

FACTORS AFFECTING ONLINE BUYING BEHAVIOUR OF CONSUMERS: A LITERATURE REVIEW

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ABSTRACT

The factors influencing online buying behavior have evolved significantly in both the global and Indian contexts. This abstract provides an overview of the key determinants that affect consumer behavior when making online purchases in the world and India. Worldwide, the adoption of e-commerce has witnessed exponential growth, accelerated by technological advancements and shifting consumer preferences. In the global context, convenience, price, trust, and product information are universal factors influencing online buying behavior. These elements continue to shape consumer choices, with convenience and competitive pricing playing pivotal roles. However, the impact of these factors can vary based on regional, cultural, and demographic differences. In India, a rapidly emerging digital market, the factors affecting online buying behavior are influenced by both global and local dynamics. In addition to convenience, price sensitivity, and trust in e-commerce platforms, factors such as regional diversity, language preferences, and socio-economic disparities play a significant role. Furthermore, India's unique market features a strong influence of social media, with consumers relying on online reviews and social endorsements in their decision-making process. In both the global and Indian contexts, the trustworthiness of online retailers, data security, and the availability of reliable product information remain critical concerns. While consumers around the world are increasingly turning to online shopping for its convenience, India's dynamic market presents a blend of traditional and modern shopping practices.

KEYWORDS: Online Buying Behavior, Consumer Behavior, E-Commerce, Emerging Digital Market.

Introduction

Online products play a vital role in company business scope, regardless of whether the company is conducting their business online or offline. Now it has become more important for companies to get customer satisfaction not only with conventional services but also offering online services. Instead of e-shopping intention, internet-mediated attitude towards online shopping further more slanted norms affect both intention to shop online and attitude towards online shopping.

Online retailers should focus on making familiarity of online shopping more user friendly and more adaptable. This is important because of pros of online shopping that is convenience, usefulness, efficiency and ease of use appear to be more important than unenthusiastic features of online shopping like privacy of information, online fraud and lack of security. For many consumers who buy online, convenience, security, ease of use, usefulness and value are unmistakably the primary benefits.

Above all, in behaviour of online shopping for apparel, internet search is a critical component concept. The aim of this review is to identify factors affecting consumer online shopping behaviour of apparel.

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Review of Literature

Kumar, D. V., & Dange, U. (2012) This study focus on variables which have impact on buying behaviour of online shoppers in this research FFF model was developed showing filtering elements, filtered by behaviour and suggested factors which affect online buying behaviour of consumers while purchasing goods or services .Kuester, Sabine (2012) in his study researcher evaluate that Consumer behavior as the study of individuals, groups, process and organizations they use to experience of consumer , products, services, or ideas to satisfy the consumer and society needs and wants. Ultimate target of any organization is to earn profit with customer satisfaction. Sociology, psychology, management and economics are balanced. It tries to know the decision-making processes of consumers, both exclusively and in clusters. The objective of this report is to provide information to retailers and wholesalers execution activities level. Implementation and execution of these recommendations will end in better adaptation and satisfaction of customers. Kalia, P., Kaur, N., & Singh, T. (2016) According to this research E commerce and e business play crucial role in knowing needs and demands of customer in this paper there are twenty six factors which are affecting buying behaviour particularly price, convenience, security, information, enjoyment, access and tangibility are most important factors and also for managers these factors help in forming strategies and tactics for the company. Jukariya, T., & Singhvi, R. (2018) This research examines that online shopping is new trend which includes lot of opportunities also youth population has also lot of interest in online shopping transaction security, multiple payment option, personal, privacy, security, quality, product price and speed are the factors which affect buying behaviour of new generation while purchasing online. Jadhav, V., & Khanna, M. (2016) In this research qualitative content analysis is done on college students and it was found that availability ,low price ,promotions ,comparison ,convenience ,customer service, perceived ease of use, attitude ,time consciousness ,trust and variety seeking are online factors which affect buying decision of Gen Z. Lim, Y. J., Osman, A., Salahuddin, S. N., Romie, A. R., & Abdullah, S. (2016) Researcher investigates relationship between subjective norm ,perceived usefulness and online shopping behaviour while mediated by purchase intention and it has been concluded in this paper that subjective norm and perceived usefulness has significant positive influence on online purchase intention. Uzun, H., & Poturak, M. (2014) Researchers focus on factors which affect online behaviour of consumers and also focuses on relationship between E Commerce and E loyalty convenience and trust are most essential factors while purchasing product it has also been found that its price of a product on Internet is identical to the local store price then consumer will pay more attention and have interest in selection of product on Internet.

Syed Irfan Shafi and Dr. C. Madhavaiah consumer behavior is process that constitutes when individual or group select, purchase, use or set out of products, services, ideas or experiences to satisfy their needs. Sproles and Kendall (1986) developed a model to analyze consumer's decision making behavior with eight consumer psychological direction variables viz., perfectionism consciousness, brand consciousness, newness and fashion consciousness, impulsiveness and careless consumer, confused in making choice consumer, habitual and brand loyal consumer, recreational shopping awareness, and price and value consciousness.

James Lawler and Anthony Joseph in their research they indicated towards factors that influence consumer buying behaviour focusing on factors that is affinity of lifestyle.(Ratchford, Talukdar, & Lee, 2001), efficiency and effortlessness (Baty& Lee, 1995), ease to use (Goldsmith, 2000), playfulness (Liu, Armet, Capella, & Taylor, 2001), and risk. In a generic shopping experience factors play important role in the design of differentiation (Jarvenpaa& Todd, 1997).

Wolfenbarger and Gilly (2001) focus on factors that affect retailers for achieving goals.

Prashant Singh E-shopping is also known as online shopping to know about consumer demands, researches or case studies of online consumer buying behaviour are important as it helps to know what kind of product and services consumer want and to analyse when consumer buys product and who buy products online. How consumers mindset for purchasing the products online? I think the whole concept of online shopping has altered in terms of consumer's purchasing or buying behaviors and the success of E-Retailers is depending upon its quality, its branding image, its uniqueness and its popularity etc.

Preeti Singh, Prof. Radha Kashyap, suggested that online shopping behavior is process a consumer takes to purchase a service or product over the internet. In other words, a consumer may at his or her spare time buy from the ease of their own home products from an online store. Consumer attitude in term of online shopping is defined as consumer's positive or negative way of thinking when they are about to make the purchasing decision. Consumer attitudes are affected by their purchasing

intention. The relationship between intention and behavior is based on the assumption that consumers' effort to make rational decisions based on information available to them. Therefore, an individual's behavioral intention to perform or not to perform certain behavior is the immediate determinant of that person's actual behavior (Fishbein and Ajzen, 1975).

Online stores are a form of multi-channel retailing which can now be used to gain access to a wider market (Kim & Park, 2005). Opening up online shops brings about great advantages as many consumers are leaning towards online shopping. Hui, T. K., & Wan, D. (2007) Finding suggest that there is increase in number of consumers and variety of product on Internet in Singapore internet is the easiest method for search of information about product and purchasing of a product, Singapore consumers are well educated and least concerned about security issues for consumers international shopping provide best price for the product which is also cost saving for consumers.

Online Shopping Behaviour and Attitude

An act in which consumers actually pay for goods over the internet is known as online purchasing behaviour. More than half of consumers leave their selection before payment occurs (Shim et al., 2001). As they are hesitate to buy online, perceived financial or product risk also related to apparel fear of purchasing (Beck, 2001). However, for information searches and product purchasing consumers uses Internet as well as for convenience (Beau dry, 1999), good price (Beau dry, 1999), and product variety. Therefore, the present research intends to depict information search and purchasing behavior which is related to innovativeness of the consumer. Familiarity with the service provider and customers' experience with the Internet is directly depends on Customers' attitude toward online shopping for services. Monsuwe (2004) Finds that not only exogenous factors like customer personality, situational factors, product uniqueness, earlier online shopping experiences, and confidence in online shopping but also ease of use, usefulness, and enjoyment, affects customers' attitudes toward online shopping. An approach to internet acceptance is strongly associated with customer shopping behaviour. The perceived ease of use and perceived usefulness determine customers' attitudes toward online shopping, user acceptance of online shopping models is however not affected by perceived usefulness.

Perception of Online Shopping Behaviour

Customer perception includes refers to consumer awareness, their opinions and their impressions, about business, products, and brand. Customer perception is consisted by multiple variables, including direct and indirect interactions with company offerings. The consumer's perception of their experience while shopping online is also a factor to consider. When the consumer's experience and perception about product or service exceeds their expectations, there is a high chance they will become loyal towards that particular online shop or brand. This satisfaction is based on a number of features such as: how fulfilling the services was, how smooth the transaction was and the ease of communication and interaction (Chen & Chang, 2003).

SivaKumar, A., & Gunasekaran, A. (2017) findings suggest promotional activities trigger need in a consumer innovative perceive benefits attitude and intention are four factors which affect online behaviour of Millennial consumers.

(Forsythe, 2010). Some consumers do not shop online because they perceive shopping from store as being soothing and fun. and also e-consumers are habitual of doing offline shopping. (Liu et al., 2013). Ha, H. Y. (2004) This study examines how brand loyalty and brand trust affect online buying decisions some factors which affect decisions are security, privacy, brand name, word of mouth good online experience and quality information according to the researcher not all e-trust promotion activity guarantee brand trust for building brand trust there should be relationship between consumers and particular web brand. It is more easier to them compare products as in online shopping there is wide range of products available. They are attentive towards sales promotions, advertisements and are influenced by brand ambassador when it comes to fashion (Hill et al., 2013). In recent research it has been found that maximum number of respondents spent hours each day on online shopping also it was found that men fashion led more than women consumers in internet shopping. (Watson et al., 2002).

Consumer buying behavior is influenced by the major three factors:

- **Social Factors**

Social factors refer to forces that other people exert and which affect consumers' purchase behavior. These social factors can include culture and subculture, roles and family, social class and reference groups.

- **Psychological Factors**

These are the internal factors that individuals generate for within themselves that influence her/his shopping behavior. The major forces include motivations, perception, learning, attitude and personality.

- **Personal Factors**

These include those aspects that are unique to a person and influence purchase behavior. These factors include demographic factors, lifestyle, and situational factors.

Advantages of Online Shopping

Online shopping is a form of electronic commerce whereby consumers directly purchase goods or Services from a retailer or wholesaler over internet without an intermediary.

- **Ease to Find:** now a days purchasing a product online is much easier than looking for it in the local store. using the search engine feature makes easy to find a product online. There are many websites which sell similar product which consumer is looking for. But in store you have to look for it until you find it.
- **Products can be cheaper:** Purchasing online helps in knowing price and quality of product. Consumer can easily compare prices of a product and can select better option and many website provide discount coupons. This can help in saving money of consumer
- **Save time and energy:** Instead of standing in queue or crowd consumer can save time by shopping online It is easier to shop anytime consumer does not have to wait local stores to open
- **Freedom of choice:** consumer have many option to choose better product because in online shopping there is a vast range of products.
- **Freedom of price flexibility:** Switching of online stores or websites becomes easy.
- **High satisfaction percentage:** shopping online is very reliable and easy. The percentage of consumer satisfaction is very high.
- **Buyer protection:** few websites provides buyer protection to motivate people to buy from their site. These highly trusted websites will give your money back if any seller do not deliver the item or deliver an item which does not match with the description example EBay.
- **Rare product:** Shopping online is very useful in buying rare products.
- **Privacy:** Few products which can't be buy publicly. To maintain desired privacy consumer can buy any kind of product from online web store anonymously.
- **E-business:** online business helps in trading of goods and services and transferring of money. Now a days millions of transactions are done online only. It is easier for many people to open online store without paying any rent and bills which also helps in increasing profit and increasing employment rate.

Disadvantages of Offline Shopping

- **Delay:** The main disadvantage of online shopping is, you cannot receive the product immediately. Consumer have to wait until the product arrives.
- **Inferior product:** Sometimes consumer get defective product and it is also not necessary brand you purchase is original you might get duplicate product. Consumer don't know about the actual quality of the product. Sometimes the description of the product might be different from actual one.
- **Shipping Charge:** Shipping charge and shipping delays are one of the main disadvantages of shopping online. Items are generally cheaper in online web store. But sometime the addition of shipping charge makes the price similar or more expensive than your nearby local store.
- **Delivery Problem:** Sometime you may face Delivery risk. Delivery risk occurs when the seller fails to deliver the original product or delivers a damaged (inferior/duplicate) product due to shipping problems.
- **Shopaholic:** Since it is very easy to search & purchase different items very easily and quickly from online, many people ends up being an online shopaholic. That means they buy too many things they actually don't need. Online Shopaholic people thinks they are saving money because the cost is very low when you shop from online, but sometime it's actually a waste because you don't need them.

- **Scam:** As online shopping is becoming very common the number of online scam and fraud is also increasing. This is why a buyer should always buy from trusted websites only because trusted websites would take care of any fraud to maintain their reputation.
- **Some items are better to buy from the real Store:** You wouldn't like to buy any clothing products because you won't be able to know whether they are going to look good on you or not.
- **Return problem:** Returning an item is difficult in case of online shopping. Although seller accepts return, they usually want the item within a short period of time and you also have to pay for the shipping charges.
- **Warranty issues:** Many electronic items are sold without international warranty. So make sure you contact with the seller to verify whether the item has international warranty or not.
- **Miscellaneous trouble:** There are some other rare disadvantages such as credit card fraud, spyware etc.

Conclusion

One of the most significant factors influencing online buying behavior is the convenience of online shopping. Consumers appreciate the ability to browse, compare, and purchase products from the comfort of their own homes, at any time of the day or night. This is especially relevant during the COVID-19 pandemic, which accelerated the shift to online shopping.

Price remains a critical consideration for consumers. Many shoppers actively seek out discounts, deals, and promotions online. Price transparency and the ability to easily compare prices across different retailers have a substantial impact on purchasing decisions.

Online shoppers heavily rely on product information, reviews, and ratings to make informed decisions. The availability of detailed product descriptions, high-quality images, and customer reviews can significantly influence consumer choices.

Trust in the online retailer and the security of online transactions are paramount. Consumers are more likely to make a purchase if they trust the website and believe their financial information is secure. Trust can be built through professional web design, clear return policies, and reliable customer service. The reputation of the brand or retailer plays a significant role in online buying behavior. Established and trusted brands often have an advantage, as consumers are more confident in the quality and authenticity of their products.

Social media platforms and influencers have a growing impact on online shopping. Consumers are influenced by product recommendations and endorsements from individuals they follow on social media, making influencer marketing a powerful tool for retailers. Many online retailers employ data-driven personalization strategies, which provide customers with tailored product recommendations and offers. Personalized shopping experiences can increase customer engagement and drive sales.

The prevalence of smartphones has made mobile shopping a significant trend. Consumers are increasingly making purchases through mobile apps and websites. Retailers that optimize their online platforms for mobile devices tend to attract more customers.

The speed and cost of shipping, as well as the ease of returns, can be pivotal in the decision-making process. Free shipping, fast delivery, and hassle-free return policies can be strong motivators for consumers. Cultural, social, and demographic factors, such as age, income, and geographic location, also influence online buying behavior. Different consumer groups may have unique preferences and priorities.

In conclusion, understanding the factors that affect online buying behavior is essential for businesses looking to thrive in the digital marketplace. Consumers' decisions are influenced by a combination of convenience, pricing, information, trust, and social influences. To succeed, online retailers need to adapt their strategies to cater to these factors while staying attuned to the ever-changing landscape of e-commerce. It's important to conduct regular market research and adapt to emerging trends and technologies in the field to remain competitive and relevant to consumers.

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