



FACTORS AFFECTING ONLINE SHOPPING BEHAVIOUR OF CONSUMERS

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Abstract

Consumers are slowly shifting from traditional shopping to online shopping as they get many benefits in the later. Availability of wide variety of products, pricing benefits, convenience in shopping, different modes of payment and easy selection of products made the consumers to shift to online shopping. However there are certain risks like safety issues in payment, lack of physical touch of products, delay in delivery of products etc. might make consumers to think twice before they purchase products online. The purpose of this study is to analyse the factors influencing the online shopping behaviour of consumers based on secondary data.

Introduction

Consumer markets have become more dynamic with the involvement of internet in marketing products and services. Online shopping is one of its kind which allows the consumers to buy products and services directly without the help of middlemen from online retailers. The number of consumers shopping online is increasing tremendously over a period of time. Online shopping environments are playing significant role in building relationship between seller and consumers (Koo et.al. 2008). Online shopping enables consumers to search for product features, prices or reviews, selecting products, placing the order, making payments, or any other activity followed by delivery of the required products and services (Sinha, 2010). Online shopping has become the order of the day as it offers lot of benefits like convenience, price benefit, wide variety of products and more options to make payment (Seema Agarwal 2013).

Review of Literature

Consumer online shopping will be influenced by fear of losing money and financial details, fear of non-delivery of order whereas return policy and cyber laws may not have effect on shopping behaviour. Family members, peer and friends will have positive influence on online shopping behaviour (Mohammed Hossein Moshref Javadi et.al. 2012).

Method of payment, payment security, online shopping awareness, after sales service and special offers may have considerable influence on consumer online shopping behaviour (Seema Agarwal 2013). It is essential to remove all kinds of risks in online shopping to encourage consumers and provide online only offers and after sales services to motivate them to buy products online and focus on website based reviews to influence them (Asmatara Khan and Chandranahauns Chavan 2015)

Online shopping is more attractive among female consumers than their counterpart due to promotional schemes offered by online retailers and frequency of purchasing products online and possession of internet have significant impact on online shopping behaviour of consumers (Gagandeep and Gopal 2013).

Online shopping saves time and money for consumers as they can compare different products and services online. Despite of security issues in payment and delay in delivery of goods online shopping is friendlier to the consumers as they can conveniently shop from any place and at any time (Renuka Sharma et.al. 2014)).

Consumer online shopping behaviour is influenced by website quality which includes features of online store, system quality, quality of information and layout and graphics (Billy and Ivan 2008). Driving forces to influence the online shopping behaviour of consumer vary from consumer to consumer as their intentions to buy online vary (Mark Brown et.al. 2001).

Various risks involved in shopping online will have different effect on male and female as their characteristics differ in perceiving the risk (Jayendra Sinha and Jiyeon Kim 2012). Website features, convenience, security and time saving factors will have positive influence on consumer online buying behaviour (Ganapathi 2015).

Consumers consider that convenience and trust are the most important factors while shopping online, whereas web design and delivery time are not a concern for them (Hana and Mersid 2014). Age of the consumers and psychological risks have considerable effect on online purchase behaviour of consumers (Ashok Kumar Chandra 2013).

Variety seeking consumers will also look for price, convenience, customer service and availability while they shop online (Vilasini and Monica 2016). There is a significant relationship between perceived economic benefits, payment benefits and merchandise as studied by Ngo Tan Vu Khanh and Gwangyong Gim (2014).

Consumer online buying behaviour is influenced by ease of use, financial risk, usefulness and hassle free technology (Alina Babar et.al.2014). Online retailers need to find ways to attract consumers as their behaviour is influenced majorly by perceived risk (Makhitha 2014).

Online shopping behaviour of consumers is not influenced by website characteristics but there is a significant relationship between website characteristics, attitude and trust of consumer to purchase online (Shalini and Hema Malini 2015)

Methodology

The current study aims at identifying the factors those influence the customer behaviour while purchasing products and services online.

Based on the previous studies various factors influencing consumer online behaviour are analysed and a conceptual model was developed to examine the factors influencing online shopping of consumers. The model portrays factors like 1) risk perceived by consumers 2) website design 3) online reviews 4) trust and reliability 5) services provided and 6) convenience.

While consumers shop online, their level of awareness about online shopping is a crucial factor which determines the consumer decision making. Awareness about modes of accessing online shopping, searching for products and buying products.

As the consumers aware of online shopping, they tend to go to websites to search for products and services to buy them. Consumer decision making is the critical stage in online shopping and it can be influenced by various factors.

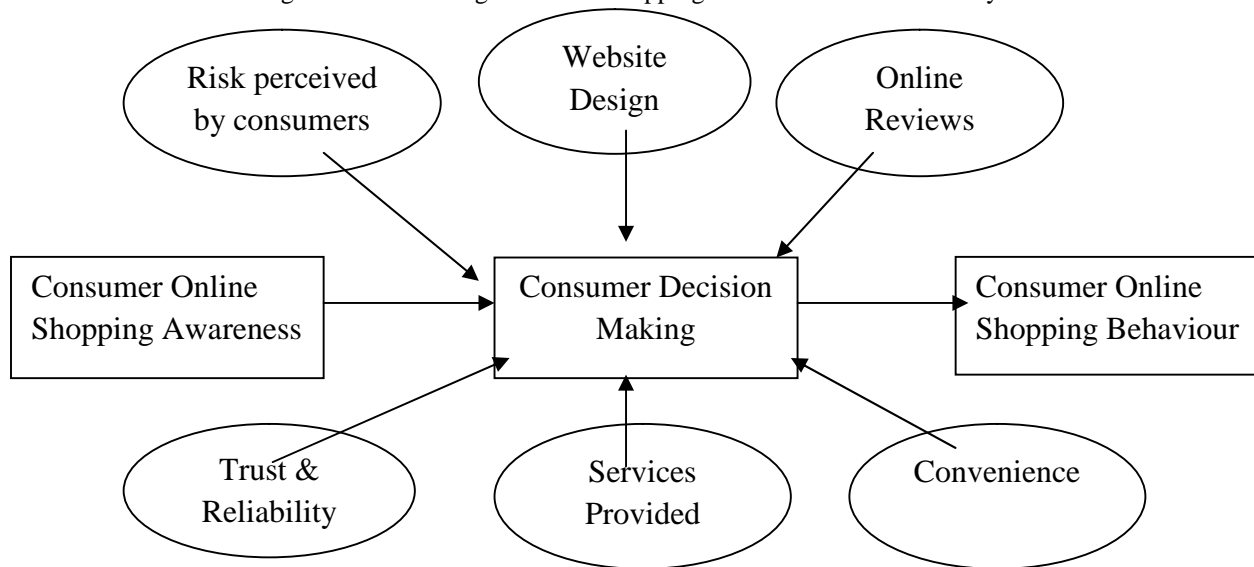


Figure 1. Conceptual Model

Discussion

Among the factors influencing online shopping, risk perceived by consumers during online shopping. It includes financial risk, product risk, non-delivery risk, return policy and risk of technology. The layout of web site, ease to use website, different options to use in website and pop ups used in the web site are associated with web site of online retailer will have influence on consumers.

Consumers are also influenced by online reviews presented by other consumers as they provide firsthand information about features of products, benefits offered, returns, mode of payments etc. Consumer decision making to purchase products based on online reviews will be influenced by online product reviews and online product ratings as they both differ in concept as found by Georg Lackermair et.al. 2013.

Consumers will always have concerns about reliability of information presented in the website. Trusting a website depends on reliability of information, image of online seller, consistency of information and frequent updating of website.

Services provided to the consumers also have significant impact on consumer behaviour. Services like different modes of payment, more variety of products, return policy, reliable information, after sale services etc. determine the online consumer behaviour. Online shopping offers more benefits to consumers compared to traditional shopping. One of the advantages is convenience in searching for products, getting information, making payment, door delivery, return policy etc.

Further Study

The online market is becoming dynamic day by day. There is an increasing trend towards online shopping due to its advantages. The factors influencing consumer behaviour are also evolving continuously. There is a scope of further study in this area as there may be some other variables which can influence consumer behaviour. Researchers can focus on individual and market factors which can drive the consumers towards online shopping.

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