

A STUDY OF CONSUMER'S PERCEPTIONS IN ON-LINE SHOPPING

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ABSTRACT

The diffusion of the e-commerce is now well-known in all of its types of activities. The four types that described in this paper is the most common and shows how people nowadays that is familiar with the Internet, tend to adopt more easily than the previous years. The results will indicate which are the major concerns for people in order to adopt one of those activities. Also, even now that internet has been so widely spread and used, people are so pessimistic in e-commerce adoption because of the risk or not. Of course the research is by its nature web-based so the appropriate data collection is via e-mail. The findings of the survey might be useful for companies and businesses which are active in this field.

Keywords: E-Commerce; On-line Shopping ; Consumers perceptions, Technology Acceptance Model

1. INTRODUCTION

The rapid diffusion of the Internet retailers the previous decade, was too high for the business to customer (B2C) commerce. Only in United States, for the fiscal year 2001, total retail sales was 3.50 trillion dollars while in ecommerce retail sales was 32.57 billion dollars. Those numbers indicate that B2C commerce is still growing up, and that the traditional retailers are not in danger of being replaced by electronic commerce. There is the possibility though that the e-commerce might be the new retail medium for supplementing, complementing and even replace other media.

The Internet evolution had significantly changed the operations of retail business worldwide. United States for instance, witnessed larger hypermarkets which centralized their operations in order to provide the increased demand for their offerings. As a result, those hypermarkets were able to provide a cheaper and wider range of products while smaller retailers were struggling to be competitive against them. Because of the huge size of those hypermarkets, they need sufficient population to support them in order to operate normally. With the Internet's evolution, it is obvious that there will be an increase in those hypermarket sales as an alternative distribution.

2. LITERATURE REVIEW

Many researches which surround the customer's behavior to adopt in particular technologies had been taken from the Technology Acceptance Model (TAM). Modifications of the TAM model are many, from ERP system implementation to mobile services.

Up to now, the rivalry of the actual usage versus prediction can be easily noticed by comparing different studies of the technology. For example, previous studies about personal computer had investigated the actual usage while the new technological acceptances like banking Salancik , set aside the actual usage and focused on the criterion of the intention alone. However, since the adoption of the Internet purchase is still in its new forms in Greece, with this study the measurement focuses on the intention of the online shopper rather than the actual purchase.

The behavioral intention had been used to predict the actual usage successfully until now. Behavioral intention is the “degree to which a person has formulated conscious plans to perform or not perform some specified future behavior” . This one comes across with the Theory of Reasoned Action and his theory of planned behavior , which supports that the behavioral intention is for the behavior a good predictor. In Information systems (IS), TAM was used widely by many studies in order to predict the behavioral intention for the information technology.

While past researches found no connectivity with the subjective norm and the behavioral intention, which had as a result not to include it on their TAM model, however Brown et al., found that the norm does influence the behavioral intention.

Davis firstly introduced TAM, and his goal was to explain and predict user’s IT acceptance over his workplace. According to Davis , perceived usefulness “is the prospective user’s subjective probability that using a specific application system will increase his or her job performance within an organizational context” while ease of use “refers to the degree to which the prospective user expects the system to be free from effort”. Those two variables are the major factors which are expected to influence someone’s attitude for using a specific system, which in turn with the perceived usefulness, are expected to explain any possible intension of using the system.

3. RESEARCH MODEL AND HYPOTHESES

Here is our modified TAM model about the intention for the Internet shopping in Greece. Except from the perceived usefulness and the ease of use which are the main TAM factors, we include the perceived risk, perceived enjoyment, subjective norms and self efficacy.

3.1. Perceived risk

According to Bauer, “Consumer behavior involves risk in the sense that any action of a consumer will produce consequences that he cannot anticipate with anything approximating certainty, and some of which are likely to be unpleasant”.

H1: Perceived risk will have a negative impact on the customer’s intention to shop online.

3.2. Perceived usefulness

According to Davis “perceived usefulness is the extent to which a person believes that using a particular technology will enhance his or her job performance”. This performance should be centered with the benefits through Internet purchasing adoption minus the normal retailing.

For the needs of this research, perceived usefulness is the extent to which a person believes that by adopting on Internet purchase, will create value for him.

H2: Perceived usefulness will have a positive impact on the customer’s intention to shop online.

3.3. Perceived ease of use:

This has to be about the level of effort someone needs in order to make an e-commerce adoption. The higher the effort, the easier user will abandon the system. Perceived ease of use is one of the two strong factors, which play a significant role in Internet shopping, like perceived usefulness. Thus, in this research perceived ease of use is when the user believes that any possible Internet purchase, will be free from effort Davis.

H3: Perceived ease of use will have a positive impact on the customer's intention to shop online.

3.4. Perceived Enjoyment:

According to Reid and Brown, "there are many motivational reasons that govern individual's intention to shop, which includes overcoming boredom, peer group influence and status consciousness." Bellenger and Kargoankar divide the potential customers into two categories: economic and recreational shoppers. Also Reid and Brown stated for economic customers that "they are more often than not to reclude themselves from unnecessarily engaging in the shopping experience."

Past studies for the demographic variables, indicate that mostly teenagers are in great knowledge of the Internet tools. Also, the factor of enjoyment could not be discounted by the shopping orientation. Jarvenpaa and Todd, found that convenience is a significant factor for the adoption of the Internet purchasing.

Satisfaction can be interpreted by the means of elation and pleasure which are relevant with the user's Internet purchasing. Thus, perceived enjoyment has a positive impact on the online shopping intention.

H4: Perceived enjoyment will have a positive impact on the customer's intention to shop online.

4. DATA COLLECTION AND ANALYSIS

Primary data was used in this research in order to find out the intention in online shopping in India. Data was collected through the summer of 2019 and the targeted population was more than 100 India; the final number was 250 respondents. E-mails were sent to randomly selected people in Greece through Internet (e-mails, Facebook etc).

The questionnaire was divided into the 4 parts: The first part is the demographic variables. The second part is about the Internet usage questions. Third is the part which are included the items of the research and the final category is the questions for the dependent variable.

5. CONCLUSIONS AND IMPLICATIONS

Discussion and Conclusions

Perceived usefulness (PU), was found to be the most important factor which may influence the Internet shopping intention. Customers are mostly influenced by the usefulness of the products instead of its ease of use, and this study validates that. However results may be different depending on the type of the products which is going to be purchased.

Self efficacy was found to have a positive association with the Internet shopping intention and one of the strongest one's. Perceived ease of use (EOU) had a positive impact to the Internet shopping intention, but not so high like the usefulness predictor. This can be explained that new technologies which help and are easily manipulated nowadays from users, seems not to include the Internet shopping because it is not yet free from effort. Examples like bad design interfaces, bad interaction with the user, information which was outdated, search engines and difficult order procedures may all contribute to the intention of the customer. Perceived enjoyment (PE) and subjective norms (SN) are also positively associated with the intention but in a partial way. Consumer's whose shopping habits are better served by the conventional shopping, seem not to embrace the on-line shopping environment that easy. However they explore various ways to reduce the consuming of time from activities like shopping and they tend to give at least one chance on the Internet shopping.

Lastly, perceived risk (PR) is negatively associated with the intention. Even now that the technology acceptance for the Internet services have been so widely accepted, there is uncertainty in the majority of the customer's about the willingness to adopt in e-commerce.

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