

FACTORS AFFECTING ONLINE SHOPPING BEHAVIOR OF CONSUMERS UNDERSTANDING FACTORS LEADING TO CONSUMERS' LOYALTY

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ABSTRACT

The aim of this research is to discover what factors influence consumers with regards to electronic commerce, likewise, to see the connection between e-satisfaction and e-loyalty. As Internet has become a channel where online exchanges have been done, and this made requirement for organizations to see how purchasers see web-based purchasing.

First thing done in this study was incorporating applicable and relevant literature, and afterward testing which factors are influencing consumers' choices to purchase online. Seven speculations were planned regarding consumers past experiences with web-based business and e-commerce.

Information gathering was done by the overview, which was sent online to 200 arbitrarily chosen individuals, from which 104 responded. Through the survey, the results of this study brought up the connection between satisfaction with online service and consumers' aim to buy later, which creates consumer loyalty. In this way, the central matter of the study was accomplished effectively.

Keywords: E-Commerce, E-Satisfaction, E-Loyalty, Purchase Decision Process

INTRODUCTION

The paper has been separated into 5 segments, named as; Introduction which will give all information regarding the background of the study, purpose, research objectives and hypotheses. Literature review which gives information of other's opinion and expound on the online shopping behavior of consumers. Methodology segment in which is clarified the method utilized for gathering the data. Results and discussion area will address and decipher the data that was accomplished from survey, and the last segment is Conclusion.

BACKGROUND

Online shopping is a wonder that is developing rapidly these days. A peep into the dramatic development of the primary parts in this sector shows there is yet an enormous supply of market potential for e-commerce. The convenience of online shopping delivering it an arising pattern among consumers. Online shopping can be resolved as movement that manages selling of products and services through Internet, and for businesses is imperative to know about how consumers see online purchases. These days, researchers are foreseeing that in a soon period e-commerce could undoubtedly happen rather than customary traditional business.

(Mallapragada, Chandukala & Liu, 2016) state that Understanding factors that influence online shopping and managing consumer relationships is not a trivial task for firms, considering the many pertinent factors that influence behavior, including the product being shopped (*i.e.*, the “what”) and the context of the website itself (*i.e.*, the “where”). The results of their study support the assertions that contextual factors are associated with online browsing. For example, a website's

scope in terms of product variety is associated positively with visit durations and basket values but negatively with page views. Furthermore, a website's communication functionality is positively associated with basket value for hedonic products. Insights suggest managerial implications involving product and website strategies for online retailers.

Recently, there are number of researches who need to recognize role of satisfaction in e-commerce and there is yet expected to comprehend the connection between e-satisfaction and consumer e-loyalty. Consumer satisfaction is crucial for acquiring a better financial performance of services in company, which is the second most significant thing for them, after acquiring a profit.

Purpose of this study is to identify and set out primary factors which are influencing, and which are critical to consumers when choosing to shop online. Likewise, one of the goals is to decide the connection between e-satisfaction and e-loyalty of consumers.

LITERATURE REVIEW

(Turban, Outland, King, Lee, Liang & Turban, 2018) defined Electronic Commerce; it is a business model in which transactions take place over electronic networks, mostly the internet. It includes the process of electronically buying and selling goods, services and information.

(Fu, Manogaran, Wu, Cao, Jiang & Yang, 2020) The development of big data and Internet of Things (IoT) have brought big changes to e-commerce. Different kinds of information sources have improved the consumers' online shopping performance and make it possible to realize the business intelligence. Grip force and eye-tracking sensors are applied to consumers' online reviews search behavior by relating them to the research approaches in IoT. By comparing the fixation time participants spent on the Areas of Interest (AOIs), we justify that consumers' online reviews search behavior is substantially affected by human contact degrees of recycled products. It was found that consumers rely on safety perception reviews when buying high contact goods.

(Nisar & Prabhakar, 2017) Evidently, the Internet has resulted in a fundamental shift in retailing practice, creating a shift in both consumer and business behavior, which has been compared to that of the Industrial Revolution. The results show that customer satisfaction does have an impact on consumer spending in American based e-commerce retailers. Further, the relationship between customer satisfaction and consumer spending is positive, where higher e-satisfaction results in more spending in e-commerce. The results also show that there is a direct relationship among e-service quality, e-satisfaction and e-loyalty in terms of online spending by consumers.

(Kaya, Behraves, Abubakar, Kaya & Orus, 2019) Intense competition drives e-tailers to search for radically new ways to maintain and increase their market share, their study findings show that website familiarity has a significant positive moderating effect on the relationship between e-satisfaction and e-loyalty, while e-service quality positively affects e-loyalty directly and indirectly through e-satisfaction.

(Khan, Zubair & Malik, 2019) Asian markets have been identified as the fastest growing e-commerce markets in present era. Similarly, retail sector in Pakistan is booming, at the same time an exponential increase is being observed in the number of internet users and online shopping. It is important for marketers and retailers to explore new horizons and enter the age of e-commerce for expansion of their businesses. Findings indicate that all the first latent constructs are significant where e-satisfaction and e-loyalty are influenced by e-service quality. The analysis shows that there is a strong positive relation between E-SQ and E-CS and E-SQ and E-CL.

E-loyalty can be communicated as store loyalty or dedication which implies that consumers are ceaselessly visiting stores and purchasing items from same brand. Consumer loyalty as a point where consumer show and rehash purchasing conduct which have positive nature identified with product provider, and they are rehashing this activity continually.

Research objectives and hypotheses

Objectives of this research paper are: to discover the historical backdrop of e-commerce, to look at fundamental variables influencing the online consumer when considering and making a purchase over the Internet, to decide the connection between e-satisfaction and e-loyalty of consumers in online shopping, to examine how trust and satisfaction add to loyalty.

Hypotheses:

- H₁ Consumers are generally satisfied with online purchasing.*
H₂ Prices of products positively affects the consumers' online purchasing behavior.
H₃ There is a relation between perceived risk and consumers' online purchasing behavior.
H₄ There is a positive influence of trust on consumers' online purchasing behavior.
H₅ Consumers' future buying behavior is affected by web design, delivery time, and last experience.
H₆ There is a relation between consumers' satisfaction and their intentions to buy in the future.
H₇ Satisfaction of consumers is affected by convenience and quality offered.

METHODOLOGY

In this study, the target population incorporates Jordanian online shoppers who have or have not bought consumer hardware items on the Internet, and objective is to survey their suppositions about e-commerce. The essential data was gathered through survey. To proficiently arrive at the target group a survey was conveyed online to 200 arbitrarily individuals, number of respondents was 104. Survey comprised of 24 questions, which were created from perusing relevant literature, and was planned and designed by utilizing Google Drive. It contains a few background information about respondents; e-service quality, satisfaction, it investigates shoppers purchasing behavior, e-loyalty as far as re-purchase intentions, segment and demographical data; sex, education, age, monthly income level. Respondents were asked to peruse questions cautiously and to be straightforward. Results of survey that were gathered were likewise deciphered in PASW Statistics 18th edition. Auxiliary and secondary data was gathered from journals.

RESULTS & DISCUSSION

This part will address gathered data. Analyses have been done by utilizing descriptive statistics insights and relapse. Results depend on responses from 104 respondents.

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
Female	59	56.7	56.7	56.7
Male	45	43.3	43.3	100
Total	104	100	100	

Valid	Frequency	Percent	Valid Percent	Cumulative
				Percent
Under 20	18	17.3	17.3	17.3
	74	71.2	71.2	88.5
21-30 31-40	9	8.7	8.7	97.1
Over 41	3	2.9	2.9	100
Total	104	100	100	

Table 3 EDUCATIONAL LEVEL OF RESPONDENTS				
Valid	Frequency	Percent	Valid Percent	Cumulative
				Percent
High School	9	8.7	8.7	8.7
Undergraduate Student	59	56.7	56.7	65.4
Graduate Student	8	7.7	7.7	73.1
Master’s degree	28	26.9	26.9	100
Total	104	100	100	

As we can see from table 4.1 sample consists of 104 respondents, both males and females. There were 59 female respondents (56.7%) and 45 male respondents (43.3%) used in the sample. Table 4.2 analyze the age of our respondents, so as we can see, 18 of respondents were aged under 20, 74 of them were from 21 to 30, 9 of them were from 31 to 40, and 3 of them were over 41 yearsold. The 71.2% of respondents were from 21 to 30 years old.

Table 4.3 represents respondent’s educational level, so as we can see 9 respondents were high school, 59 undergraduate students, 8 graduate students, and 28 master’s degrees. So, majority of respondents (56.7%) were undergraduate students. After this descriptive study, hypotheses will be examined.

H1 Consumers Are Generally Satisfied With Online Purchasing

Table 4 SATISFACTION OF CONSUMERS				
Valid Missing	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	78	75	80.4	80.4
No	19	18.3	19.6	100
Total	97	93.3	100	
System	7	6.7		
Total	104	100		

To analyze this hypothesis, frequency was used. So, as we can see from table, 75,0% of respondents are satisfied with online purchasing, 18,3% are not satisfied and the rest of respondents didn’t answer this question. And according to results we can accept Ho and say: Consumers are generally satisfied with online purchasing.

H2 Prices Of Products Does Not Positively Affect The Consumers’ Online Purchasing Behavior

Table 5 PRICES OF PRODUCTS AFFECTING CONSUMERS			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.426 ^a	3	0
Likelihood Ratio	22.966	3	0
Linear-by-Linear Association	18.459	1	0
N of Valid Cases	96		

To test this hypothesis, we used chi square test. Our p-value is 0.000 which is smaller than 0.05, so we can reject this hypothesis, too. Because prices of products positively affect the consumers online purchasing behavior.

H3 There is no relation between perceived risk and consumers' online purchasing behavior

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.822 ^a	3	0.032
Likelihood Ratio	10.182	3	0.017
Linear-by-Linear Association	8.679	1	0.003
N of Valid Cases	104		

Chi square test analysis is done to confirm the hypothesis. From table 4.6 we can conclude that p-value is 0.032, which is significant at 5%. According to that, Ho is rejected which means: There is a relation between perceived risk and consumers online purchasing behavior.

H4 There is positive influence of trust (safety) on consumers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	7	6.7	7.2	7.2
Missing	Slightly Disagree	24	23.1	24.7	32
	Slightly Agree	43	41.3	44.3	76.3
	Agree	23	22.1	23.7	100
	Total	97	93.3		
	System	7	6.7		
Total		104	100		

In order to see if trust (safety) has influence on consumers while doing online shopping, frequency is used. From table 4.7 we can see that 63,4% of respondents agreed that trust has influence, and 29,8% disagreed. So, in this case, hypothesis is accepted because majority of respondents think it has influence. There is positive influence of trust (safety) on consumers.

H5 Consumers' future buying behavior is not affected by web design, delivery time, and last experience

	Sum of Squares	df	Mean Square	F	Sig.
WebDesign Between Groups	0.862	2	0.431	0.277	0.759
Within Groups	144.545	93	1.554		
Total	145.406	95			
DeliveryTime Between Groups	1.833	2	0.917	0.591	0.556

Within Groups	145.713	94	1.55		
Total	147.546	96			
LastExperience Between Groups	2.998	2	1.499	4.311	0.016
Within Groups	32.336	93	0.348		
Total	35.333	95			

For testing those variables, factor and dependent variables are identified, and Anova test is used. According to results p-value for web design is found to be 0.759 which is bigger than significance value (0.05), and p-value for delivery time is 0.556 which is, also bigger than significance, so we can say that consumers future buying is not affected by web design and delivery time. But p-value for last experience is 0.016 which is smaller than 0.05, which means consumers future buying is affected by last experience.

H6 There is no relation between consumers' satisfaction and their intentions to buy in the future

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.626 ^a	2	0
Likelihood Ratio	15.965	2	0
Linear-by-Linear Association	8.073	1	0.004
N of Valid Cases	97		

For testing this hypothesis chi square is used. As we can see from table, obtained p-value is 0.000 which is significant at 5%, so we can reject Ho, and say —There is a relation between consumers satisfaction and their intentions to buy in future.

H7 Satisfaction of consumers is not affected by convenience and quality offered

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
		2.143	0.184				11.667
1(Constant) Online Shop Convenient	-0.196	0.06	-0.311	-	0.002	-0.315	-0.076
				3.246	0.001		
Offers Better Quality	-0.13	0.039	-0.32	-		-0.208	-0.053
				3.336			

Regression is done, in order to see if satisfaction is affected by convenience and quality of products. According to the table above, p-value for convenience is 0.002 and for quality is 0.001 which means they are both significant at 5%. Those results enable us to reject Ho, and to say that

consumers' satisfaction with online products is affected by convenience of products, and quality offered.

CONCLUSION

The study's findings have achieved its destinations. For factors that influence consumers while shopping online, and that influence satisfaction, they consider that convenience and trust are the main factors, the following which are significant at them are costs and nature of items. Those factors are the most fundamental ones for buyers when they choose to shop online. As per gathered answers, they are dubious. What's more, the reason for this might be raised cheating, fraud and extortion on the Internet.

On the off chance that the price on the Internet and in some local store is roughly indistinguishable, the consumers will give more consideration and interest on selection of products as opposed to price. Likewise, as indicated by results, if there is a good consumer's past experience, if consumer is happy with products and services, and if there is risk at least level than he will purchase more later on, which implies he will be loyal. Website design and conveyance time are not significant for consumers while doing online shopping purchases.

This research can help numerous consumers to see all preferences and advantages that online shopping is offering, to see that there are different choices for doing shopping as opposed to going to conventional stores, and may turn into an initiator for utilizing e-commerce, too. Thus, upon this we can presume that there is a positive and huge relation between e-satisfaction and e-loyalty. Furthermore, that the results of study may unquestionably improve the overall knowledge and mindfulness about e-commerce and might turn into a direction for some future studies.

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