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Consumer Behavior during On-line Shopping

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Abstract

The main objective of this study is to offer a theoretical and conceptual basis to illustrate the differences that exist in the consumer's behavior, during the online and offline purchasing processes. Afterwards, we want to identify a few basic factors which influence the consumers' decision on whether or not to buy from the respective online channel. Finally, we will show the managerial implications of the way in which, the online sellers can use this knowledge to improve their online stores, to make them more attractive and get more online customers.

Keywords:

Marketing; purchase decision; e-commerce; consumer behaviour.

1. Introduction

Online shopping has been largely accepted as a way of purchasing products and IT services, and has become a popular means within the viral world [19]. Moreover, it offers the buyers more information and options for comparing the product, especially its price, facilitating the process of finding something online [26].

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2. Problem Statement

There are several reasons why people prefer online shopping [17]. For example, consumers can buy anything, at any time without having to actually go to a store; they can find the same product at a lower price [14], by comparing different sites at the same time; the customers might want to avoid the pressure they feel when they have to interact face-to-face with the sales agents, as well as the crowds in shopping centers [28]. Also, people can interact with others, sharing their experiences, developing social interactions [3]. These factors can be classified into four categories: convenience, information, products and services, availability, costs and time efficiency [1].

Convenience

The empirical research shows that the internet is convenient, forming strong customer relationships, aspect which explains the consumers' availability and willingness to buy online [20].

The online stores are available for their clients at any time of the day, unlike the traditional stores, which cannot be opened 24/7 [25]. The researches done in the field pointed out that 5,8% decided to buy online because they could shop whenever they liked, while 61% of the selected subject explained their choice of online purchasing, out of the desire to avoid crowds and the queuing phenomenon, especially during the holiday season [18].

The consumers are interested not only in products, but in online services as well [6]. There are companies which provide around the clock services for online customers [7]. Thus, even after closure time, the customers can ask questions, in order to receive the necessary support and assistance, a situation which provides huge amount of convenience for consumers [15].

Information

The internet has made it easier for data to be accessed [16]. Due to the fact that the customers rarely have the chance to touch or feel the online products and services, before taking a purchasing decision, the online sellers usually offer more information about their products, so as to help their customers during the buying process [10]. The customers appreciate the information which meets their needs [2]. Moreover, the customers can read the reviews left by other buyers, before taking a decision [11].

Available products and services

The online stores offer numerous benefits to their customers by supplying a great variety of products and services [4]. The consumers have the possibility to find all types of products from around the world, which are available only online [21]. Most companies have their own website to offer online products and services, even if they already have a traditional store as well [27]. Lots of traditional retailers sell certain products only online, in order to reduce the selling costs or to offer their clients more options when it comes to dimensions, colours or features [23].

Costs and time efficiency

Due to the fact that online buyers often have better offers, they can purchase the same product put on sale by a traditional shop, at a lower price [12]. Since online stores offer their customers a wide variety of products and services [22]., they also provide their clients more opportunities to compare the price on different sites and to identify the products which have lower prices than in the local stores [5]. Once again, we remind you the aspect that online shopping can be done anywhere and anytime, making the consumers' life much easier, since they do not get stuck in traffic, they do not have to look endlessly for a parking place, stand in a queue at the cash register or make their way through the crowd in a popular shopping centre [9]. For these reasons, lots of customers believe that online shopping sites offer them the convenience they need, reducing at the same time their psychological costs [8].

3. Research objectives:

- Identifying the number of people who usually buy from online stores
- Determining the attitude towards online commerce
- Determining the attitude towards the quality of the services offered within the online environment
- Establishing the degree of appreciation for online stores in comparison with the offline ones
- Establishing the degree of influence of the various factors which determine buyers to use this purchasing acquisition
- The degree of trust granted by customers to online stores, including the Romanian ones
- Establishing the increase rate of the online commerce for the next five years

4. Research Methods

Research tool – the questionnaire

From the 15th of April until the 30th of May, 2018, we performed a survey in order to identify the attitude and the motivations of online buyers. The present study aims to identify the consumers' attitude towards the services being offered [24]., the quality of the respective services, the degree of satisfaction among customers and the influence they have on the choice of the virtual distribution channel.

In order to achieve the research aim, a quantitative research was performed to identify the attitude, the degree of satisfaction and the influence of the determinants [13]. The survey was done on the basis of a questionnaire applied on a sample of 327 people, enclosed to the present paper. The results were exported in an excel file and SPSS was used to process and analyze the data.5.

Age Structuring

The dominant age interval was represented by subjects between 18 and 25 years old (70%), followed by the age interval of those under 18 (12%), the age interval 26-36 years old represented 11%, while customers with ages between 36 and 45 years old, represented only 7% of the total number of subjects.

5. Results

Taking into consideration the length of the study, hereby we present only a part of our results. As it can be observed that for the question:

1. Do you use to buy/purchase products from the online stores?

T subjects (75%) gave an affirmative answer, while only 25% expressed their disapproval of online shopping. By applying the hi square test, the null hypothesis, which claims that there is no connection between habit and trust, was rejected, while the alternative hypothesis, which claims that there is an interdependent connection ($\chi^2=11,864$; $df=1$; $p=0,001<0,05$) between habit and trust, was accepted.

Q1. Do you use to buy/purchase products from the online stores?

Q13. Do you think that the online commerce will increase significantly in Romania, in the next five years?

By applying the hi square test, the null hypothesis, which claims that there is no connection between habit and commerce increase, was rejected and the alternative hypothesis, which claims that there is an interdependent connection ($\chi^2=5,972$; $df=1$; $p=0,015<0,05$) between habit and commerce increase, was accepted.

As it can be observed the ones that are used to buying from online stores, also believe that the online commerce will increase significantly in the next five years.

2. Which of the advantages offered by online stores are important for you as a customer?

The questionnaire results pointed out that, for the majority of online shoppers, the most important aspect was home delivery (61%), followed by the possibility to return the product (28%). The extensive documentation opportunities were considered a plus by only 6% of the subjects while the multiple payment possibilities were attractive to only 5% of the subjects.

3. Have you purchased a product via online stores in the past 12 months?

According to the analysis concerning the purchasing of product from the online environment in the past 12 months, 83% of the subjects gave an affirmative answer, while only 17 % gave a negative one.

Analyzing questions no. 4 **”Which of the advantages offered by online stores are important for you as a customer? And no 5 ” Have you purchased a product via online stores in the past 12 months?”** we noticed that applying the hi square test, the null hypothesis, which claims that there is no connection between the online shopping done in the past 12 months and home delivery and return policies, was reject, while the alternative hypothesis, which claims that there is an interdependent connection ($\chi^2=9,713$; $df=3$; $p=0,021<0,05$) between the online shopping done in the past 12 months and home delivery and return policies, was accepted.

The consumers, who purchased products from online stores, considered as being extremely important the home-delivery possibilities and the return the product policies.

6. Which are the reasons that prevent you from purchasing products from an online store?

If we analyze the results obtained after the present case study, we can observe that the majority of subjects (79%), who expressed a negative attitude towards online shopping, were afraid that the received product might not be the same as the one seen on the website.

It can be observed that for the question:

7. Which would be for you the main reason for purchasing a product from an online store?

The subjects' answers revealed that the main reasons for purchasing products from an online store were: convenience (49%), other reasons (22%), lack of time (19%) and home delivery (10%).

8. Which factors would determine you to purchase products from an offline store and not from an online one?

According to our data, the customers are influenced to purchase from an offline store for the following reasons: they can check the product (61%), have no reason (7%), consider the offline products more qualitative (6%), time spent shopping or convenience (5%), price and security (4%), lack of time (3%), rapidity (2%), ease and socializing (1%).

1 product checking, 2.quality, 3.lack of time, 4 none, 5 security, 6 convenience, 7 price, 8.large variety, 9.time, 10 rapidity 11 socializing 12.ease

By applying the hi square test, the null hypothesis, which claims that there is no connection between commerce increase in the next five years and age, was rejected while the alternative hypothesis, which claims that there is an interdependent connection ($\chi^2=8,919$; $df=3$; $p=0,030<0,05$) between commerce increase in the next five years and age, was accepted.

Implications, Limitations and Suggestions for future studies

The conclusions of the present research are:

- after applying the questionnaire, we discovered that the number of people who use to buy from online store is higher among the age population comprised between 18 and 25 years old
- we observed a positive attitude towards online commerce and services belonging to the same medium
- after reaching the objectives, we concluded that the subjects enjoyed shopping from online stores, while still having high appreciation for the offline ones
- besides the degree of appreciation, we also studied the degree of influence, which determines the customers to choose this type of acquisition; the reasons behind this choice are related to a variety of factors such as: convenience and lack of time
- the present research allowed us to identify the level of trust that customers have in online stores, which turned out to be quite high and on

ascending trend; at the same time, we discovered that people's trust in Romanian online store is growing steadily

- at the end of the research process we reached the conclusion that the subjects were convinced that in the following five years the online commerce would experience a significant increase

- we identified an increase in the number of online purchases done in the past 12 months, the percentage being quite high; the consumers subjected to our questionnaire considered home delivery and the product return policies as being very important when making the online purchasing decision

- after analyzing the results, we observed that most customers did not purchase online products because they were skeptical about the quality of the product and they were worried that they might receive a product having different features than the ones advertised on the website

- the results of the research point out that the majority of people who purchased an online product in the past 12 months, returned for a second purchase

- after the questioning process and the interpretation of the given answers, we can claim that the customers did not encounter problems in completing their transactions

- the unsatisfied ones, few in number (15 subjects), referred to a delayed delivery of products, websites that were not user-friendly, problems related to the payment method and the impossibility to return the product

- the analysis of the answers received to the question related to the factors that determine people to prefer an offline store over an online one, pointed out that most customers based their decision on their desire to actually feel the product with their own hands before buying it.

The present study allowed us to reach the conclusion that the online sales are increasing continuously and they will represent the future of commerce. Therefore, the companies have to readjust and redirect their policies towards this type of online commerce.

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