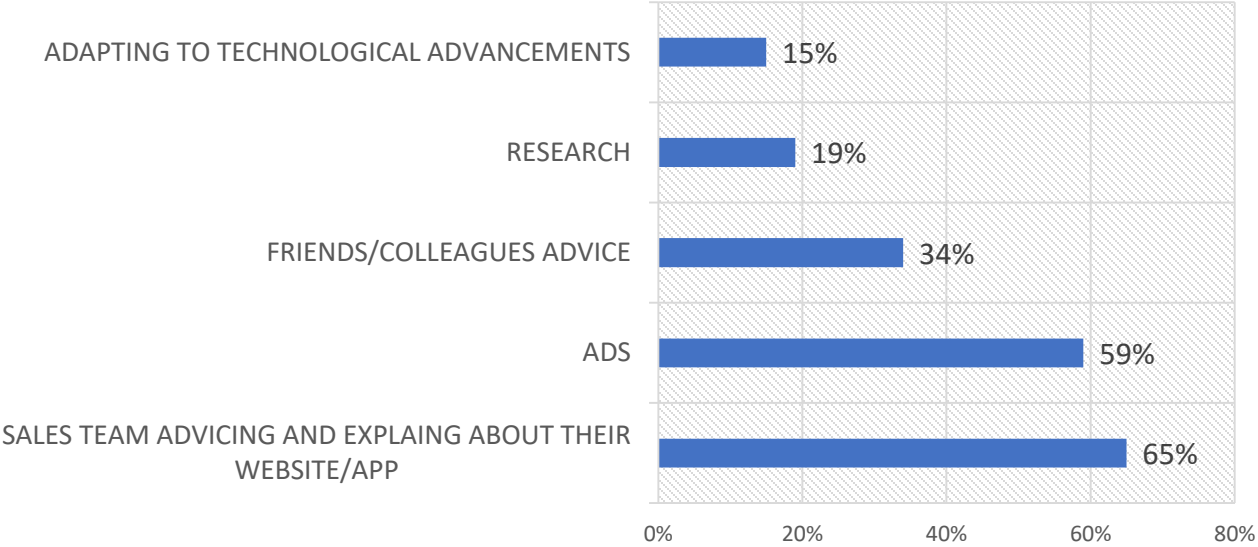
The respondents have given following advantages for purchasing online

72% extra discounts

61% confidentiality

50% EMI options, product review, product tracking

INFLUENCE OF BUYING FROM AN ONLINE APP/WEBSITE

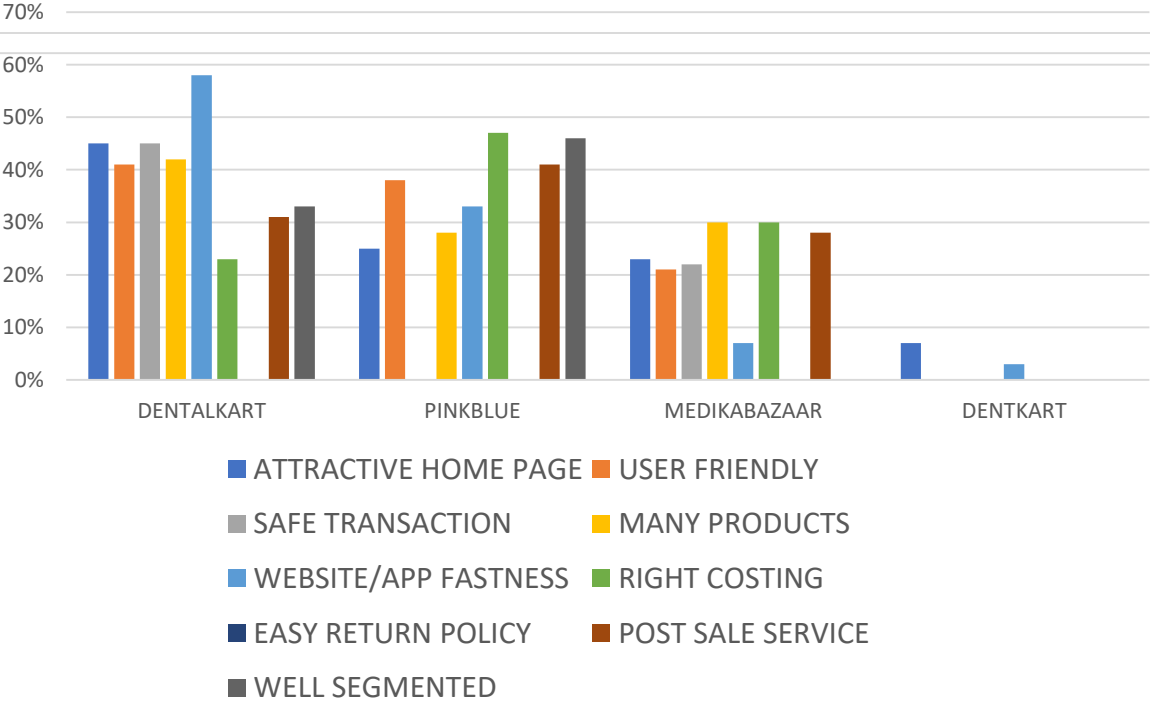


The graph shows what has influenced the respondents to buy online or shift from online to offline.

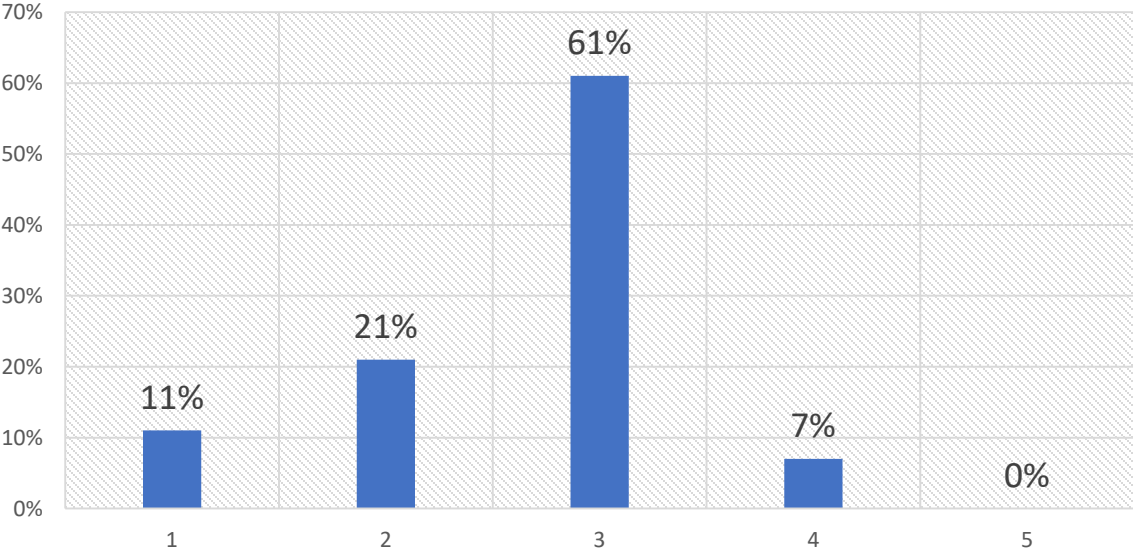
65% sales team explain the advantages of app/website and advising them to do it.

59% have got influenced by ads

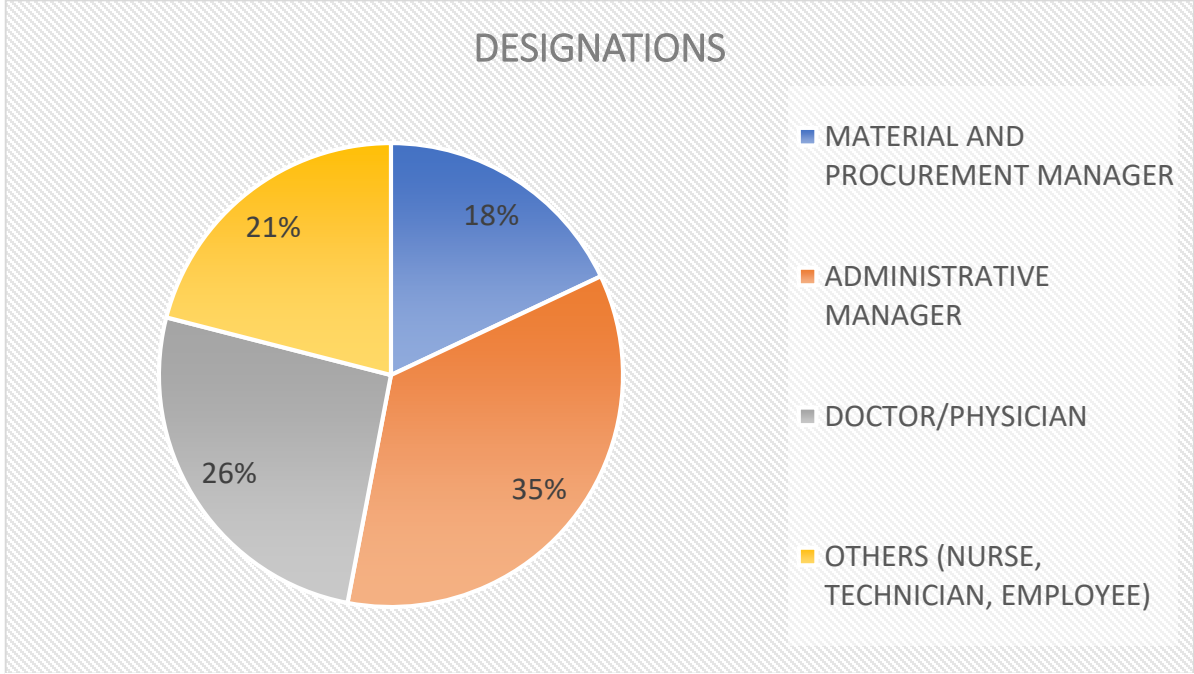
REASONS TO USE PARTICULAR APP/WEBSITE



RATING OF USER EXPIERENCE



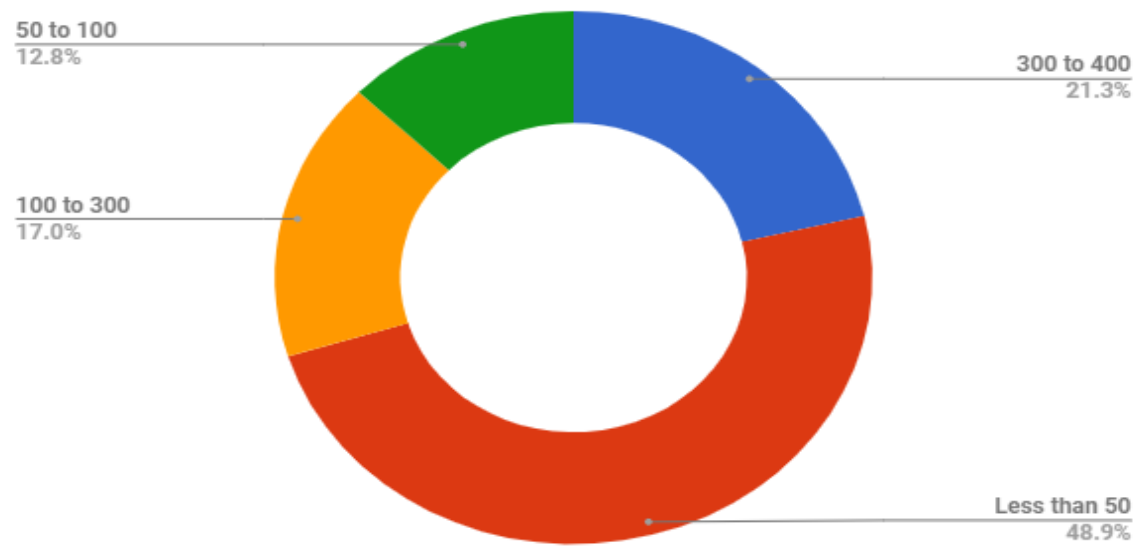
STUDY FINDINGS (HOSPITAL, DIAGNOSTIC CENTRES, NURSING HOMES, DAY CARE CENTRE)



This graph shows the percentage of respondents according to their designation in the organisation.

Here it can be observed that in most of the responses 35% of the hospitals, diagnostic centres, nursing homes, day care centres the administrative manager/staff makes the purchase for that organisation.

13. Please select the number of beds in the organisation



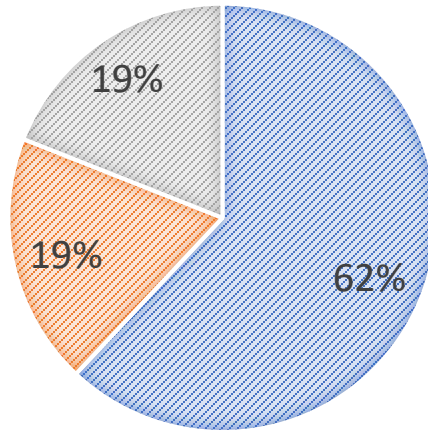
26% by the Doctor/physician

21% by the employee, nurse

18% by the procurement and material manager

MODE OF PURCHASE

- MANUAL OR OFFLINE
- ONLINE
- OTHERS (CONTRACTS, RAID CONTRACT, TENDERS)



In the graph we can see the respondent age group with their designation in the organisation who chose online method of purchase

Most of the respondents belong to the age group of 25-35 who are administrative managers

25-35 of doctors prefer online over offline purchase

35-45 age group procurement manager use online e-commerce

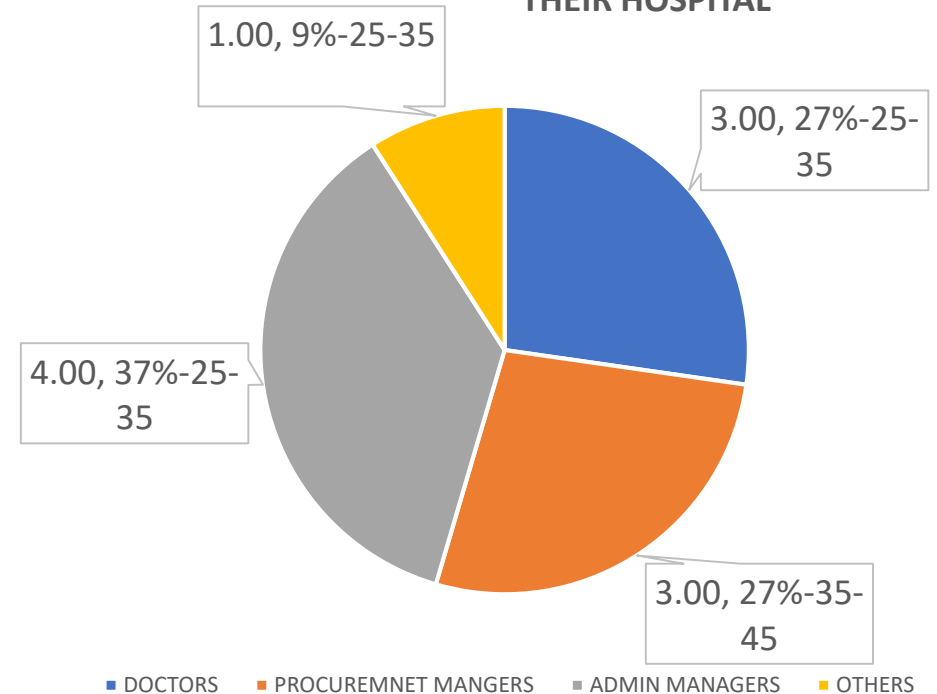
The mode purchase of the respondents were as follows

62% of these respondents prefer offline purchase

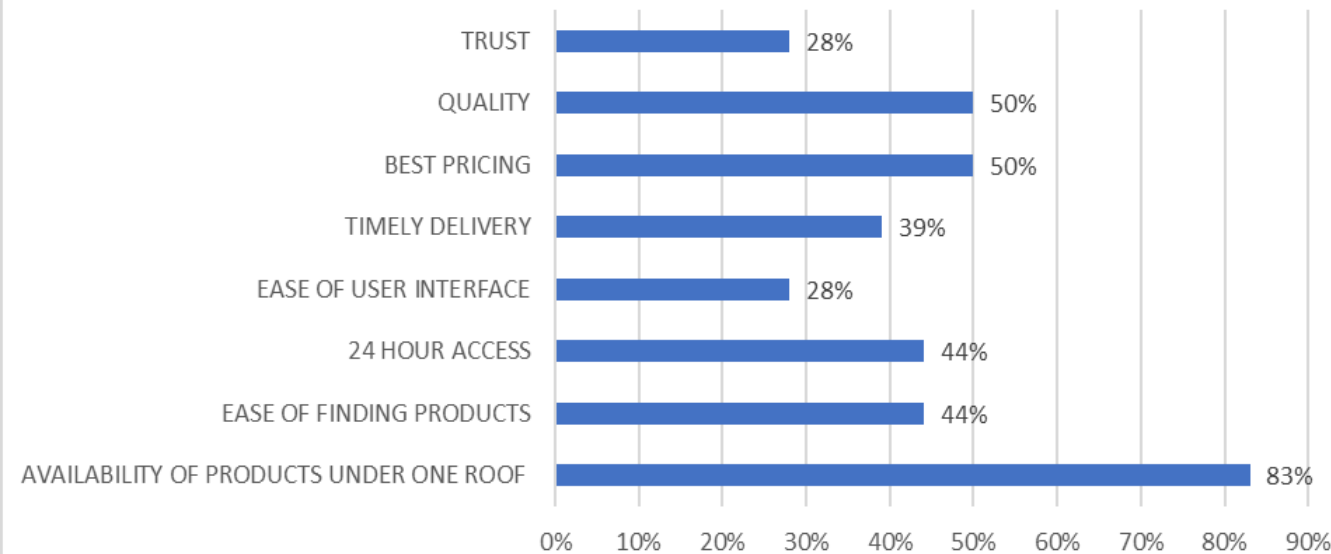
19% prefer online

19% prefer other methods such as contracts, tenders, raid contracts

RESPONDENTS WHO USE ONLINE METHOD OF PURCHASE FOR THEIR HOSPITAL



ADVANTAGES FOR CHOOSING AN ONLINE PORTAL FOR PURCHASE OF MEDICAL PRODUCTS



The respondents have given the following advantages for buying from an online website.

83% have responded for availability of products under one roof.

50% for best pricing and quality

44% for 24 hour access and ease of finding products

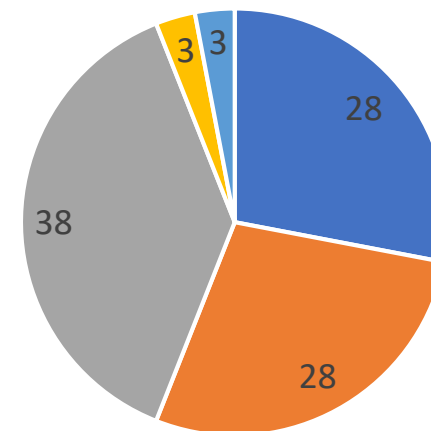
The respondents were asked about the most used site/app for online purchase.

38% of the respondents use Medikabazaar.com

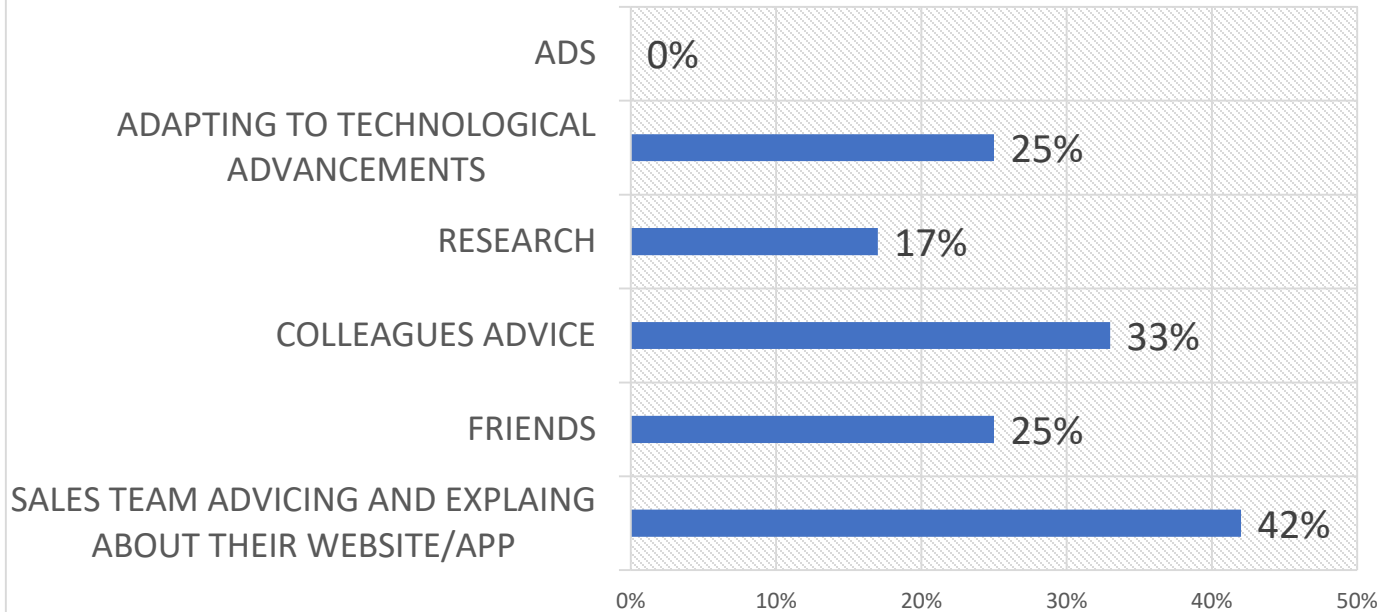
28% use surgicalshop.in and 1mg.com

Rest using colmed and healthcarerresearch.in

PREFERRED WEBSITE USED FOR ONLINE PURCHASE



INFLUENCE TO BUY PRODUCTS ONLINE



The respondents have given the following reasons to choose the online Purchasing method.

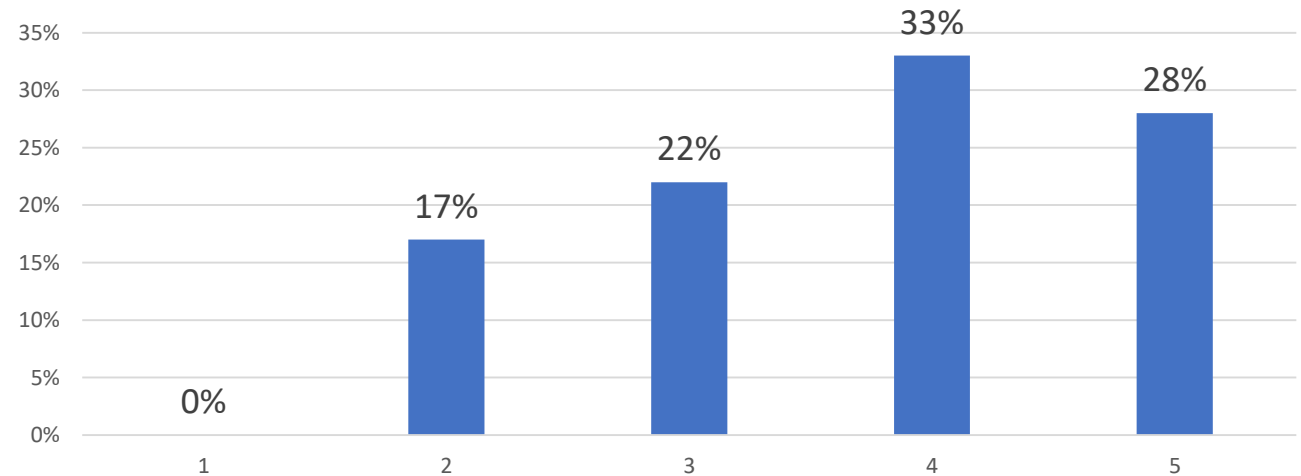
42% for sales team advising and explain the advantages of the app/website

33% on colleagues advice

25% for adapting the technological advances and friends advice

The respondents have given the following user rating for the app/website they use
most of the respondents have given 4 rating for the app they use.

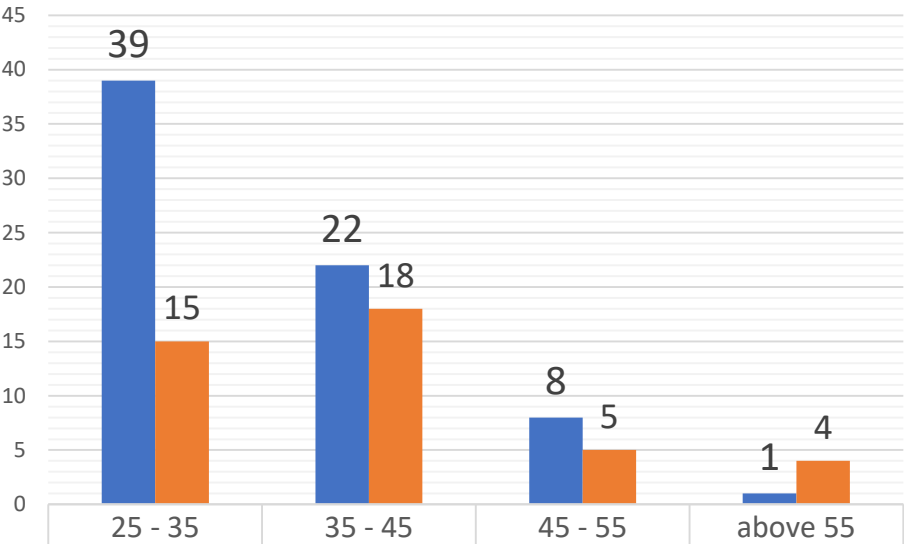
RATING GIVEN BY RESPONDENTS FOR ONLINE PURCHASE



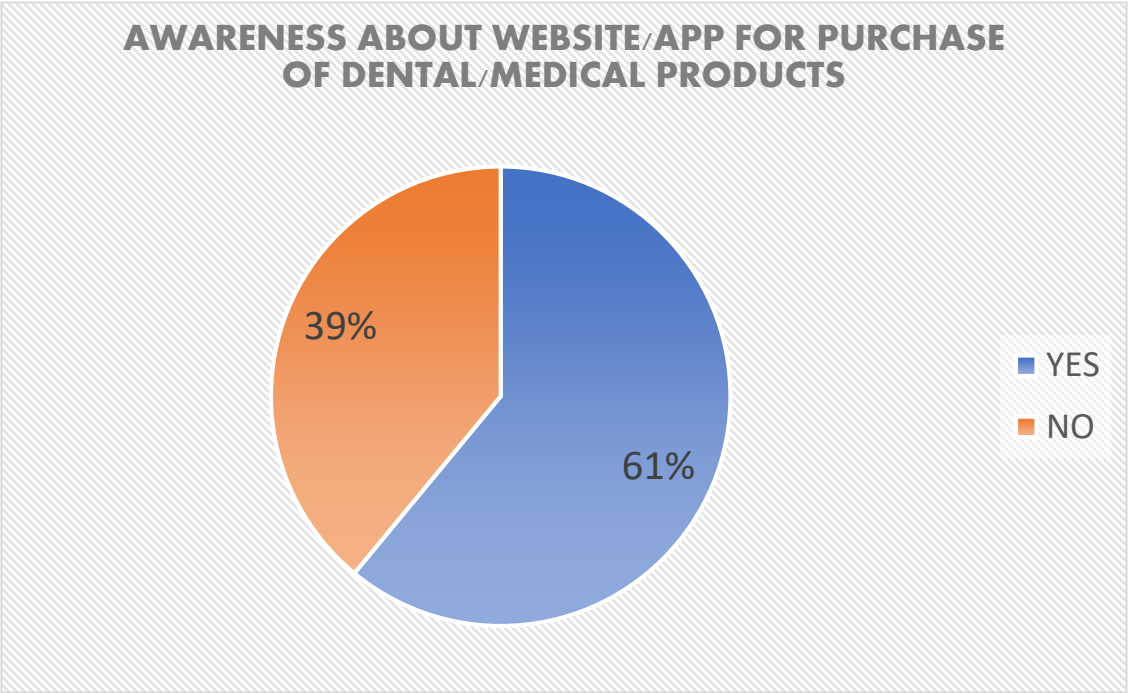
STUDY FINDINGS (OFFLINE)

Awareness about e-commerce product purchasing according to the age levels.

- Are you aware of online methods/apps for the purchase of the medical equipment's? Yes
- Are you aware of online methods/apps for the purchase of the medical equipment's? No

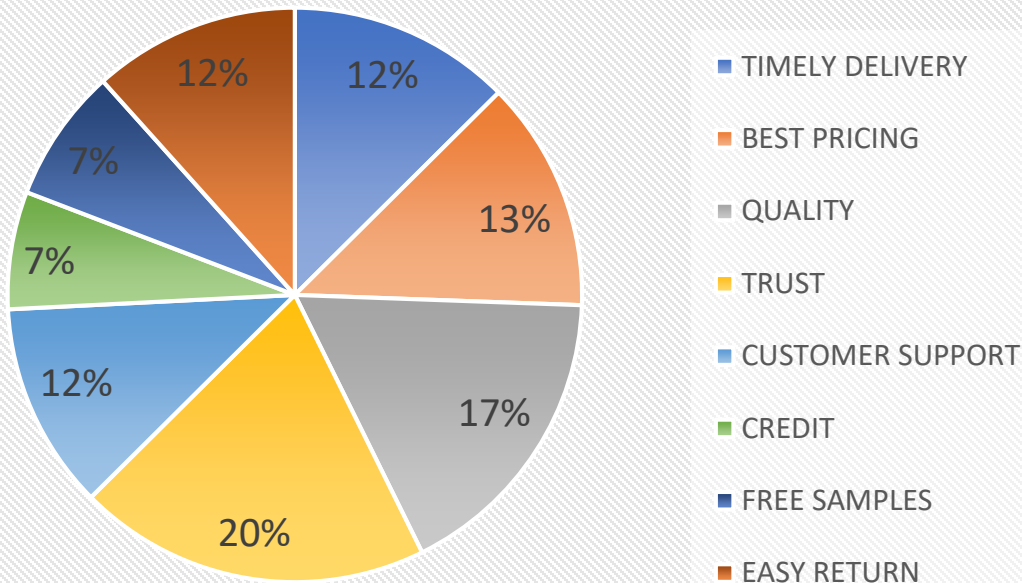


■ Are you aware of online methods/apps for the purchase of the medical equipment's? Yes	39	22	8	1
■ Are you aware of online methods/apps for the purchase of the medical equipment's? No	15	18	5	4



The graph shows the awareness levels about the online website or app. Here in the pie-chart it is to be seen that 61% of the respondents are aware and 39% are unaware. The graph shows the awareness level according to age wise. It is seen that awareness level is comparatively less in the age group of 35-45 and 45-55 and above 55.

REASON FOR OFFLINE PURCHASE



The pie-chart shows the reasons why the respondents choose offline method of purchase.

20% choose it for trust with the vendor/supplier

17% for quality they receive

13% for best pricing

12% for customer support, easy return, free sample

The pie-chart shows the advantages for choosing the offline purchase.

21% for immediate purchase

16% time saving

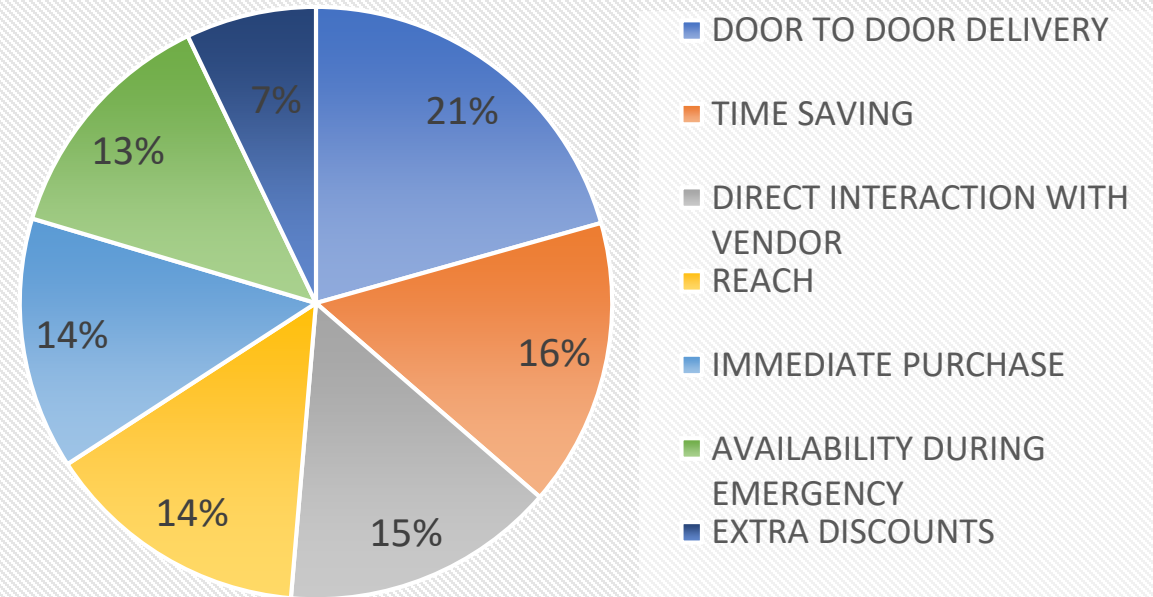
15% direct interaction with vendor

14% door to door delivery

13% for availability during emergency

7% extra discounts

ADVANTAGES FOR BUYING DENTAL/MEDICAL PRODUCTS OFFLINE



DISCUSSION

Among most of the respondents the dentist had a fairly good idea about the e-commerce of the dental products comparatively than other professions.

Most of the dentist who belong to the age of 25-35 have started adopting the e-commerce sites to fulfil their requirements.

The age of 25-35 are called the millennials age generation. These generation are born between 1981 and 1996. these generation carry forward the trend into future.

The e-commerce website should concentrate more on the millennials as this age group can help the e-commerce growth and help them to increase their e-commerce sales

The second age group on which they should concentrate is the generation x. This generation age group can also help to increase the sales on the site/app

It is also observed that most of the respondents who use the e-commerce portal access it with the help of the mobile app. This shows that most of them require the app/site to be user friendly and can be used anytime and anywhere without any difficulty.

During the collection of samples the respondents who chose the online have chosen a particular app for buying the products, these apps/sites have gained the customer trust about its quality and reviews.

All the vendors cannot provide all the products under one roof which is a major disadvantage to the local vendors/suppliers which makes a good competitive advantage for e-commerce.

The respondents who purchase offline are sceptical about buying anything without seeing the quality so they prefer to go offline purchase

Most of the respondents who buy offline have a good trust and relationship with their local vendors, making it difficult for the e-commerce to penetrate into the market and make a point.

Most of the vendors sell the products adding their profits in it which the customer is unaware of due to no transparency in the pricing.

This transparency can be achieved by e-commerce where the products are been directly supplied from the manufacturer or the primary importers.

There are many more advantages which the customers are unaware of which can be provided by the e-commerce site such as

1. Analytics
2. Extra offers
3. Discount coupons
4. Best post sale services

Conclusion

The awareness and the usage of the e-commerce can be increased by two models

1. TAM
2. Trust model.

TAM (technology acceptance model)

The TAM model suggest that when users are presented with a new technology a number of factors influence their decision and about how will they use it.

Perceived usefulness

Perceived ease of use

It is based on theory of reasoned action.

The other model to increase the usage of e-commerce is the trust model.

The trust model states that to achieve the sales on e-commerce the trust has to be generated within the customers

For example the Dentist mostly use Dentalkart for online shopping rather than any other website/app because the Dentalkart was estd in 2014 and the rest other apps were estd during 2016. The Dentalkart has gained the trust of the dentist.

As the customers felt that the website was not easy to access on the phone Dentalkart came up with mobile app and made it easy for the customers to use, due to which the dentalkart is use mostly as it could asses the customer wants and needs and gained the trust.

The trust can also be gained by existing customer positive reviews on the website/app

RECOMMENDATIONS

Awareness about the advantages of shopping from a e-commerce site, word of mouth about the app/website.

Social media usage to spread the word about the app/website

Competitive and transparency in pricing with proper invoice

Exciting deals and offers to the customers.

Exclusive products which are not available in the market to be available on the website/app

Usage of search engine optimization to increase the clicks on the website.

Coupons for reducing the pricing

Customer reviews to be used as a feedback on the website/app

Having a product review and specification about it can increase the clicks.

Sales and business development team to follow up doctors to show the advantages of the app/website

There are proven statistics about e-commerce consumer psychology 92% decide whether to use the website/app depending on the visual appearance and 52% abandon the website because they dislike the aesthetics of the app/website. 96% find the videos on the app helpful and 73% buy them after seeing the video. 76% say the ease of user interface is most important. Only 35% are ready to make an online payment and the rest want to gain trust over the app/website and then use the payment options. 58% drop out of the checkout or buy now options if the price of the product increases. 75% see for customer reviews about the product and decide to buy it. More than 68% are highly satisfied when they get an extra coupon for the purchase of their product. 70% of satisfied customers come back to purchase from the same app/website

- **Thank you**