BEYOND BUYING TO SHOPPERS: MOTIVATION TOWARDS ONLINE SHOPPING

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Abstract

Background & Objective

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. The internet purchase propensity of consumers needs to be accurately identified of information related to purchasing.

Objective

The objective of this paper is to build a model on theories of motivation to develop understanding of online shopper's motivation for placing items in online shopping. Further, the researcher seeks to understand the relationship between shopping motivation factors and online shopping

Research Questions/Hypothesis

The study has also attempted to find whether information-Search and convenience motivation have a significant impact on online shopping.

Research Methodology

This study is conducted on non-probability convenience sampling of internet user basis. Sample is collected from University of management students and Ph.D. research scholar. A structured questionnaire was used to collect data from the respondents. A five points Likert scale consisting of 13 items was used for assessing the motivation for online shopping.

Findings

The researcher identified the 'information-search' and 'convenience' as important motivation factors in online shopping, but among these two 'information-search' works as a higher motivator than convenience.

Key Words: Internet users, motivation factors and online shopping.

Introduction

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Globally, shoppers are gaining tremendous benefits from purchasing goods and services from shopping online. The internet permits the 24/7 and 365 days availability of goods and services with little or no cost. Along with through online shopping shopper can search detailed

information as per requirement any time any where office or home. There are several methods of payment like net banking, credit card and cash on delivery. An online shopper could be motive simply to find the products/he needs. Surplus seeking consumers and retailers are always searching for markets that are more economically efficient hence, online purchasing. The internet purchase propensity of consumers needs to be accurately identified of information related to purchasing. The rapid growth of Internet users in India provides a bright prospect for E-marketers. Companies also use the Internet to convey, communicate and disseminate information, to sell the

product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business.

In addition to the tremendous potential of the Ecommerce market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers. In this paper the researcher identify the information-search and convenience factors as an important motivation factor in online shopping. This factor can help the marketers to identify which kinds of or detailed information shopper browse before shopping or during the shopping. This factor can help to marketers to develop their marketing strategies to convert potential customers to real ones, and also to retain existing customers. This study is expected to improve our understanding of online shoppers' information search. In addition, some valuable insights on how to develop effective strategies to obtain success in the intensive electronic marketplace will be presented to E-marketers.

Objectives

The objective is to build a model on theories of motivation to develop understanding of online shopper's motivation for placing items in online shopping. Further, the researcher seek to understand the relationship between shopping motivation factors and online shopping

Literature Review

1.1. Online shopping motivation

To, P. L. et al. (2007) validate that consumers of online shopping have both utilitarian and hedonic shopping motivations. Utilitarian motivation influence the purchase product online (Pearce and Coughlan). Utilitarian shopper shop online based on their rational decision and efficient and deliberate (wolfinbarger and Gilly, 2001; Monsume et al., 2004) which is related to specifc goal (Kim and Shim, 2002). Online shopping is defined as: "the ability for consumers to order from home electronically (i.e., Internet) and have it delivered at their own preferred location" (Burke, 1997).

1.2. Information search and convenience

Information is the key consideration in consumer's decision to use the inter (Luo2002). While online shoppers may view the cart as a convenient way to organise items of interest, they ongoing search (Bloch et al., 1986). This may entail using the cart as form of information gathering (i.e. a means to get more information on the products of interest) and as a shopping research tool. A recent study shows that a main motivation for online shopping is the ability to easily search (Punjand and Moore, 2009). Along with utility aspect of shopping will like to get more infromation from internet (Shim et al., 2001). Online shopper seek for clear information about security & service, time saving. convenience, security and delivery on time are all important factors for online shopping (Upadhyay & Kaur,) and no crowd of people (Zuroni & Goh, 2012).

Therefore, in this article information search intend refers to the extent to which consumers use the online shopping as a means of gathering and searching information about the products of interest for a potential future purchase. The greater the search information intent the greater will be the frequency of overall shopping online.

Leeflang and Raaij (1995) state in their study that a reason for food retailers to introduce an online grocery shop could be the ability of online shops to better anticipate changes in consumers' shopping behaviour and differences in social demographic profiles, for example, the increased need for convenience (Burke, 1997), reduces the time spent searching for availability of the product information. To, et al.,(2007) people use to online shopping because of convenience , cost saving, availability of information and selection. Convenience shoppers, variety seekers and balanced buyers were found to exhibit a high propensity to shop online, but with varying purchase frequencies, depending upon the product category and in relation to their main shopping motivation (Rohm and Swaminathan, 2004).

Convenience orientation mentioned the utilitarian value of shopping, as a task-related, rational, deliberate and efficient activity (Babin et al., 1994). Therefore, shoppers with convenience orientations try to minimize their search cost as much as possible to save time or energy for activities other than shopping.

Hypotheses

On the basis of above literature review there are four proposed hypothesis

H1: information-Search motivation has a significant impact on online shopping.

H2: Convenience motivation has a significant impact on online shopping.

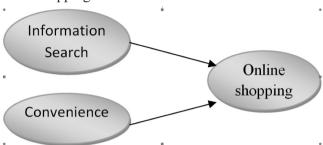


Figure 1: Proposed research model that shows information-search and convenience have a significant impact on online shopping.

Research Methodology

The research population was all persons over the age of 18 years who shop on the internet in the Sagar University. Management student and Ph.D. researcher scholar was select for the study who regularly use internet and enjoy shopping online. Non – probability convenience sampling was used to collect the data with sample size of 127 internet user respondent.

The survey questionnaire consisted of two groups of questions. First, the questionnaire contained questions about demographic profile of internet users in general having habits of online shopping. Second, the main body of questionnaire consist of questions about information search and convenience motivation to online shopping and some questions on online shopping. Total number of questions in second part of questionnaire was 16 out of them only 13 was extract through exploratory factor analysis for the study. Each factor should have at least three items (questions) (Hair et al., 2015). So researcher left these three questions. These questions are adopted from the study of Close and Kinney (2012) and Suki (2001). Data was analysed using SPSS version 16.

Data Analysis

Bartlett's test of sphericity was used to indicate the statistical probability that the correlation matrix has significant correlations among the variables (Hair et al., 2015). Bartlett's test of sphericity should be statistically significant at p<0.05 and the result of this study attained

a significance level of .000. The KMO-MSA index was used to measure the sampling adequacy and quantify the degree of inter-correlations among the variables (Hair et al., 2015). The overall KMO-MSA value for the scale in this study was .720, which is regarded as a middling result (>.70 or above) (Hair et al., 2015). As shown in the table 1, the numerical figures indicated that the present data set was appropriate for factor analysis.

Table 1: KMO and Bartlett's Test

Kaiser-Meyer-Olkin	
Measure of Sampling	.720
Adequacy.	
Bartlett's Test of	424.970
Sphericity Approx. Chi-	
Square	
df	120
Sig.	.000

To verify the reliability of the research constructs, the internal consistency analysis (Cronbach's alpha) and item-to-total correlation are used to identify the internal consistency reliability of the proposed constructs. The suggested alpha value should be greater than 0.7, it may be 0.6 in exploratory for the items to be considered reliable (Hair et al., 2015) and Items with lower alpha values display low internal reliability and should not be considered for while analysing testing the model. In this highest internal reliability displayed information-search ($\alpha = 0.771$), convenience ($\alpha = 0.595$) and online shopping ($\alpha = 0.502$) (See Table 2). The validity was tested by examining the factor loadings of each item. The recommended level of factor loadings should be above the value of 0.5 (Hair et al., 2015). As, all items are above this level (Table 2).

Table 2: Exploratory Factor Analysis

	Items	Factor	Reliability
		Loading	(Cronbach'
			s Alpha)
	Information- Search		
1	It is easy to access fast & latest information in online shopping.	.701	

I can search more information on the product on online shopping	
information on the product on online shopping	
on the product on online shopping	
product on online shopping	
online shopping	
online shopping	
shopping	
web-site	
3 Customer .636 0.771	
care service	
information	
clearly stated	
on web-site	
4 It is easy to .615	
me access	
wider	
information	
in online	
shopping	
5 In online .595	
shopping,	
shopper can	
search level	
of detailed	
information	
as per	
required	
6 It is cheaper .527	
source to get	
the	
information	
for shopping	
Online	
shopping	
7 Online .785	
shopping	
reduces need	
for	
intermediaries	
8 Online .593 0.502	
shopping reduced	
waiting time	
for searching	
products	

9	Online	.574	
	shopping		
	makes me		
	feel like I am		
	in my own		
	universe (e.g.		
	home, office		
	etc)		
	Convenience		
1	Shopper can	.770	
0	browse		
	online		
	shopping		
	website for		
	24 ×7 hours		
1	There is no	.751	.595
1	crowd of		
	people on		
	online		
	shopping.		
1	There is no	.682	
2	traffic jam in		
	online		
	shopping		
1	No hassle of	.542	
3	queuing to		
	counter for		
	payment		

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization

The results indicated in Table 3 show that both the independent variables (information-search and convenience) have statistically significant correlations with online shopping. The information-search has a stronger relationship with online shopping (r = 0.320, p < 0.01) than convenience factor with online shopping (r = 0.267, p < 0.01).

Table 3: Construct inter-correlations

	Online shopping	Inform -search	Convenience
Online shopping	1		
Inform- search	.320**	1	
Convenience	.267**	.341**	1

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Table 4: Hypothesis testing

S.N o.	Hypothe sis	N=127 Standar dize estimate (β)	t- val ue	Conclus ion
H1	Informat ion- search has a significa nt impact on online shopping	.346	3.8 29 (.00 0)	H1 Accepte d
H2	Conveni ence has a significa nt impact on online shopping	.210	2.5 34 (.00 7)	H2 Accepte d

Conclusion

The results of this study show that the shoppers with high shopping motivation perceive greater involvement in online shopping. However, all online shopping motivation factors are not equally influential. Main motivations for consumers to shop online are diversified in comparison to brick and mortar stores as it provides more available of product, convenience, search wide information related to product variety with vast brands. Both two factors (information-search and convenience) information-search has the highest loading and more motivating to customer to shop online than convenience factors suggest that customer can easily access fast and latest various kinds of information related to product like warranty & guarantee, price and availability. The customer perceived that it is a cheaper source of accessing the information. The second motivating factor is convenience as there is no traffic jam, no crowd and no hassle of queuing at counter for payment in online shopping. Understanding the nature of these motivations will give the promise that electronic commerce will increase the shopping percentage with customer satisfaction. This paper provides a framework that also helps researchers understand the motivation factors towards online shopping. Researchers can conduct similar

studies in different geographical areas to validate the findings of this study and can use different motivation factors in future.

Limitations

Like any other study this study also have certain limitations. The first limitation of the study is that the data were collected amongst the management students and Ph.D. research scholars of Central University of Sagar and the sample size is only 127 respondents that can't be generalised for the whole India. As India being a very diverse country in terms of cultural, economic aspect, social aspect and education level. The shoppers of different regions have different perceptions, attitudes and motivation towards any medium of shopping (e.g. offline and online) so on basis of the present data it is not possible to generalise the findings of the study to the Indian shoppers as a whole. Another limitation of this is time and cost of collecting data which affects the findings of the study.

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