Online Shopping Behavior: Factors Affecting Consumer Trust and Purchase Intensions in E-commerce

Chennakeshi Ganesh[1]

[1]assistant Professor, Mba, Kg Reddy College of Engineering & Technology, Chilkur(V), Moinabad (M),
Ranga Reddy (Dist), Telangana – 501504
cganesh8489@gmail.com

Dr. Sapna Mathur[2]

[2]Assistant Professor, Sharda School of Business Studies, Sharda University, Greater Noida (U.P)
sapna.mathur99@gmail.com

Dr. Yogendra Singh[3]

[3]Professor, Management Studies, JSS Academy of Technical Education, Noida (U.P)
yogendramyv@gmail.com

Anand Brahmbhatt[4]

[4]Assistant Professor, Faculty of Management Studies, Sankalchand Patel University
dranandkumarbrahmbhatt@gmail.com

Dr. Christabell Joseph[5]

[5]Associate Professor, School of Law, Christ University
Christabell.joseph@christuniversity.in

Dr. Prakashraj P. Kumavat[6]

[6]Assistant Professor, Faculty of Management University, SPCE, Sankalchand Patel University,
Visnagar - 384315, Gujarat
prakashrajkumavat@gmail.com

Abstract- This is new era of shopping and buying almost anything. The customer does not have to shake a leg to secure or get hold of anything. Just a little time and few clicks on the online shopping platform will do the job. But as the offline shopping patterns have changed so have changed the shopping style and preferences of the customers. Now they have plentiful of choices, delivery preferences, types of discounts and perks. Despite of all these the people who do not shop online are a common finding. What are the reasons that they do not have trust or is trust a stable feature among whose who regularly shop online are the skeptical aspects that have been explored in this paper.
Keywords- Customers, purchase intention, online shopping, trust, online reviews

Introduction

Shopping behavior of customers have now seen a dramatic shift from traditional online shopping to modern age digital and online shopping. Many factors along with the Corona virus global pandemic with which the world was dealing just recently have contributed to immense enhancement of people who now purchase things online [1]. The latest, easy-to-use website designs, plentiful of options, door-step delivery, hassle-free returns and secure payment gateways have contributed immensely to enhancement of customers who now prefer online shopping [2]. The major factors responsible for immense success of online shopping are depicted in fig. 1.

Fig. 1- Factors responsible for success of online shopping

can be seen vast contrast and huge diversity in complexity in factors that affect online shopping behavior of customers. When we were living in the era of traditional shopping customers had limited choices and their purchase decisions and intentions were simple and straight they had less options they had even fewer options of changing the product and almost nil options of returning back the product and getting their money back but online shopping has changed and hence the entire scenario [3]. Also, one new trend that can be seen in intention of online customer is getting personalized product which is custom made according to their choice/ preference/ taste/ and even color (color particularly in terms of shopping of fashion garments and accessories also footwear and handbags). Even crockery gift items where people are getting their messages engraved and also their personal pictures printed.

Review of literature
Study conducted by Venkatesh et al [4] analyzed that online shopping behavior of customers is highly dependent on their economic status their culture the technology they are used to and their personal perception about things. The same study also concluded that the elements that trigger online shopping include value for money, risk taking capacity of the customer, enjoyment out of browsing. It results in impulsive buying behavior and while in the pandemic time a very positive and high impact attitude towards online shopping was observed [5].

Another study conducted by Melovic et al [6] status that important elements of online shopping exhibited by millennials are demographic features and barriers of online shopping besides being others like risks and affirmative characteristics. Another study which was based on stimulus organism response theory model it was concluded that impulse shopping conduct exhibited by customers is highly influenced by the elements of arouser and pleasure [7].

There are several brands now which identify themselves green brand and online shopping behavior for such brands depend on green perceived quality value risk [8]. Corporate social responsibility (CSR) behavior of a company also is responsible for the online shopping behavior of customers and it was observed that CSR activities can impact customer conduct, beyond customer brand dyadic association [9]. CSR can have both positive and negative impact on buying behavior of customer and it is moderated through customer brand social distance. The companies and brands that deal in green energy can influence buying behavior of their customer and important elements that matter are social/emotional/functional value, green perceived value and conditional value.

Online shopping intention of customer is highly influenced by word of mouth which along with customer behavior can predict behavior of distant customer [10].

Other factors that impact online customer behavior include monetary rewards, the attitude of customer towards email advertisements, perceived intrusiveness etc. [11]. A study based on Theory of Planned Behavior (TPB) indicates that online shopping behavior of customers depends on past purchase experience of the customer with a particular brand attitude of

customer, perceived behavior control and drivers that keep the customer informed about the policy information however both subjective and moral norms did not exhibit any significant association on extended TBP [12].

Methodology

This was an interview-based study were 10 different participants volunteered for the study. All of them were more than 20 years of age and were active online shoppers of various brands. They were both males and females and belonged to various fields and had diverse shopping preferences.

Results

Participant one - Online reviews of any product that I intent to purchase play a very important role in making up my mind set. Also, when the actual product quality is premium the reviews automatically reflect the quality and satisfaction according to which I make My purchase decision.

Participants 2- I am an environmental activist and I prefer those brands who have green products and a green vision about what are they delivering. I will opt for organic cotton rather synthetic fabric and on that I will choose the company whose packaging is environment friendly either biodegradable by nature or upcycled paper. I will definitely not choose the packaging material which is made up of plastic and other harmful chemicals. Free pick-up and delivery of products can be an added feature I sometimes don't buy a product I like just because there is a hefty amount of shipping and GST included outside the actual cost that I am willing to pay for the product.

Participants 3- My purchase intention depends a lot on the type of reviews and the number of reviews received by any product or service and my shopping behavior reflects the same. While choosing between any two products or services I will choose the one which has more ratings and positive reviews. There are many companies that exhibit not only the reviews but also the total number of reviews posted for any of their product and the average score received for any particular item. There are also found associated photos/ videos and personal comments posted by users. This can immensely help in building trust towards a brand or a company.

Participant 4 - There are many shopping platforms that have given me a word limit to post my review but actually I am a very explainative kind of person and sometimes by thoughts don't match the word limit which restricts me from posting whatever is in my mind. Because posting half a review is no worth; I want to say about the product or I should not post it

either I should post whatever at all.

Participant 5 - Reputation of any online shopping company is important and reputation building is a vital factor that should be used by novice and less known vendors to attract more traffic towards their platform. It can be done by keeping the customer well informed about the return and refund policy also. For such vendors positive online reviews can be very important in building the trust that they are not able to create on their own. Free pick-up and delivery of products can be an added feature; I sometimes

don't buy a product I like just because there is a hefty amount of shipping and GST included outside the actual cost that I am willing to pay for the product.

Participant 6- I have tried several brands and now I have certain preferences. Whenever I get time from my office or when there is a holiday I often visit the offline Store to see what my brand has to offer. If I am not in an any kind of emergency and need not to purchase I just note down the credentials of the product and when there is any sale or festival offer on my trusted platform I buy the same product from the same retail store at much discounted prices. It gives me immense feeling of pride and satisfaction that I am able to fulfill my wishes and desires and also not disturb my monthly budget. The products from my brand are always of excellent quality which has created my trust towards that brand and I have no intention to switch the brand for any incentive or reason. The brand has my trust and also has me as a loyal customer.

Participant 7 and 8 - We have serious trust issues in online shopping because everything is virtual and nothing is real. We have heard people complaining of receiving wrong size or receiving a product of different color. Now a days many people dress according to the color scheme advised to them either by their stylist or by their astronomist or otherwise also people have different color preferences and choices. I would not end up paying for the color I don't want. Then there are also incidences of receiving entirely different product which means wrong parcel getting delivered and also receiving a product which is soiled or receiving an empty package. Such incidences have happened with us because of which the trust issues have arisen and now they won't settle down easy (fig. 2).
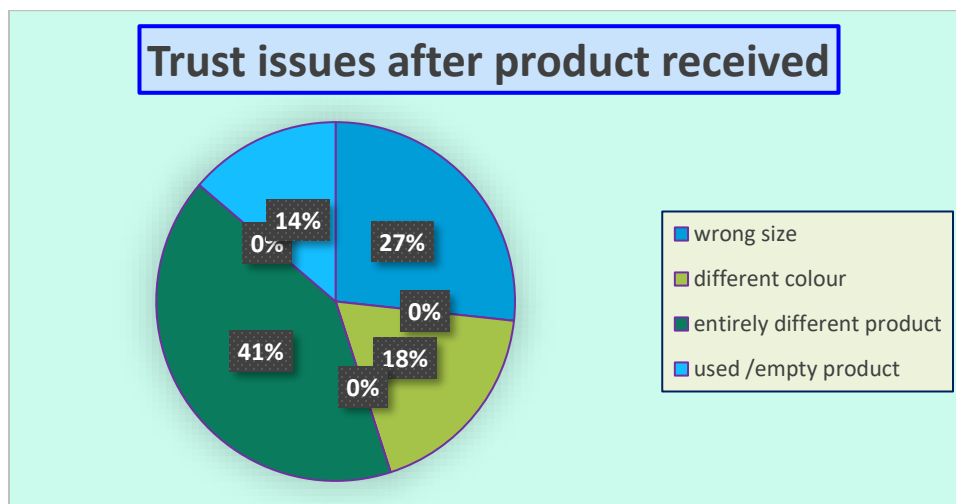

Fig. 2 – Trust issues after product received

Participant 9 and 10 - We have trust issues while we are placing the online order and we get highly impacted by negative reviews posted on our item of choice. If there is any online complaint regarding the quality issue or otherwise it downgrades our trust and seriously hampers our purchase decision. There are times when the same product is available on a different platform with added benefits or at less expensive price which forces us to switch across various platforms and also

sometimes brands. If any of our close associate friend or relative have used the same product we are thinking of buying in future and he delivers any negative review in person to us then also trust issues arise and our shopping intention gets shaken up (fig. 3).
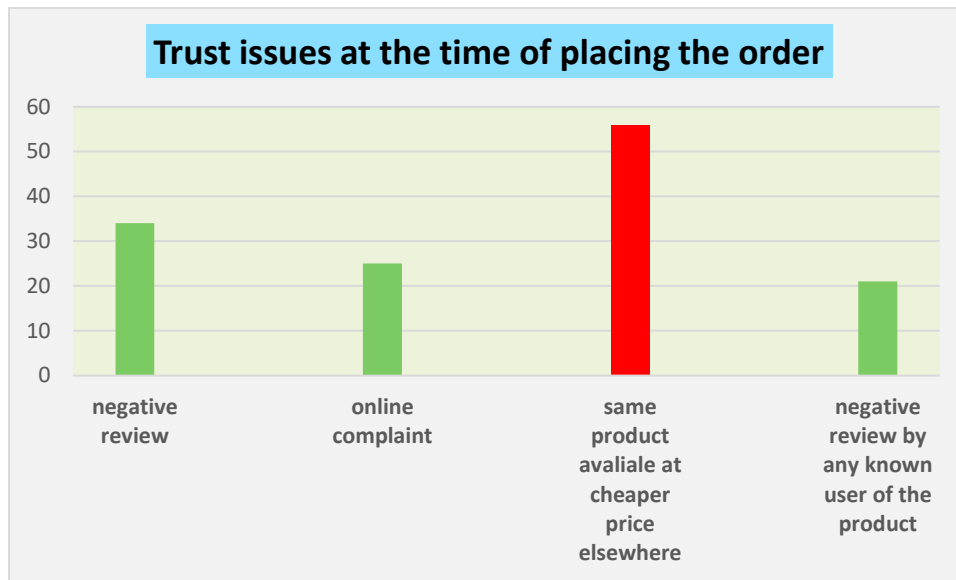

Fig. 3 – Trust issues at the time of placing the order

Discussion

Good quality online reviews are very helpful in diminishing uncertainty about the product and has an accelerating effect on purchase decision of consumer [13, 14]. Study conducted by Uzir et al [15] states that according to the expectancy disconfirmation theory it proves that product quality has an affirmative impact on client satisfaction and also that quality of product and feeling of contentment by the customer are moderated by customers perceived value. Alongside, it can be said that both product quality and customer perceive value add up to give better results when there is immense use of social media.

All shopping platforms have their own unique concept of what type length and perception of reviews they want to show and exhibit and there is no unanimous guideline or standard for writing an online review. There are several shopping websites that offer reward points or miles for customers who devote their precious time/ effort/ and energy in writing an online review. These rewards bring to the customer discount on future purchase sometimes free products or similar perks. And to the shopping website they bring back the same customer to the same website time and again thus building brand and online platform shopping trust in the long run [13].

But then there have been reported like sometimes few websites offer luscious incentives to whoever who is willing to post and in the process sometimes the people who don't like the product or are not satisfied with the product also get attracted to post positive reviews. This might at a time increase the purchase of any particular thing on an online platform. But if it does not match the standard/ quality/ and satisfaction of the customer the customer will not return back to purchase the product again in future and also may be not to the same online site. So providing this kind of lucrative attractions can sometimes go wrong and there are high chances of losing those customers who would otherwise have turned to be loyal customers.

Some other types of online websites and shopping platforms provide extra additional points to those customers who post their review along with the picture of the product or sometimes a video where the customer is trying the product on itself. Also, there are several platforms where they provide high rewards points coins purse or miles for certain products only while other products are available on a general basis without any such added attraction. For example- the largest shopping platform of

China Taobao does not have any review reward system to pay to the customer directly but indirectly it offers incentive for clients that post positive reviews which can be redeemed in form of discounts and coupons at the time of next purchase. Similarly, Amazon 2 does not has any reward program but under its umbrella called Amazon Vine it offers free products from vendors to renews who post thoughtful reviews [13].

There are many customers who trust certain retail brands on an offline basis and then they wait for the same products to be offered on the website of the brand preferably with a discount or with the seasonal offer and this type of customers are more loyal to the brand they have already used as compared to attracting new customers for the same set of products [16]. There are several brands that diminish all chances of uncertainty for clients because they purchase or provide excellent quality which is doubtless and cannot be evaluated until and unless experienced first hand [17].

There are several factors that help in building of online trust that can fulfill purchase intension. Word of mouth plays an important role in building online trust and strengthening purchase intention of any product or item. Recommendation from others and peers also help to bring brand trust and make a successful purchase happen. Other important elements that ensure trust and keep it alive are- past experience from the same seller or brand; and also online reviews posted by other users that have consumed or used any particular product or item (fig. 4).
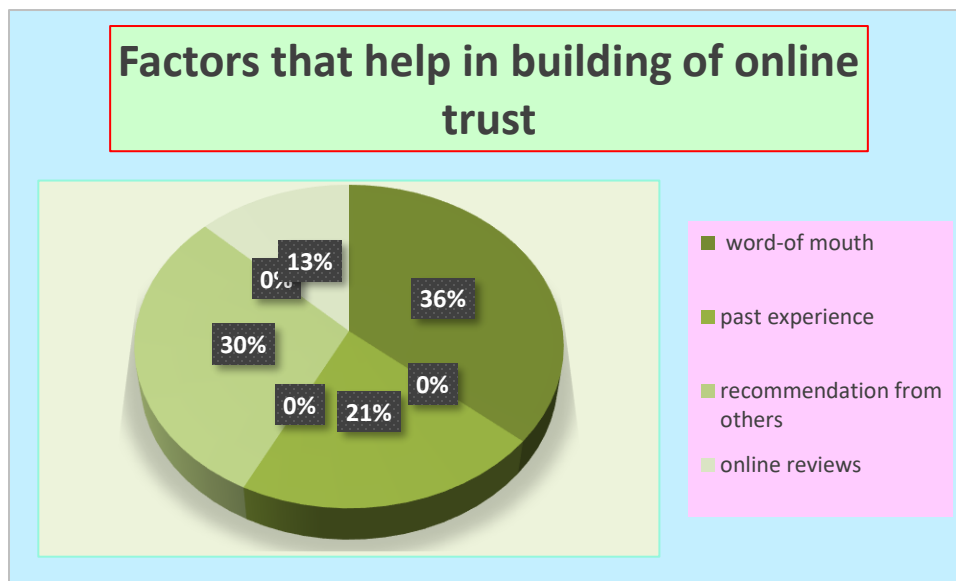

Fig. 4-   Factors that help in building of online trust

Conclusion

Looking from the marketing point of view there can be two types of goods- experience goods and search-based goods. The former are the ones whose characteristics are predefined and already known to the customer for example books; however experience goods are the items where only after purchase the characteristics of the product can be known by the customer example clothing. [18]. In experience-based goods it is almost impossible to talk and evaluate the quality before making the purchase. And it is the same type of goods where potential customers evaluate the products on the basis of already posted information either by the retailer or reviews posted by other customers.

Shopping review which is posted online is a type of peer generated evaluation of the product on a direct bases [19]. There are two types of reviews attribute based which provide all important information and description about the product and then there are experience based reviews. Both type of reviews play their part in building trust and changing the shopping intention to purchase reality. Besides positive review-posts other elements that were found to build trust included word-of-mouth, free pick-up and delivery of products etc.

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