



GLOBAL JOURNAL OF MANAGEMENT AND BUSINESS RESEARCH: E  
MARKETING

Volume 16 Issue 3 Version 1.0 Year 2016

Type: Double Blind Peer Reviewed International Research Journal

Publisher: Global Journals Inc. (USA)

Online ISSN: 2249-4588 & Print ISSN: 0975-5853

# Antecedents of Online Shopping Attractiveness: The Youngster Perspective

By Dr. Deepika Jhamb & Mr. Sahil Gupta

*Chitkara University*

**Abstract-** With growing digitalization and enhancement of IT infrastructure, the youngsters are utilizing the power of internet to buy things online. As the acceptance of online shopping is rising among Indian consumers, the competition is also increasing in E-Commerce space. As many e-commerce websites are in the field, they all are studying the attributes which influence's customers for online shopping. This paper highlights the attributes which leads to online shopping attractiveness in young generation in India. The review of literature identified sixteen important attributes which can be converged into the following four main dimensions that can be named as determinants of online shopping attractiveness: (a) Ease of Transaction (b) Website Image (c) Product Information (d) Website Security. This study is relevant to academicians, researchers and industry people who works in the field of E-Commerce.

**Keywords:** online, shopping, attribute, website, digitalization.

**GJMBR - E Classification :** JEL Code : M30



*Strictly as per the compliance and regulations of:*



# Antecedents of Online Shopping Attractiveness: The Youngster Perspective

## Determinants of Online Shopping Attractiveness: The Youngster Perspective

Dr. Deepika Jhamb<sup>α</sup> & Mr. Sahil Gupta<sup>σ</sup>

**Abstract-** With growing digitalization and enhancement of IT infrastructure, the youngsters are utilizing the power of internet to buy things online. As the acceptance of online shopping is rising among Indian consumers, the competition is also increasing in E-Commerce space. As many e-commerce websites are in the field, they all are studying the attributes which influence's customers for online shopping. This paper highlights the attributes which leads to online shopping attractiveness in young generation in India. The review of literature identified sixteen important attributes which can be converged into the following four main dimensions that can be named as determinants of online shopping attractiveness: (a) Ease of Transaction (b) Website Image (c) Product Information (d) Website Security. This study is relevant to academicians, researchers and industry people who works in the field of E-Commerce.

**Keywords:** online, shopping, attribute, website, digitalization.

### 1. INTRODUCTION

#### a) Online Retailing

The internet provides a marketplace where buyers and sellers conduct transactions directly, interactively and in real time beyond the physical limitations of traditional brick-and mortar retailers, (Brynjolfsson and Smith 2000; Butlar and Peppard 1998; Griffith and Krampf 1998; Peterson et al. 1997; Yun and Good 2007). The growth of internet retailing has been phenomenal over the past few years. Although the "bricks-and-mortar" store continues to be the major channel of retailing, more and more retailers are resorting to online retailing because of consumers' positive response for online retailing. Some researchers have identified shopping enjoyment as a key shopping goal even in the case of "bricks-and-mortar" and online shopping, (Gillet 1970; Koufaris et al. 2001-2002; Childers et al 2001; and Wolfenbarger and Gilly 2001). Online retailers are embracing the advantages of dynamic interface design to keep shoppers happy and spending. As the use and popularity of the internet continues to increase, the preference of online shopping is also increasing. Online shopping still has a large growth potential. It is important for online retailers to

develop effective web presence and back office operations. With increased competition in online retailing, e-tailers must focus on effective design of websites. According to Li and Tang (2011), the competition among e-tailers also tends to be on price dimensions. Such competition leads to substantial price dispersion in the internet markets. As consumers' are accepting internet purchasing, retailers have quickened their adoption of the internet and started using sophisticated information technologies to improve their online presence.

#### b) Growth of Online Retail in India

The internet represents a huge marketing opportunity in India, as the use of technology and means of conducting business continues to rise. The number of people assessing the internet and entering into commercial transactions has been increasing. These transactions have been witnessed for both organizational as well as personal buying, (Joines et al. 2003; Jayawardhena 2004 and Sahney et al. 2008). The retail sector accounted for estimated value of US\$ 422.09 bn in 2011 is likely to increase to US\$ 825.46 bn by 2015 (BMI India Retail Report, 2012). The Indian e-commerce market is growing rapidly. With the introduction of internet and its extensive penetration into common man's life retailing has no longer remained a personal visit activity, but is inching towards online retailing.

**Author α:** Associate Professor, Chitkara Business School - Doctoral Research Center, Chitkara University.

e-mail: deepika.jhamb@chitkara.edu.in

**Author σ:** Research Associate, Chitkara Business School - Doctoral Research Center, Chitkara University.

Penetration of Technology (Bn)

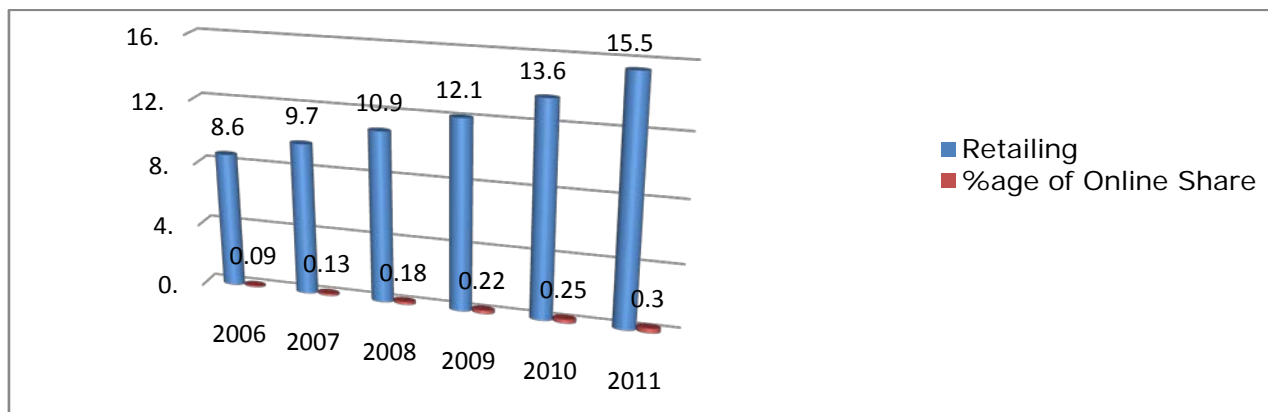
Technology Use	2005	2012	2015	2020
People with internet access	.025	.110	.300	.800
Mobile phone subscribers	.150	.930	1.000	1.100
Smart phone users	.001	.040	.250	.450
Laptop and notebook users	.001	.012	.050	.150

Source: Technopak Advisors report August 2012

The reliance on e-tailing can be gauged through the facts that its size in Indian market has been estimated as USD 14 bn in 2012 and is projected to reach USD 74 bn by 2017 (Technopak Report, August

2012). Indian e-commerce market, on the back of increasing internet penetration and the convenience it offers, has grown at a relatively high growth rate over the past few years.

Share of Online Retail to total Retail Sales INR Lac Crores (2006-2011)



Source: India Retail Report 2013

Though e-tailing is still a very small part of overall retail in India (0.3percent) as depicted in above diagram, it is projected to grow at a fast pace (reaching 1.4percent by 2015) and over the next decade its presence will be even more significant. Also, unlike several organized retailing, online retailing is not limited to large cities. As per IAMA (2013), 48percent of the total urban internet usage was in smaller cities (with population below 1 Mn) and only a third of internet users were in top 8 metros in 2011. Consumer awareness of the latest brands and fashion trends has further fuelled aspirations to own global products and brands, but the limited availability of these in tier II and III cities is driving consumers to go online and shop. Another driver for growth is multiple payment options offered by players (like cash on delivery) and the flexibility in product replacements/exchanges, which have instilled confidence in the small town consumer and created trust in online buying. As per Technopak Advisors Report August 2012, 35percent of Indian population is between 15-35 years of age. India's internet audience is also young, with 15-34 year olds making up 75percent and 25-34 year olds alone accounting for 40percent

visitors to e-tailing sites comprise about 50 percent of this population.

## II. REVIEW OF LITERATURE

In this section an effort has been made to understand the development in online shopping during the last decade with a view to identify the attributes and concerns of online shopping attributes. Internet has brought about social, economic and psychological changes and novelties into the life of common man. Online shopping comes as one of the recent innovations in Indian economic system. As per Aren et al. (2013), online shops have now a day's become more and these varied due to differences between bricks-and-mortar and click-and-mortar stores. Due to busy working and social life, time is gaining more importance. So, online shopping let consumers save time while fulfilling their fundamental needs, cover a variety of products and services in a short time and also helps to avoid traditional shopping costs. Online retailing has attracted a great deal of attention in recent years due to its potential and implications for both buyers and sellers. From the retailers perspective, e-commerce as a way of

doing business that offers a number of advantages like technology improvement that provide greater convenience and more information than traditional retailing. From consumers' point of view, online shopping offers convenience, constraint of time and space disappear, (Eroglu et al. 2001; Kalakota and Whinston 1997; Burke 1997; Li, Ko and Russell 1999, Morganosky and Cude 2000 and Syzmanski and Hise 2000). As per Grewal et al., (2004) product category, access to information, access to price information, novelty, accessibility and convenience are the major attributes of online shopping websites. The study by Teo (2006) indicated that consumer's expectations from online shopping websites include easy contact, providing sufficient information and online security of transaction. Researchers suggested various strategies like prompt delivery, reliable delivery, reliable supply chain practices, focus on reverse logistics, maintaining accuracy of orders and ensuring security while transacting online for better performance. Dawn and Kaur (2011). The findings of the study Chen and Dubinsky (2003) indicated that customer's valence of their online shopping experience and website reputation is positively related to perceived product quality. The retailers providing superior products, excellent service quality, a reputable company image, a user friendly website and a favorable total shopping experience perform better and seemingly can justify the prices and pique the target market. Though, Indian market presents lucrative opportunities for online shopping, there is a limited research to understand Indian consumers online shopping preferences. To cover this gap, the present paper identified sixteen important attributes of online shopping attractiveness from previous studies and applied factor analysis to classify the attributes as per their importance.

### III. CONCEPTUAL DEVELOPMENT

Zhou et al. (2007) the potential benefits of online shopping for consumers include convenience, various selection, low price, original services, personal attention, and easy access to information, among others. Jiang et al. (2009) identified the key convenience dimensions of online shopping and author is of the view that convenience has been one of the principal motivations underlying customer inclinations to adopt online shopping. Further, the five dimensions of online shopping convenience are: access, search, evaluation, transaction, and possession/post-purchase convenience. See-To et al. (2014) measure characteristics of payment methods that affect customer attitudes towards online shopping behavior. Authors concluded that the nature of product and services on offer and the consumer segments targeted can encourage offering those payment methods that consumers are more likely to accept, which could in turn increase the probability of

completing the transaction and not abandoning the shopping cart.

Liu et al. (2004) and Kim and Prabhakar (2004) is of the view that an acceptable refund/return policy would increase the company's credibility and customer trust on online shopping websites. Transaction security is also one of the important dimensions for the success of online trading for providing the online company's institutional status on its payment and refund system, as well as on its policy on the use of private information, (Reddy et al. 2015). According to Cyr (2008), an effectively designed Web site may engage and attract online consumers resulting in satisfaction with an online retailer. Marcus and Gould (2000) is of the view that well designed user interfaces improve the performance and appeal of the Web, helping to convert "tourists" or "browsers" to "residents" and "customers." Limayem et al. (2000) pointed out that the items like site accessibility, web page loading speed, navigation efficiency, product description, and transaction efficiency are significantly contribute towards online shopping. Authors also recommended that providing a valuable and accurate product description will lead to higher online customer satisfaction. Eroglu et al. (2001) expressed that online shopping offers convenience (temporal and spatial), value (through price comparison opportunity), and hedonic consumption possibilities to consumers' by which the potential benefits of the internet can be realized. Further, online customers are more inclined to patronize retailers which offer a substantial variety of services. This is especially in the case of desired services which are not widely available at physical outlets i.e. product and price comparison. Online customers thus expect higher levels of service quality than traditional channels customers, Lee & Lin (2005).

### IV. METHODOLOGY

#### a) *Measurement*

As per the review of existing research on online shopping patronage, Sixteen items were measured on five point Likert scale (1 = strongly disagree to 5 = strongly agree). Table 1 summarizes the linkage of previous authors and items used for measurement on shopping mall attractiveness attributes in the research.

Table 1

	Convenience	Mode of payment	Prompt Delivery	Installation	After sales support	Price	Offers and discount	Return policies	No. of Brands	No. of Products per Brand	Service offerings	Service information	Description of the merchandise	Terms of sale	Safety	Site design
Li and Tang (2011)	✓					✓		✓			✓					
Eroglu et al. 2001	✓															
Kalakota and Whinston 1997	✓				✓		✓		✓							
Burke 1997	✓															
Li, Kuo and Russell 1999	✓	✓		✓							✓					
Morganosky and Cude 2000	✓	✓									✓					
Syzmanski and Hise 2000	✓	✓									✓					
Kim et al. (2006)							✓	✓								
Wolfenbarger and Gilly 2003	✓															✓
Teo (2006)			✓													
Cyr (2008)															✓	✓
See-To et al. (2014)	✓	✓													✓	
Zhou et al. (2007)	✓	✓				✓		✓	✓							
Chen and Dubinsky (2003)									✓					✓	✓	✓
Limayem et al. (2000)	✓							✓							✓	✓

## V. RESULTS AND DISCUSSION

The major driving force for conducting this research is to understand the attribute affecting the shopping behaviour via online platforms. Sixteen

attributes are highlighted in table 1. These clusters were named: (1) E-Commerce website Product attributes and (2) E-Commerce website Service Attributes.

*Table 2 : Exploratory Factor Analysis of E-Commerce website Product attributes*

	Ease of Transaction	Website Image
1. Convenience	.757	
2. Mode of payment	.821	
3. Prompt Delivery	.701	
4. Installation	.668	
5. After sales support	.522	
6. Price	.452	
a) Eigen Value	2.78	
b) percent of variance	38.63	
c) Cumulative Variance	38.63	
1. Offers and discount		.768
2. Return policies		.658
3. No. of Brands		.574
4. No. of Products per Brand		.875
a) Eigen Value		2.45
b) percent of variance		30.9
c) Cumulative Variance		30.9

Using factor analysis, of E-Commerce website Product attributes have been classified into the following two factors: (1) Ease of Transaction and (2) Website Image. These two factors explain 69.53 percent of total

variance. Ease of Transaction includes Convenience (.72), Mode of payment (.82), delivery (.701), Installation (.668) which leads to variance of 38.63. Website Image factor leads for 44.4percent of total variance.

*Table 3 : Exploratory Factor Analysis of E-Commerce website Service Attributes*

	Product Information	Website Security
1. Service offerings	.678	
2. Service information	.546	
3. Description of the merchandise	.675	
4. Terms of sale	.455	
a. Eigen Value		
b. percent of variance	2.45	
c. Cumulative Variance	66.44	
	26.44	
1. Safety		.788
2. Site design		.851
a. Eigen Value		2.89
b. percent of variance		38.34
c. Cumulative Variance		38.34

Using factor analysis of E-Commerce website Service Attributes are classified into a) Product Information b) Website Security. These two factors explain 64.78 percent of total variance. Service offering and Description of merchandise are higher loading factor in case of Product information while Site design is High loading factors for Website security.

## VI. CONCLUSION

This research concludes that there are various factors which affect the online shopping behavior of consumers regardless of the various demographic factors. Shopping which was earlier done from traditional brick and mortar shops are now shifted to



new shopping avenues i.e. the Virtual stores/Online stores. These new shopping platforms gives various types of opportunity and ease for buying the products. As our nation is touching new heights in Information technology, it is also giving a new way to shop and match with growing speed at International levels. For Indian consumers, mode of payment, convenience, prompt delivery, and service offerings are important attributes while performing an online transaction. Simultaneously they are equally concerned for safety and website design which plays an important role in building trust and loyalty towards online shopping platform. Young consumers are also utilizing the internet facilities for getting the product related information as well as they are smartly opting it for doing comparison of product available on these virtual stores which are helping them in taking better decision while making a purchase.

### REFERENCES RÉFÉRENCES REFERENCIAS

1. Ba, S., Kalakota, R., & Whinston, A. B. (1997). Using client-broker-server architecture for Intranet decision support. *Decision Support Systems*, 19(3), 171-192.
2. Brown, M., Pope, N., & Voges, K. (2003). Buying or browsing? An exploration of shopping orientations and online purchase intention. *European Journal of Marketing*, 37(11/12), 1666-1684.
3. Brynjolfsson, E., & Smith, M. D. (2000). Frictionless commerce? A comparison of Internet and conventional retailers. *Management science*, 46(4), 563-585.
4. Burke, Raymond R. (1997). Real shopping in virtual stores. In Stephen P. Bradley and Richard L. Nolan (Eds.), *Sense and respond: Capturing the value in the network era*. Boston, MA: Harvard Business School.
5. Butler, P., & Peppard, J. (1998). Consumer purchasing on the Internet:: Processes and prospects. *European management journal*, 16(5), 600-610.
6. Chen, Zhan., & Dubinsky, J.A. (2003). A conceptual model of perceived customer value in e-commerce: a preliminary investigation. *Psychology and Marketing*, 20 (4), 323-347.
7. Childers, T. L., Carr, C. L., Peck, J., & Carson, S. (2002). Hedonic and utilitarian motivations for online retail shopping behavior. *Journal of retailing*, 77(4), 511-535.
8. Cyr, D. (2008). Modeling web site design across cultures: relationships to trust, satisfaction, and e-loyalty. *Journal of Management Information Systems*, 24(4), 47-72.
9. Dawn, S.K. & Kar, U. (2011). E-tailing in India- its issues, opportunities and effective strategies for growth and development. *International Journal of Multidisciplinary Research*, 1 (3), 101-115.
10. E. W., Papagiannidis, S., & Westland, J. C. (2014). The moderating role of income on consumers' preferences and usage for online and offline payment methods. *Electronic Commerce Research*, 14(2), 189-213.
11. Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2001). Atmospheric qualities of online retailing: A conceptual model and implications. *Journal of Business research*, 54(2), 177-184.
12. Grewal, D., Iyer R. G., & Levy M., (2004). Internet retailing: enablers, limiters and market consequences. *Journal of Business Research*, 57(7), 703-713.
13. Griffith, D. A., & Krampf, R. F. (1998). A content analysis of retail web-sites. *Journal of Marketing Channels*, 6(3-4), 73-86.
14. Jayawardhena, C. (2004). Measurement of service quality in internet banking: the development of an instrument. *Journal of Marketing Management*, 20(1-2), 185-207.
15. Kim, K. K., & Prabhakar, B. (2004). Initial trust and the adoption of B2C e-commerce: The case of internet banking. *ACM sigmis database*, 35(2), 50-64.
16. Koufaris, M., & Hampton-Sosa, W. (2002). Customer trust online: examining the role of the experience with the Web-site. Department of Statistics and Computer Information Systems Working Paper Series, Zicklin School of Business, Baruch College, New York
17. Lee, G. G., & Lin, H. F. (2005). Customer perceptions of e-service quality in online shopping. *International Journal of Retail & Distribution Management*, 33(2), 161-176.
18. Li, B., & Tang, F. F. (2011). Online pricing dynamics in Internet retailing: The case of the DVD market. *Electronic Commerce Research and Applications*, 10(2), 227-236.
19. LI, H., KUO, C. and RUSSELL, M.G., 1999, The impact of perceived channel utilities, shopping orientations, and demographics on the consumer's online buying behavior. *Journal of Computer Mediated Communications*, 5. Available online at: <http://www.ascusc.org/jcmc/> (accessed 1 June 2005).
20. Limayem, M., Khalifa, M., & Frini, A. (2000). What makes consumers buy from Internet? A longitudinal study of online shopping. *Systems, Man and Cybernetics, Part A: Systems and Humans*, IEEE Transactions on, 30(4), 421-432.
21. Ling (Alice) Jiang, Zhilin Yang, Minjoon Jun, (2013) "Measuring consumer perceptions of online shopping convenience", *Journal of Service Management*, Vol. 24 Iss: 2, pp.191 – 214.
22. Liu, C., Marchewka, J. T., & Ku, C. (2004). American and Taiwanese perceptions concerning privacy,

- trust, and behavioral intentions in electronic commerce. *Journal of Global Information Management (JGIM)*, 12(1), 18-40.
23. Marcus, A., & Gould, E. W. (2000). Crosscurrents: cultural dimensions and global Web user-interface design. *interactions*, 7(4), 32-46.
24. Morganosky, M. A., & Cude, B. J. (2000). Consumer response to online grocery shopping. *International Journal of Retail & Distribution Management*, 28(1), 17-26.
25. Reddy, M. S., & Chalam, G. V. (2015). Online Shopping and Buyers' Perception: A Critical Analysis. *The International Journal of Business & Management*, 3(5), 324.
26. Sawhney M, Verona G, Prandelli E. Collaborating to create: the Internet as a platform for customer engagement in product innovation. *Journal of Interactive Marketing* 2005;19(4):4-17.
27. Szymanski, D. M., & Hise, R. T. (2000). E-satisfaction: an initial examination. *Journal of retailing*, 76(3), 309-322.
28. Teo, S.H.T. (2006). To buy or not to buy online: adopters and non-adopters of online shopping in Singapore. *Behavioural and Information Technology*, 25 (6), 497-509.
29. Wolfinbarger, M., & Gilly, M. C. (2001). Shopping online for freedom, control, and fun. *California Management Review*, 43(2), 34-55.
30. Yun, Z. S., & Good, L. K. (2007). Developing customer loyalty from e-tail store image attributes. *Managing Service Quality: An International Journal*, 17(1), 4-22.
31. Zhou, L., Dai, L., & Zhang, D. (2007). Online shopping acceptance model-A critical survey of consumer factors in online shopping. *Journal of Electronic Commerce Research*, 8(1), 41.







This page is intentionally left blank