

## Literature Review on Consumer Attitude towards Web Based Shopping

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### Abstract

The development of e-commerce has been tremendous in the recent years due to the growth of internet and the easy availability of internet usage. Easy access to internet has motivated consumers to shop online. Previous studies have indicated that some of the most important key dimensions of online shopping are advertising, website design, privacy and security perceived risk etc. Although online shopping in India has increased rapidly in the last few decades, yet proper research has not been undertaken to determine what influences consumers to purchase products online. Also a thorough insight of online shopping and the various factors that influence the online purchase of products will help marketing managers to develop appropriate strategies for selling their goods over the internet. The present study is a literature review. Hence the related past research studies, which are available in the internet in published form and relevant to the objectives of the study, have been referred. The literature both international and national has been reviewed in chronological order. The main objective of the study is to look into the previous literature related to the factors affecting consumer attitude towards online shopping. So the literature from 90s to till now has been studied for this study.

**KEYWORDS:** Consumer attitude, Online shopping, Privacy & Security, Perceived risk, Empathy, Website design

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### INTRODUCTION

It has become a known fact that using internet helps in buying products and services online conveniently. According to Bourlakis et al., (2008) in Internet community, online shopping is very popular. It helps in providing a detailed information regarding the procedures for buying goods and services online which further helps in comparing products and prices online. The more the choice and convenience, the easier it is to find online your desired product or service (Butler & Peppard, 1998). Yu & Wu,(2007)has also observed that online shopping provides more satisfaction to the modern day consumers who are seeking convenience and pace. In the same way, attitude plays a central role in the theories and research regarding consumer behavior. (Ajzen, 2008). According to (Fishbein & Ajzen, 1975, p. 336) the term 'attitude ' was introduced in social psychology as an explanatory device in an attempt to understand human behavior. Most of the consumers form attitude towards buying goods online depending upon the security provided by different online websites as security is a critical successful factor for e-commerce. Even today, the security of online transactions is still a leading issue when it comes to online shopping (Park & Kim, 2003; Elliot &Fowell, 2000; Liao &Cheung, 2001; Szymanski & Hise, 2000).

## LITERATURE REVIEW

### Privacy & Security

According to Belanger et al., (2002), privacy in ecommerce can be defined as the willingness to share personal information over the Internet, which allows for a transaction regarding a purchase to be made. To ease people's minds about the issue of privacy, many websites have privacy policies in place (McGinity, 2000). In the same way security has also been defined by many authors. Flavian and Guinaliu (2006) defines security online as the belief of the consumer that his financial data will be secured, not made accessible to public especially unauthorized people. Some researchers suggested that the security of online transactions is a major issue that affects online shopping ( Elliot &Fowell, 2000; Liao &Cheung, 2001; Szymanski & Hise, 2000). Kesh, Ramanujan and Nerur (2002) stated that in the success of ecommerce, one of the most important factors is security. According to Pan and Zinkhan (2006), privacy issues mainly affect the trust and belief of the consumer towards the online retailer. Hoffman et al., 1999; Hou & Rego,(2002)stated the more the security and privacy offered to the customer in online shopping, less risk about exchange of information. The more positive is the effect on the trust of the consumer, and the better is the shopping experience.

### Advertising

Online ads such as banners and pop-up ads play a very significant role in the consumer attitude towards online shopping. Kotler & Killer, (2012), stated that e-promotion such as free computer software trial and personalized offering via email helps in increasing and affect online shopping. Liaukonyte et al. (2014) investigated the relationship between single-source advertising on sales of large retailers and found that advertisements shown in TV motivate direct-response, which results in positive impact on a retailer's sale. Faber et al.,(2004) have suggested that e-advertising may not affect consumers' purchase decision; instead it increases brand awareness But investigators like Nuseir et al. (2010) examined in his study that promotional offers cut off the perceived risk factors associated with online shopping. According to Lim et al. (2011) advertising on Internet would be more effective in influencing consumers' online shopping behavior if sales promotions were given more importance along with the advertisements.

### Convenience

Convenience is one of the most important factors prompting consumers to shop online, (Ahmad, 2002; Jayawardhena et al., 2007). According to Swaminathan et al., (1999) convenience is the main reason that motivates consumers to shop online. Convenient accessibility of product information also facilitates and help shoppers to make an online purchase decision (Loshe & Spiller, 1999; Wang et al., (2005). In an another study developed by Jiang, Yang stated that consumers need comfort in their variation organization to carry out shopping. Even though, online shopping comfort is one of the important factor considered by the consumer in accessing online retailer websites, many previous researches which assessed on e-commerce which was treated in building comfort as one of the predictor variables, like consumer service and trust, that give effect on result variable, such as consumer's satisfaction and attitude intention.

### **Perceived Risk**

Cox and Rich, 1964 defined perceived risk as the nature and amount of risk perceived by a consumer in contemplating a particular purchase decision. Research suggests that consumers generally prefer to use electronic commerce for purchasing products that do not require physical inspection (Peterson et al., 1997). Tan (1999) suggests that higher the perceived experience risk, the higher the consumer may shift to brick-and-mortar retailer for the purchase of the product. Whereas, the lower the perceived risk, the higher the propensity for online shopping. According to Bhatnagar et al., (2000) the level of uncertainty surrounding the online purchasing process influences consumers' perceptions regarding the perceived risks.

### **Website design**

Design of a web site is also found to affect consumers' online buying decision. According to Dholakia and Rego [1998], a high daily hit-rate is strongly affected by the number of updates made to the website in the previous three month period. Ho and Wu [1999] suggested that homepage presentation is a major antecedent of customer satisfaction. The other antecedents; like logical support, technological characteristics, information characteristics and product characteristics are also predictive factors to satisfaction. According to Hausman & Siekpe (2009), providing richer media with more real environment has more positive influence with user's involvement. Rosen & Purinton, (2004) suggested dimensions like hyperlinks, navigation bars and sitemaps for effective website design and provide insight into site design characteristics that might lead to repeated visit. Jarvenpaa and Todd, (1997) suggested that the factors like availability of less time for shopping, limited information-processing capability has led customers to demand more with less effort and greater efficiency during online shopping. Baty and Lee,(1995) also examined that the web stores have to design an efficient system to enable consumers to easily find what they need, learn more about it and quickly make a online shopping decision .

### **Attitude**

Some of the study of consumer's attitudes has been associated with consumer purchasing behavior research. According to Fishbein and Ajzen, (1975), consumer attitudes are affected by intention. When this intention is applied to online shopping behavior, the outcome of the purchase transaction could be different. Previous research has examined that attitude towards online shopping is an important predictor of making online purchases (Yang et al.,2007) and purchasing behavior (George, 2004; Yang et al., 2007).According to Taylor and Todd, (1995), Attitude toward a behavior refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior to be acted upon.

### **Time**

According to Bellman et al., (1999), studied the relationships between demographic, personality characteristics and attitudes towards internet shopping, examined that the people who have a more high-tech lifestyle or who works on the internet on a regular basis frequently shop online .Not only this but also the people with time restriction prefer the online shopping methods. The greater it is, the more they become impatient which is

quite an important factor for online shopping. Online shopping requires some planning ahead of time. Even for consumers who shop online regularly, if they don't plan ahead, they are less likely to go for online shopping (Bosnjak et al., 2007).

### **Product variety**

(Straub & Watson, 2001) argued that to understand what consumers want in a website, it is significant that researchers build up and then verify metrics that can observe the feelings and attitudes of customers that shop online widely. ). Researches like Szymanski and Hise (2000), Ahn et al., (2003) found that product variety is a major factor when it comes to satisfaction in online buying. (Keeney 1999) is of the view that the customers make the decision of buying from either place based on factors like who is offering the best value for the product.

### **Empathy**

Empathy is a non direct human element interaction that deals with the provision of caring and individualized attention to customers such as e-mail communication. Researchers related empathy as 'personalization' which includes understanding the particular needs of customers and providing service related convenience (Nusair & Kandampully, 2008) . The personalization is a unique factor that does not exist in many travel sites and as a result by providing personalized services to customers would help to enhance value (Nusair and Kandampully, 2008).Despite the fact that it is believed that there is no instant human interference in the online transactions, while some human contacts are engaged with e-services. Realizing consumer consideration, it demonstrates empathy to consumers.

### **CONCLUSION**

Understanding different factors to shop online is of major importance in e-business for making adequate marketing decisions in order to increase customer satisfaction. Also e-marketers should stress different feature of their sites as they promote the convenience of shopping online. This study has undertaken different factors that affects consumer attitudes towards online shopping. It has been concluded that different factors like perceived risks, Product variety, Time, Attitude, Website design, Convenience, Privacy & Security and Empathy affects consumer attitude as studied by different researchers and mentioned by them in their studies related to the undertaken topic.

### **DIRECTIONS FOR FUTURE RESEARCH**

Though many researchers have found the influencing factors towards online shopping attitude, but there is still a limited study in this field. It is a well known fact that this area of study is still in its initial stage despite its importance for academic and professionals. So further research is needed to determine which of the factors have the most significant effect on behavioral intention to shop on the Internet.

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