

Consumer Buying Behavior towards Online Shopping – A Review of Literature

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ABSTRACT

In this Research study the attempt has been made by the researcher to identify the previous literature pertaining to the topic to draw a deeper insight into the concept. The study of previous related literature pertaining to consumer's attitude towards online shopping behavior would immense help the researcher in understanding the contributions made by others and in creating a link to the chosen topic by the researcher. This will be helped the researcher to identify the contributions and the research gap which facilitated in designing the framework of the study and in the formulation of the questionnaire for data collection and conducting the research.

Keywords : Consumer behavior , online shopping

INTRODUCTION

Online shopping refers to the process of purchasing products or services via the internet. The process consists of five steps similar to those associated with traditional shopping behavior. In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the internet and search for need related information. However, rather than searching actively, at times potential consumers are attracted by information about products or services associated with the felt need. They evaluate alternatives and choose the one that best fits their criteria for meeting the felt need. Finally, a transaction is conducted and post sales services provided. Online shopping attitude refers to consumer's psychological state in terms of making purchases on the internet Chang, M., K., Cheung, W., Lai, V., S. (2005). No doubt that the internet has been influencing our lives deeply in which it plays an important, indispensable and irreplaceable role. Online shopping has become a popular and easy way for customers.

This new innovative type of shopping brings a great number and also wide range of merchandise to consumers. It also offers a huge market and numerous business opportunities. Online consumer behavior became a contemporary research area with an increasing number of researches. The internet has brought a sweeping revolution in the way we shop or buy products today. With the advent of internet, online shopping becomes popular and most preferred by certain segment of consumers for products like travel, books, music, gadgets etc. Though internet penetration and online shopping is highly evolved in developed nations, in India, the story is different. The poor infrastructure and lackadaisical approach of our political system is nearly crippling the growth of internet penetration in our country. It is estimated

that India will have 38 million active online shoppers by then. Today companies have entered this online space to tap its enormous potential. Players like flipkart, Amazon, Snap deal, e-Bay to name a few are very active in this space. These are very aggressive in attracting young population by offering convenience, choice, better bargain and speed of buying. On the demand side, consumers are time pressed. With more and more consumers becoming increasingly familiar with internet and its benefits, online shopping is gaining popularity and preference among the set of consumers who seek better value proposition when compared to offline shopping in terms of information, convenience, cost, and choice.

REVIEW OF LITERATURE

A literature review is a text of a scholarly paper, which includes the current knowledge including substantive findings, as well as theoretical and methodological contributions to a particular topic. It is not a chronological catalog of all of the sources, but an evaluation, integrating the previous research together, and also explaining how it integrates into the proposed research program. All sides of an argument must be clearly explained, to avoid bias, and areas of agreement and disagreement should be highlighted. It is not a collection of quotes and paraphrasing from other sources. A good literature review should also have some evaluation of the quality and findings of the research.

With online shopping, understanding variables that influence the intention to buy through online needs more attention. This will help companies in identifying variables that play a major role in influencing customer's intention to buy there by helping them in crafting strategies which drives consumers to prefer online shopping. For instance, if an online retailer understands that perceived risks are high in certain categories that influence consumer's intention to buy, retailers can craft strategies to minimize perceived risks and drive consumers to buy through online. Earlier studies paid much attention to this topic in developed nations where internet penetration is high and consumers are highly evolved. Among these factors the risk perception of users was demonstrated to be the main discriminator between people buying online and people not buying online. Other discriminating factors: control over and convenience of the shopping process affordability of merchandise, customer service and ease of use of the shopping site. It included several indicators, belonging to four major categories: the value of the product, the shopping experience, the quality of service offered by the website and the risk perceptions of internet retail shopping. Consumer's attitude towards online shopping affects their buying decisions Booz & Company (2011). However, little attention is paid in India where internet penetration is significantly low and consumers are not so evolved in this space. Hence a need for such as study is identified by the researcher to see how far these variables are relevant in India and how much they influence consumer's intention to buy.

Internet Marketing Tree



- ❖ **Dr.V Vijayalakshmi & Dr.R.Lakshmi (2018)** Mostly youngsters and youth generation (19-30 age group) are very much interested in online buying because they know about technology and e-shopping.
- ❖ **As per an ASSOCHAM-Resurgent joint study,(2018)** online shopping is expected to clock annualised growth of 115 percent this year, aided by fast-increasing data consumption and improvement in logistics, along with a number of offers presented by ecommerce platforms.
- ❖ **Jarvenpaa journal of Electronic Commerce Research, VOL.6, NO.2, (2015)** it is an earlystage in internet development in terms of building an appropriate dedicated model of consumer buying behavior.
- ❖ **(Ahmed, 2012)** Concerns of price, quality, durability and other product-related aspects are the main drivers of buying decision in developed countries but the considerations could be vary from the developing countries.
- ❖ **(Sylke et al., 2004)** The growth rate of electronic commerce in India, however, has yet been much below anticipation; its proportion of total retail business is still small due to its certain limitations .
- ❖ **(Garbarino & Strahilevitz, 2004; Korgaonkar & Wolin, 1999; Van Slyke et al., 2002)** previous researches suggested that men are more likely to purchase products and/or services from the Internet than women.
- ❖ **Na Li & Ping Zhang (2002)** found that men are more adopting in online shopping, Female shoppers are found to prefer using catalogs to shop at home. It is found once female showed preference in online shopping, they will shop more frequently online than their male counterparts.
- ❖ **Zhang, Dran, Small, and Barcellous (1998)**, indicated that website design features of the website are important and influencing factors that leads consumer's satisfaction and dissatisfaction with a specific website.
- ❖ **Koufaris (2002)** emphasized on two aspects that influence online consumer shopping behaviour. Firstly, as a traditional shopper, it is important to ensure an enjoyable shopping experience for the online shopper. Secondly, as a computer user, both the web design and the consumer's computer

skills play a vital role to ensure smooth ease of operation.

- ❖ **Ajzen (1994)** in his study on perceptions towards online shopping reveals that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.
- ❖ **Garcia (1998)** shows that the number of online shoppers in six key European markets has risen to 31.4 percent from 27.7 percent last year. This means that 59 million Europeans use the Internet regularly for shopping purposes. However, not only does the number of online shoppers grow, the volume of their purchases also increases over-proportionally.
- ❖ **Murray, (2001)** In the US, says that online sales are forecasted to exceed \$36 billion in 2002, and grow annually by 20.9 percent to reach \$81 billion in 2006. Europeans are spending more money online as well. Whereas combined revenues for Amazon.com's European operations grew at more than 70 percent annually in each of the past three quarters, topping \$218 million. While these figures show that a large number of consumers in the US and Europe frequently use the Internet for shopping purposes, it is not clear what drives them to shop online and whether these numbers could be even.
- ❖ **Davis, (2002).** Their study reveals that if more attractive online stores were developed. This raises the issue of examining what factors affect consumers to shop online. Therefore, a framework is needed to structure the complex system of effects of these different factors, and develop an in-depth understanding of consumers' perceptions toward Internet shopping and their intentions to shop online. This study reveals that we build up such a framework based on previous research on consumer adoption of new self-service technologies and Internet shopping systems. The research suggests that consumers' perception toward Internet shopping first depends on the direct effects of relevant online shopping features.
- ❖ **Limayen (2004)** In addition to these relevant online shopping features, also exogenous factors are considered that moderate the relationships between the core constructs of the framework.
- ❖ **Benbaset (2006);** Relevant exogenous factors in this context are "consumer traits" "situational factors" "product characteristics" "previous online shopping experiences" and "trust in online shopping" By incorporating these exogenous factors next to the basic determinants of consumers' perception and intention to use a technology, the framework is applicable in the online shopping context. Together, these effects and influences on consumers' perception toward online shopping provide a framework for understanding consumers' intentions to shop on the Internet.
- ❖ **Sycara (2005)** online shopping "Computer playfulness" is the degree of cognitive spontaneity in computer interactions. Playful individuals may tend to underestimate the difficulty of the means or process of online shopping, because they quite simply enjoy the process and do not perceive it as being effortful compared to those who are less playful "Computer anxiety" is

defined as an individual's apprehension or even fear when she/he is faced with the possibility of using computers. This influences consumers' perceptions regarding the "ease of use" of the Internet as a shopping medium in a negative way, since using a computer is one of the necessary requirements for online shopping.

- ❖ **Zhang (2009).** Intrinsic motivation for Internet shopping is captured by the "enjoyment" construct in our framework. Intrinsic value or "enjoyment" derives from the appreciation of an experience for its own sake, apart from any other consequence that may result.
- ❖ **Karayanni (2008)** concluded that "enjoyment" results from the fun and playfulness of the online shopping experience, rather than from shopping task completion. The purchase of goods may be incidental to the experience of online shopping. Thus, "enjoyment" reflects consumers' perceptions regarding the potential entertainment of Internet shopping found "enjoyment" to be a consistent and strong predictor of attitude toward online shopping.
- ❖ **Menon (2010).** Says that If consumers enjoy their online shopping experience, they have a more positive attitude toward online shopping, and are more likely to adopt the Internet as a shopping medium. In our framework, we identify three latent dimensions of "enjoyment" construct, including "escapism", "pleasure", and "arousal" "Escapism" is reflected in the enjoyment that comes from engaging in activities that are absorbing, to the point of offering an escape from the demands of the day-to-day world. "Pleasure" is the degree to which a person feels good, joyful, happy, or satisfied in online shopping.

CONCLUSION

The online shopping is becoming more popular day by day with the increase in the usage of internet. Understanding customer's needs and desires for online buying, the selling has become challenging task for marketers. Specially understanding the consumer's attitudes towards online shopping, making improvement in the factors that influence consumers to shop online and working on factors that affect consumers to shop online will help marketers to gain the competitive advantage over the others.

This study shows that online shopping is having very bright future in India. Perception towards online shopping is getting better in India. With the use of internet, consumers can shop anywhere, anything and anytime with easy and safe payment options. There are some factors mainly influencing the consumers for decision making: Risk aversion and innovativeness. Risk aversion is a measure of how much consumers need to be certain and sure of what they are purchasing. Highly risk adverse consumers need to be very certain about what they are buying. Whereas less risk adverse consumers can tolerate some risk and uncertainty in their purchases. The innovativeness, is a global measure which captures the degree to which consumers are willing to take chances and experiment with new ways of doing things.

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Mahratta Chamber of Commerce, Industries and Agriculture Tilak Road, Pune (India)



29th December 2019

www.conferenceworld.in

ISBN : 978-81-943584-8-0

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