

**A STUDY ON CONSUMER PERCEIVED TRUST IN ONLINE SHOPPING IN
TIRUCHIRAPPALLI CITY.**

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Abstract- Performance expectancy and hedonic motivation have significant influence on buying intention. Consumer's perception trust have significant impact on buying intention and UTAUT2 model explains 49 % variance in buying intention.

Key word

Performance expectancy, hedonic motivation, and perceived risk

Intruduction

Number of Internet users India has increased continues in last 10 years. It is expected to reach 800 million by the end of 2021 and now it is reached 650million. India is the second highest country in internet users and only after the china. China achieved 2000 billion usd ecommerce every year but India market size in ecommerce is only 46 billion usd in 2019. The online market is need to grow much faster and it has capacity to reach.

As the internet users are increasing and ecommerce industry is also get booming. Digital market growth is throughout the world especially in India. All other Industry are struggling to maintaining growth in india but digital marketing industry is booming at high rate and it able to maintain its annual compound growth rate around 8% for last 5 years.

Theritical background of the theory

Venkatesh et al (2003) made extensive study on eight major theories and developed composite model to understand worker technology acceptance on work place and the model is called UTAUT.

The UTAUT is derived construct from the eight theories, which were Theory of Reasoned Action from (Fishbein 1975), Davis's (1989) Technology Acceptance Model (TAM); Motivational Model (MM) from (Davis, Bagozzi and Warshaw 1992), Theory of Planned Behavior (TPB) from Ajzen (1991), the PC utilization model (MPCU) (Thompson, Higgins, and Howell 1991), IDT (Rogers 1962), the social cognitive theory (SCT) (Bandura 1986), and an integrated model of technology acceptance and planned behaviour (TAM-TPB) (Taylor and Todd 1995).

UTAUT model explained more variance than all other models and it explains 70% of variance in behavior intention and 48 % variance in usage behavior.

UTAUT has our main determined are such as performance expectancy, effort expectancy, social influence, and facilitating conditions influencing and moderator are age gender and experience. Venkatesh et al (2012) extent UTAUT1 model to commercial accepted by including hedonic motivation and price affect and develop the UTAUT2 model.

UTAUT and UTAUT2 being used in various field to understand the behavior intention and usage behavior such: Online consumer acceptance and familiarity (Chang et al 2016); smart wear (Sung & sung 2015); mobile payment (Khalilzadeh et al., 2017); mobile usage behavior (Mulyana, Hurriyati, Disman, and Adiwibowo 2017) ; study student software acceptance(Chang Liu & Kostiwa 2007)

Performance expectancy (PE)

Venkatesh et al. (2003) Performance expectancy (PE) is defined “as the degree to which an individual believes that using the system will help him or her to attain gains in job performance” (P.447). Srinivasan (2015) make study online apparel consumer in India, and suggest that perceived usefulness have significant influence on their online buying intention.

Effort expectancy EE

Venkatesh et al. (2003) defines “effort expectancy is defined as the degree of ease related to the use of a particular system”.

Hedonic motivation:

Hedonic motivation has significant influence on technology acceptance and use (Brown & Venkatesh 2005); online shopping intention (Childers et al. 2001, Venkatesh et al., 2012). Bruner and Kumar (2005) said Enjoyment is the main in new technology adoption.

Facilitating conditions

Vekatesh et al., (2003) Facilitating conditions are defined as the degree to which an individual believes that an organizational and technical infrastructure exists to support use of the system. . Tak & Panwar (2017) Facilitating condition has positively influences behavioral intention and use mobile shopping apps user in India

Perceived trust

Cho (2005) “trust, concern with security and reputation of company.” Trust is found to be important in internet buying behavior, and it has influence in behavioral intentions (Kim & Lee, 2008). Customer relationships are deciding factor in maintaining trust while building ecommerce (Kim & Tadisina, 2007).One of the major factors that are inhibiting online purchasing is the lack of consumers’ trust in vendors over the internet (Gefen, Karahanna, & Straub, 2003). According to Pan and Zinkhan (2006), privacy issues majorly affect the trust of the consumer towards the online retailer.

Hypotheses of this study

H1) Effort expectancy is significantly influence the buying intent

H2) Performance expectancy is significantly influence the buying intent

H3) social norms is significantly negatively influence the buying intent

H4) Hedonic motivation is significantly influence the buying intent

H5) perceived risk is significantly negatively influence the buying intent

H6) Facilitating condition is significantly influence the buying intent

H7) Facilitating condition is significantly influence the buying behavior

H8) perceived risk is significantly negatively influence the buying behvaiour

H9) buyer intent is significantly influence buyer behavior.

RESEARCH METHODOLOG

Study Area

The present study is conducted in Trichy Dist and it has seven Talukas; the present study concentrated Trichy city only and considered this are key area to collected the data for sample.

Sample size - 195 despondence being meet and schedule collected but only 184 were used for analysis rest of them with missing values. The information was collected on the spot (through schedule method)

Questionnaire construction

The present research be dependent on on primary data and which is collected through the schedule. Schedule consist of two part. Frist part consist of 15 questions related to demographic variable and their perception about online marketing trust and part two of schedule consist of 38 question which were designed reflecting the hypothesized variable .Second part question, (EE) Effort expectancy Performance expectancy (PE), FC – facilitation PT – perceived Trust were adopted from Vekatesh et al. (2012) and (SN)Social norms adopted from Ajzen (1991) and HM hedonic motivation Khalilzadeh et al. (2017)

Structural Equation Model (MSEM)

The present applies SEM which most power tool to test hypotheses. Before executing SEM, explorative factor analysis and confirmative factor analysis (CFA) are need to execute and both of this analysis was executed in SPSS and AMOS software respectively.

CFA was executed to confirm constructs convergent and discriminant validities. It helps to understand, the items of a variable shared their variance and how they are different from one another. Total variance explained was 72% and eight constructs were gathered.

To test the hypotheses the research uses the SEM (AMOS) model and before to execute the SEM, validity and reliability were tested. Discriminant validity, Convergent validity, Average variance and maximum shared variance were test and table below (Table -1)

TABLE .1 MASTER VALIDITY TABLE

	mean	s.d	CR	AVE	MSV	MaxR(H)	PP	PE	FC	HM	PI	BB	SN	PT
PP	3.52	1.03	0.906	0.645	0.067	0.917	0.803							
PE	3.71	1.21	0.936	0.749	0.111	0.978	0.240***	0.883						
FC	2.85	0.75	0.924	0.780	0.047	0.942	0.201**	0.018	0.883					
HM	3.12	1.10	0.915	0.782	0.026	0.940	0.043	-0.089	- 0.078	0.884				
PI	2.75	0.91	0.839	0.624	0.102	0.833	0.028	0.065	0.060	0.007	0.790			
BB	3.25	0.85	0.854	0.616	0.028	0.847	-0.040	0.106†	- 0.033	- 0.017	0.009	0.785		
SN	2.55	0.95	0.849	0.634	0.102	0.843	0.028	0.065	0.060	0.007	0.790	.750	.730	
PT	3.45	0.75	0.854	0.616	0.028	0.847	-0.040	0.106†	- 0.033	- 0.017	0.009	0.785	.630	.721

SOURCE : AMOS output

(BI- buying intent EE-Effort expectancy PE – performance expectancy

HM hedonic motivation SN- social norms FC – facilitation PT – Perceived Trust)

STRUCTURAL EQUATION MODEL (SEM)

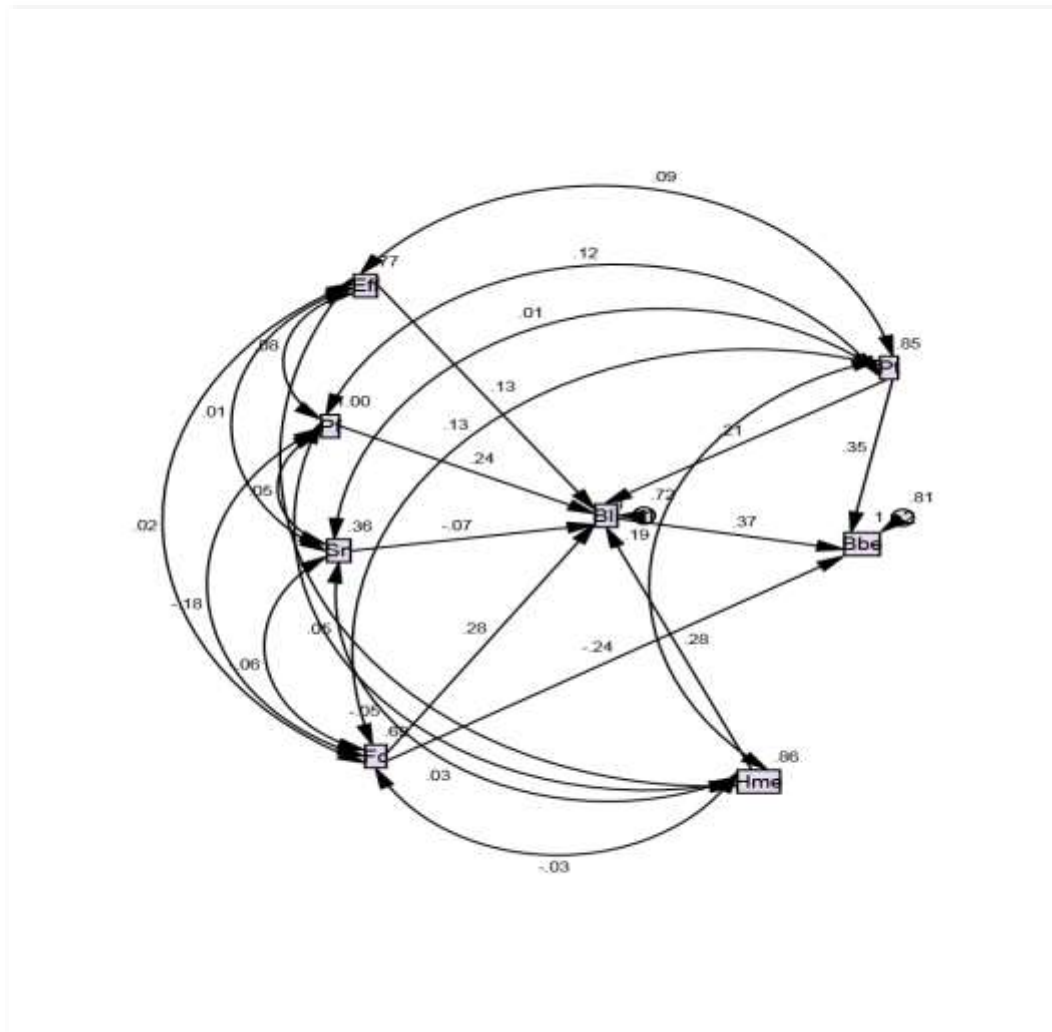


Figure- 1

Table – 2 Model Fit Measures

Measure	Estimate	Threshold	Interpretation
CMIN	375.653	--	--
DF	281	--	--
CMIN/DF	1.337	Between 1 and 3	Excellent
CFI	0.910	>0.900	Acceptable

SRMR	0.051	<0.08	Excellent
RMSEA	0.061	<0.06	Acceptable
PClose	0.121	>0.05	Excellent

Table -3 Cutoff criteria

Measure	Terrible	Acceptable	Excellent
CMIN/DF	> 5	> 3	> 1
CFI	<0.90	<0.95	>0.95
SRMR	>0.10	>0.08	<0.08
RMSEA	>0.08	>0.06	<0.06
PClose	<0.01	<0.05	>0.05

The present study uses SEM and its fitness criteria being suggest by Hu and Bentler (1999). They recommend five criteria were achieved comfortably.

Estimates (female - Default model)

Scalar Estimates (female - Default model)

Maximum Likelihood Estimates

Regression Weights: (female - Default model)

	Estimate	S.E.	C.R.	P
BI <--- PE	.126	.078	1.627	.104
BI <--- EE	.244	.071	3.441	***
BI <--- SN	-.074	.115	-.646	.518
BI <--- HM	.278	.075	3.680	***
BI <--- PT	.212	.078	2.722	.006
BI <--- FC	.278	.086	3.218	.001
BB <--- FC	-.244	.089	-2.745	.006
BB <--- PT	.352	.083	4.240	***
BB <--- BI	.367	.078	4.708	***

Source : AMOS output

(BI- buying intent EE-Effort expectancy PE – performance expectancy

HM hedonic motivation SN- social norms FC – facilitation PT – perceived Trust)

Results and Interpretation: The first part of questionnaire suggest that only 35% respondent trust online marketing and they perceives ecommerce are trustable one. The majority of respondent are male and city is dominated by male population. H1 is accepted and it suggest that PE is significantly influence buying inetent. H2 is rejected and it suggest that EE has significantly influence the buying intent online consumer. H3 was rejected and it shows that social norms has negatively influence the buying intent but the influence is not significant. H4 is supported and it suggest that hedonic motivation is significant influence on BI. H5 is accepted and it means that PT has significant influence on BI.

H6 and H7 were accepted and it suggest facilitating condition is significantly influence on both buying intent as well as buyer behavior.H6 finding is contrast the Ventash et al. (2012) and H7 result support Ventash et al. (2003). H8 is accepted and it suggest perceived trust is significantly influence the buying behavior .H9 is accepted and it means buyer intent is significantly influence the buyer behavior and it support findings of Azjen (1991); Ventash et al. (2003).

Conclusion

Respondent interest inline marketing is boosted by their perceived trust but many of them not engaged in online marketing. The selected variable explains the 49 % variance of the buying intent and it is considerable good and four determined explained only 34% variance in the buyer behavior.

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