# Czech University of Life Sciences Prague Faculty of Economics and Management

# **Department of Management**



# Diploma Thesis Factors Affecting Consumer Behaviour in Online Shopping in the USA

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

# **DIPLOMA THESIS ASSIGNMENT**

B.Sc. Abdurrahim Dehgani, BSc.

Economics Policy and Administration
Business Administration

Thesis title

Factors Affecting Consumer Behavior - Online Shopping in the USA

### Objectives of thesis

The diploma thesis aims to analyze relevant secondary data on Consumer Behavior, related to online shopping. This analysis will be combined with original primary reconnaissance aiming to concrete improving marketing arrangements suggestions.

### Methodology

"Literature Review" part will be elaborated based on relevant secondary data analysis and synthesis.

"Analysis" part will result from relevant secondary data and original primary reconnaissance combination.

Recommended structure:

- 1. Introduction
- 2. Goals and Methodology
- 3. Literature Review
- 4. Analysis
- 5. Results and Discussion
- 5. Conclusions
- 7. References
- 8. Appendices

### The proposed extent of the thesis

60-80 pages

### Keywords

consumer behavior, on-line shopping, marketing, marketing mix

### Recommended information sources

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# **Declaration**

I affirm that I have worked on my diploma dissertation titled "Factors Affecting Consumer Behaviour in Online Shopping in the USA" by myself, and only the sources listed at the end of the thesis are used for this thesis. As the author of this diploma thesis, I announce that the thesis does not breach any person's copyrights.

In Prague on Date of Submission:

March'2021

# Acknowledgement

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The largest and most influential source came from books and other assets from the university library, which allowed me to cite terms, topics, approaches, and case studies that are most important to the topic being discussed.

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Thank you very much, everyone.

# Abstract

Consumer behaviour is an important aspect in deciding strategies for any company. The buying pattern and the attitude towards any product are generally referred to as consumer behaviour. Which includes many elements and highly impacted by certain specific factors. The pertinent strategies for marketing products and services are highly relying on the consumer's loyalty towards the brand. However, it becomes more important when it is a service and that too remote. In this arena of digitalization, both marketers and buyers are transacting online with trust on each other. Although, in all segments of the market consumer is considered as paramount, in online shopping the website support has to be highly designed as per the dual comfort. Furthermore, there are numerous factors impacting consumer's behaviour in online trade such as pricing, quality, convenience, shipping, and availability of information, security etc. are the deciding elements to surf on a particular platform by both buyers and sellers. Moreover, their decisions are also diverted by other factors like demography, society, culture, and disposable income and their tastes and preference. The USA being a developed nation, with a high preference for online shopping, hence the study is focused on the same. It is based on both secondary and primary data and is well analysed pragmatically with the relevant statistics. The major focus of the study is to analyse various influencing factors contributing to the consumers' behaviour. The conclusion drawn is further used to recommend a renowned online platform eBay Inc. to modify its marketing strategies if desired and implement the same for further growth as per the study.

### **Keywords**

Online shopping, Marketing, consumer behaviour, marketing-mix, COVID 19, impediments to online shopping.

### Abstraktní

Chování spotřebitele je při rozhodování o strategiích pro jakoukoli společnost nejvyšší. Nákupní model a přístup k jakémukoli produktu se obecně označují jako chování spotřebitele. Což zahrnuje mnoho prvků a je velmi ovlivněno určitými specifickými faktory. Příslušné strategie pro marketing produktů a služeb se velmi spoléhají na loajalitu spotřebitele ke značce. Stává se však důležitější, když se jedná o službu, která je příliš vzdálená. V této aréně digitalizace obchodníci i kupující obchodují online s důvěrou v sebe navzájem. I když ve všech segmentech trhu je spotřebitel považován za prvořadý, ale při online nakupování musí být podpora webových stránek vysoce navržena podle dvojího pohodlí. Dále existuje řada faktorů ovlivňujících chování spotřebitele v online obchodu. Faktory jako cena, kvalita, pohodlí, doprava a dostupnost informací, zabezpečení atd. Jsou rozhodujícími prvky pro surfování na konkrétní platformě jak kupujícími, tak prodejci. Jejich rozhodnutí jsou navíc odkloněna dalšími faktory, jako je demografie, společnost, kultura a disponibilní příjem a jejich vkus a preference. Vzhledem k tomu, že USA jsou rozvinutým státem s vysokou preferencí pro online nakupování, je studie zaměřena na totéž. Je založen na sekundárních i primárních datech a je dobře pragmaticky analyzován s příslušnými statistikami. Hlavním zaměřením studie je analýza různých ovlivňujících faktorů přispívajících k chování spotřebitelů. Vyvozený závěr se dále používá k doporučení renomované online platformy eBay Inc., aby v případě potřeby upravila své marketingové strategie a implementovala je pro další růst podle studie.

# Klíčová slova

Online nakupování, Marketing, spotřebitelské chování, marketingový mix, COVID 19, překážky online nakupování.

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# 1. Introduction –

With the advent of the millennia's biggest discovery i.e. the internet conventional mode of shopping has taken a paradigm shift from retail to online shopping. Consumers are highly benefited by purchasing commodities online. The internet is providing access to shopping 24/7 and that too throughout the year. People are very well acquainted with electronic devices to explore various goods and services online. Although there are a plethora of studies conducted on consumer's buying behaviour and the factors impacting their purchasing behaviour, however, all these differences in terms of time and location. The United States of America is however leading in terms of e-buying and hence the same is chosen as the study area.

Technological advancements offered a good range of opportunities for the marketers to approach the consumers in a much faster, easier and economic manner. Scholars perceived that e-purchasing currently covered a major portion of the commerce world over and a better picture is expected in the coming future. To compete with the same shopping malls have started offering a plethora of offers and other entertaining activities for children and youngsters. However, in this sedentary lifestyle life is so hectic and hence consumers are mostly attracted towards online shopping, as it gives the comfort to shop from the couch. Thus, malls now also have e-shopping portals with the ease of home delivery, which satisfies the need of busy consumers.

As per the latest US Department of Commerce figures, online shopping in the USA has remarkably increased its retail sales to 6.9% from \$ 3.78 trillion to \$4.04 trillion from the previous year 2018. This is found to be the highest growth since 1999. However, in 2020 the growth in e-commerce even surpassed this record. It is observed that the US consumers spent \$861.12 billion online in 2020, with an unexpected rise or 44.0% in online trade. This is observed as the highest in the last two decades. (Commerce, 2021).

The study has taken a very reputed online store eBay Inc. as the company to propose the recommendations of the research based on primary data. The collected responses are analysed by exploratory factor analysis method, with the help of Principal Component Method of Factor analysis.

Despite a multitude of factors are affecting consumer's satisfaction with online shopping, there is still an ambiguity in the market as to which factor can be considered most influential in determining the consumer's satisfaction the most. Developed nations where online shopping is

ubiquitous, analysing these parameters is vital for any business to grow and ultimately compete in the market.

The study is segmented into two parts, mainly theoretical and practical fragments. The first part is based on the previous studies explored for understanding the subject thoroughly. This has included the secondary data relevant to perform the study robustly. However, the second part of the research has undertaken various aspects of the study concerning the said objectives and in relevance to the collected responses. To conclude, necessary statistics is applied and results are finally implied to suggest marketing strategies to eBay Inc. as per the consumer behaviour impacting the sales.

# 2. Research Goals and Methodology

# 2.1 Objectives:

- 1. To infer the acceptance and pattern of online shopping among consumers.
- 2. To identify the relationship of demographical factors that influence online shopping.
- 3. To study the trend of online shopping in the United States of America.
- 4. To ascertain major factors contributing to consumer behaviour in online shopping.
- 5. To study the problems perceived by consumers in online shopping and recommend to overcome those.

# 2.2 Methodology:

The study is organised into six major chapters. Chapter one is to introduce the background of the study. Whereas, chapter two has mentioned the goals and method while, Chapter three includes detailed review of relevant literature providing conceptual and theoretical framework for the current study. However, Chapter four, five and six are mentioning analysis, findings, conclusion and recommendations of the study.

Considering the rationale of the study, the objectives of the study are formed to justify the research questions. The entire study is mainly fragmented into two parts; theoretic and practical. Primarily, the theoretical part comprises of a detailed comprehension related to the subject area. It is done to investigate the previous studies with pertinence and gather the secondary information to back the study authentically. Moreover, ample of previous studies are explored and studied for getting the insights of consumer behaviour in online shopping.

However, part two included a logical analysis of the collected data from the survey method. Necessary statistics is applied and the hypothesis is rationally inferred for the study. This is then used to justify the implication of various methods with relevance to the study.

Although, the study has compared secondary data with the primary data. But the major reliance is on primary data collected from the survey method. The tool used here is an electronic questionnaire, which is framed after deep analysis of past studies. The questions of the questionnaire are framed in congruence with the said country and their resident's perception is observed through closed-ended questions for the study. The gathered data is then analysed by using statistical tools via SPSS software. Nevertheless, the data representation is done through MS excel vigorously, by many graphs and formulated tables. Which then finally helped in

interpreting and to converge and decipher the findings finally for drawing necessary deductions to support the research.

Research Design: As per the study's relevance, a descriptive, exploratory and an analytical research design is chosen for the study. As the problem of the study is ambiguous, to provide a vision and clarity of the issue exploratory method is implied. Further, it also aids in determining the procedure, a method to collect data and also to find out various elements necessary to be taken under consideration. While, the study is more relying on primary data, to reveal the collected response pattern comparatively descriptive methods are also essential and thus implied.

*Sample Size:* Total number of responses gathered for the study is 205, and there is no missing data found, so the study is conducted on all the collected responses form the USA residents.

Tools for Data Collection: Despite the reliance on secondary data collected from the authentic sources; the main base for the study is primary data. For gathering the data survey method is used. Pre-determined written tools with a series of both open and closed-ended questions, formulated to assess the purpose of the study are surveys. For the said study, an electronic survey questionnaire in the form of Google Form is used to collect the responses randomly. As it is a non-probability sampling, the questionnaire is then circulated among friends and acquaintances to get their responses conveniently.

The questions are mostly based on the consumer attitudes and choices and are asked in multiple-choice as well as in 5 points Likert-type scale, to understand the extent of their preferences for certain elements taken under study. The aim is to identify the skewness of the data as per their positive and negative behaviour. Besides, consumer behavioural pattern and their preferences, their demographical details are also gathered to explicate the study as per the demographic factors too. The factors focused on the demography are Gender, age, marital status, education, income level and work status.

Rationale of the study: The study is based on the consumer behaviour of residents of the USA regarding online shopping. The major focus is on the factors impacting their decisions. However, the prime goal of this analysis is to recommend the strategies as per the exhaustive

results concluded from the study to a reputed multinational company based in the States called eBay Inc. to enhance its customer base and hence the company growth.

*Research Questions*: Following the rationale of the study, it has considered certain pre-defined research questions to comprehend and analyse it logically.

What is the current pattern of online shopping among the residents of the USA? What are the major underlying factors impacting buyers to purchase online in the States? What are the hindrances to online shopping in the said region?

### Research Limitations:

Like in any cross-sectional research, the current study has certain limitations:

- 1. The data is collected by considering online shopper's perception in the USA only.
- 2. Due to time and budget constraints, an online questionnaire relied upon, and no personal interview is conducted.
- 3. The study is constrained to online shopping only, although its other variants should also be compared.
- 4. The sampling method is implemented; instead of taking the population.
- 5. Limited responses are collected as the respondents are not comfortable in sharing their personal information. Hence 204 is the sample drawn from the population.
- 6. Secondary research is carried out as per the data availability.
- 7. Validation of the scales is not considered before creating the survey tool, questionnaire, in the study.
- 8. In order not to be judged, some may have responded inadequately to what their thought processes are. The results of the research might be skewed to these biases.

# 3. Literature Review:

# 3.1 Introduction

To have an appropriate vision and clarity to actualize the investigation, different valid and exhaustive studies are explored and referred here. This provides a comprehensive and robust base for the study. Besides, it also helped in finding out the gaps and to make a hypothetical picture for the current investigation. It's a basic examination of the work done in the past to assemble a connection between the different investigations. Additionally, it also facilitated in recognizing the links between the present and the past studies and to explicate the same cohesively.

# 3.1.1 History of Online Shopping:

Globalization has shown the pavement to the digital economy. Novel ideas and perceptions such as e-business or e-commerce have emerged as an alternative mode of trade and commerce electronically. Which then became veracity and developed as a prerogative for a firm to achieve success in the industry. During the last few decades, online shopping has attained significant growth and becoming pivotal for the companies unanimously. In this competitive arena, getting digital is obligatory for any company to survive and ultimately excel in the market. E-commerce has already proved itself and is also going to play a crucial role in the future, which can transform the entire market in the coming years. Important retailers, such as Amazon and eBay are leading in the United States of America and even world over. Furthermore, this influence of e-commerce has the power to change the entire industry.

In the year 1969, engineering students Dr John R. Goltz and Jeffery Wilkins by utilizing dialup connection invented CompuServe, who further, introduced email and internet connectivity which finally started e-commerce through the middle of '90s. Ecommerce is initially introduced four decades ago, thenceforth, web trade has helped numerous businesses flourish under the umbrella of advancements in the technology, improvements in the internet connectivity, payment gateways and extensive consumer and business espousal.

Since then, there has been a huge transformation in the online shopping arena, due to changes in technology it took them almost the entire market. Moreover, Ecommerce not only took a positive leap, but it also flourished with the pace of global circumstances to meet consumer's expectations for both convenience and safety (Ecommerce, 2021).

# 3.2 Online shopping Scenario:

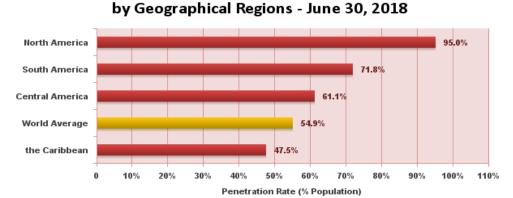
As per the study by John Paul Y. Aplic, females are considered to be the most frequent buyers in online shopping. As they are dealing with household chores and are managing the grocery,

they are more into shopping, and hence online shopping. On the other side, men buy only when they already have a mindset to buy something for a long time unlike women, who buy anything if fascinating. Shopping for clothes is most preferred to keep up the pace and also to reflect the individuality in society. (Aplic, 2020)

As per Bryan Lufkin, Online shopping became a boon amidst pandemic. As people are bound to stay at home reliance on online shopping is highly visible. Products like grocery, Books, beauty products, children's inflatable pools are highly popular. As this provides the comfort of contact-free and fast delivery of products people. Majority of the Americans are starting online shopping more than before. As per Shopify data from 2019, e-commerce comprises 16% of the sales in the USA. Nonetheless, due to the fear of contagion, 2020 has transformed the online shopping trend dramatically. And it is expected to continue further too, as people are now habituated to the comfort of this new normal. (Lufkin, 2020)

# Online Shopping in the USA:

Figure 1 Internet Penetration Rates in the Americas by Geographical Regions



Internet Penetration Rates in the Americas

Source: Internet World Stats - www.internetworldstats.com/stats2.htm 783,909,293 Internet users in the Americas in June 30, 2018. Copyright © 2018, Miniwatts Marketing Group

### (Stats, 2018)

The surge in internet usage is highly positively impacting the ecommerce. The USA being a developed nation is more inclined towards online shopping, it is visible with the statistics above that the internet penetration rates in the Americas concerning the world averages are much higher. North and South America is leading in terms of internet penetration with 95% and 71% respectively, in comparison to only 54.9% of the world's average internet penetration. (Stats, 2018)

Figure 2 Estimated Annual US Retail Trade Sales

Estimated Annual U.S. Retail Trade Sales - Total and E-commerce<sup>1</sup>: 1998-2018

[Estimates are shown in millions of dollars and are based on data from the Annual Retail Trade Survey. Estimates have been

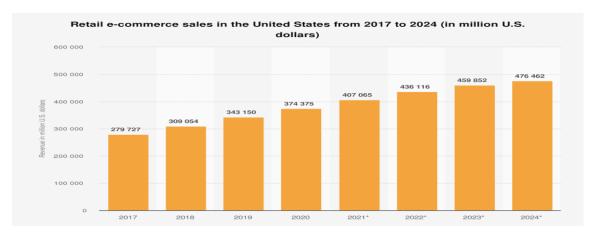
adjusted using final results of the 2012 Economic Census.]

		2018		2008		1998	
NAICS Code	Kind of Business	Total	E-commerce	Total	E-commerce	Total	E-commerce
	Total Retail Trade	5,269,468	519,635	3,935,315	141,592	2,581,762	4,984
441	Motor vehicle and parts dealers	1,191,321	35,348	785,865	17,407	688,415	382
442	Furniture and home furnishings stores	116,895	1,533	98,720	S	77,412	S
443	Electronics and appliance stores	100,205	2,056	108,384	1,168	82,731	NA
444	Building mat. and garden equip. and supplies dealers	381,313	2,795	301,833	673	202,423	25
445	Food and beverage stores	745,736	4,837	569,276	658	416,525	10
446	Health and personal care stores	347,454	744	246,573	202	129,583	S
447	Gasoline stations	503,925	S	503,639	ZZ	191,727	S
448	Clothing and clothing access. stores	268,163	10,981	215,583	1,657	149,151	12
451	Sporting goods, hobby, musical instrument, and book stores	81,179	2,617	80,561	1,261	60,441	NA
452	General merchandise stores	706,298	S	595,041	S	351,081	S
453	Miscellaneous store retailers	130,130	S	110,688	1,548	98,369	116
454	Nonstore retailers	696,849	453,584	319,152	116,498	133,904	4,029
4541	Electronic shopping and mail-order houses	611,743	451,635	229,242	114,642	80,297	4,008

Source: (Bureau, 2020)

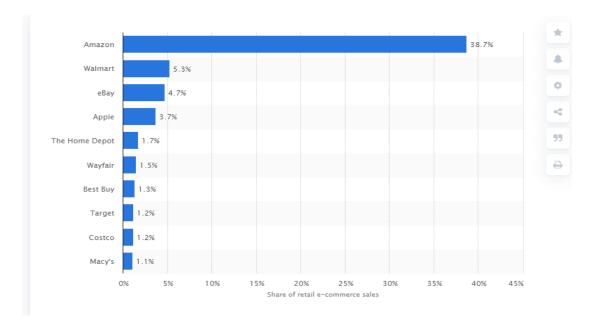
As per the Estimated Annual US retail Trade Sales from 2017 to 2024, it is accounted that retail e-commerce in the States is levitating year on year. Despite considering COVID19 impact the projected figures for the subsequent years is found to be in ascending order. This trend itself shows that online shopping will further rise in future. People in this scenario will prefer shopping at their comfort rather than visiting the stores physically (Bureau, 2020) (Statista, 2019).

Figure 3 Retail e-commerce sales in the United States



Source: (Bureau, 2020)

Figure 4 Figure 5 Market shares of leading online store in America



# (Staista, 2019)

The above statistics presented the information regarding market shares of leading online store in America as reported in Feb'2020. Amazon is leading stores and thus accounted for a huge market share of 38.7%. This is followed by Walmart and eBay by 5.3% and 4.7% respectively (Staista, 2019).

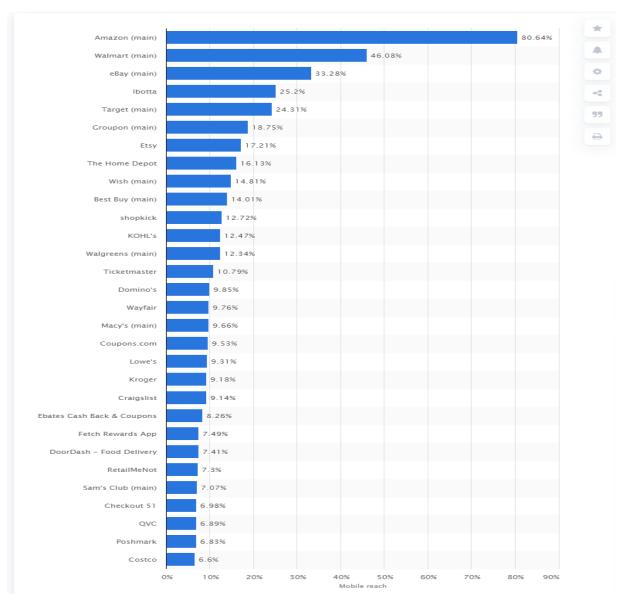
# **3.2.1 Advantages and Disadvantages to online shopping:** (Rudansky-Kloppers, 2014) *Advantages:*

- E-shopping enables a customer to order from home, without physically visiting the store.
- The time to travel to the store is also saved in online shopping.
- One can shop 24/7, at their convenience.
- It allows consumers to compare similar products and their respective prices and quality simultaneously.
- Discounts and offers are common in e-shopping.
- Customer can get their products delivered at their door.
- Can shop from any corner of the world, no geographical boundaries.

Disadvantages: (Rudansky-Kloppers, 2014)

- Most importantly, fear of fraud and identity theft.
- Online shopping is intangible, so cannot see and try the product physically.
- Higher shipping or delivery charges are adding to the agony.
- Wait for the ordered products to be delivered.
- No assistance in purchasing, hence no personal relationship between the store and the buyers is possible.

Figure 5 Company-wise Online Shopping in America



(Statista, 2019)

Whereas, the world over if online stores to be compared in terms of mobile reach, the same story is visible, leading stores are Amazon, followed by Walmart and eBay. Where, Amazon

is covering more than 80% of the total online market, followed by Walmart 46.08% and eBay 33.28% of web market in the USA.

# 3.3 History of eBay:

Pierre Omidyar in 1995, with the hope of creating an honest platform for bringing buyers and sellers together, initiated it with the name "Auction Web" and with few years of struggle and myths, in September 1997 renamed it as 'eBay'. Thereafter in the very next year it went public and raised its Initial Public Offering in September and got a remarkable share price in the single day of IPO. Then in July'1999, eBay launched its sites globally in Germany, Australia and the UK, which is now universal with 180 sites world over. Eventually, in the succeeding year, it introduced eBay motors, university, and half.com. Some features like and 'Buy it now' and Application Programming Interface also went live in the same year features to the website. Further, in the coming years, it has expanded its business in all spheres. In July 2002, Paypal is acquired by eBay, which is then headed by Jeff Jordan as its President. With this beginning, eBay has acquired many other businesses such as Gumtree; Skype; Stubhub. Meanwhile, in the ear 2006, it joined the United Nations Global Compact, with a vision in the significance of business to drive positive social and environmental impact. With this remarkable performance, eBay managed to achieve its position among 100 Best Companies to work for and is coveted by Fortune Magazine's list. With many acquisitions and takeovers, finally, eBay and PayPal decided to become independent identities. Being efficient in business tactics eBay has introduced many attractive features to its site and managed to survive well in the market with exemplary performance. Now it cannot be overstated in considering eBay as one of the versatile business entity providing all possible goods and services under a single head. In this span of around 25 years many reputed personalities have taken presidential positions in the company, with current CEO as Jamie Iannone and are now available in 190 countries globally (eBay Website, 2021).

eBay mentions its goals as to pioneer new communities around the planet built on business, sustained by faith and encouraged by opportunity. EBay's UK director Gareth Jones revealed in an interview that eBay no more wants to be known for its car boot sale reputation. It is expecting to grow in a manner that people can recognize the brand differently. It is all about a transformation from the marketplace to ultimately become a shop (eBay Website, 2021).

# 3.4 eBay Inc. PESTEL Analysis (eBay Website, 2021):

eBay Inc. is a prominent player in the e-commerce market. It has varied specializations such as retail or auction marketplace, classified listing and ticket exchanging services. With efficient policies and strategic implementations, the company has resolved any issue related to external factors in the industry. To overcome the macro-economic issues eBay has shaped its strategies via PESTEL analysis. The factors involved are:

- 1. Political Factors: Considering political influence on the business environment, government plays a pivotal role. Company's management must exploit political opportunities and should be aware of the threats too. It mainly comprises of Governmental support for e-commerce and IT infrastructure development, which is having both opportunities and threats. However, stricter anti-trust policies are one of the major constraints. As with government support in e-commerce, a company can expand its remote market, but it will also pave the way for the new entrants. Likewise, although, IT support from the government's aid will help in creating a huge customer base for the remote business; it also encourages competition. Hence, company employees must ensure to work under government restrictions.
- 2. Economical: This factor is most significant for analyzing the economic trends of the company. This is relying on consumers buying levels; both decline and surge. Further, the major areas of economic opportunities in eBay Inc. are: a rapid growth of developing countries; increasing disposable income and last but not the least is the stable economy in developed nations. In other words, levitating growth in developing countries will directly contribute to the trade volume. This when supported by rising disposable incomes will enhance consumption in these countries. Besides, stability in the developed nation's economy will promote multinational trade and will for sure be an opportunity for the company's growth.
- 3. Social: Company's socio-cultural trends are assessed under the impact of its remote or macro-environment. Additionally, a company's management ought to suit such trends in place of the industry environment. Major opportunities are rising online activities and people's changing choices and comfort. Widespread internet usage will promote several online consumers globally, which then attract more buyers and contribute to growth. Moreover, preferences for online purchases will again be an opportunity now, as now people are opting online even for products like Bricks and Mortar services.

Despite the reason that an increase in demand for high-quality products will enhance the business, it also creates a fear of risk from the competitor's strategies. Also, it will be a threat to the company's security and privacy as more frauds will be expected among buyers and sellers.

- 4. Technological: Being a remote platform eBay Inc. is highly relying on technology. Especially Information technology will be impacting the international business by empowering the company's online trading platform. The factors associated with the ecommerce industry in the analysis of technological external environment are mainly rising mobile gadgets usage, surging competition and developments in a monetary transaction. However, all these factors are equally restricting the business growth in some of the other manner. Increasing electronics usage hamper growth by opening the international market to more players in the market. Similarly, by enhancing the usability of mobile devices through improved mobile applications, together with the existing base, new buyers and sellers will also get associated and hence the fear of competitors will arise. Furthermore, a streamlined money transfer method is also required for better business, while it may be a hindrance to its protection policy.
- 5. Ecological: To mitigate environmental challenges, strategic management requires external analysis. There are mainly three significant factors contributing to ecological concerns. Like rising interest in conserving the environment; business stability trend and rising renewable energy availability. To get a green and sustainable market place more and more consumers will get attracted to eBay. Even the rising availability of renewable energy sources will contribute to the improvement in CSR strategy. Strategic management struggles must aim to lead in business sustainability and corporate responsibility variables appropriate in the e-commerce industry.
- 6. Legal: eBay Inc. must stick to the legal systems pertinently. This comprehends that the procedures of buying and selling must abide by the government's legal framework. The external factors contributing to this segment are mainly; improvement I regulatory support for markets as well as transportation to make the business comfortable and flawless. However, rising e-commerce regulation can be both a threat and an opportunity. E-commerce businesses such as eBay struggle with the barriers imposed as controls and requirements to meet to penetrate the market. To expand the business,

certain challenges such as maintaining business scale and managing controls provides a strategic advantage over other small companies. Further, regulatory support for international transportation makes the remote or macro-environment helpful for business development.

**PESTEL recommendations:** To exploit opportunities and to reduce the impact of threats eBay Inc. should adopt certain recommendations:

- **a)** With the support of the government, it should expand its business operations globally for e-commerce
- **b)** Proliferate its technological advances to grow its customer base considering the control over effects of technological threats in the industry environment.
- c) To build its brand image and also to meet up the customers' anticipations it should expand its corporate social responsibility.

(Mitchell, 2017) (United States Securities and Exchange Commission, 2016)

# 3.5 E-Commerce Company Requires:

To establish an e-commerce firm, companies have to be very careful. Customer satisfaction is must progress in e-commerce, as consumers may visit the site, but the probability of purchasing those products is dicey. To increase the conversion rates a faster, simpler and an easy to use the website is required. For example, easy to enlarge images and check the product properly.

Studies proved that the most important impeding factors in online shopping are lack of pleasant experiences, social interface and private consultation with the customer service executive. To comprehend the same many firms have started providing online chat to offer immediate advice to potential customers, employing avatars, graphic representations of virtual animated characters. Moreover in the case of B2B businesses also require to put a human interaction facility.

Besides, online stores to excel require privacy and security the most. Despite offline traditional stores, consumers will attract towards a trustworthy online store. New technologies such as blogs, mobile marketing and social networks are highly used to lure potential consumers.

Many brick and mortar stores are trying to provide more control over consumers shopping experiences by providing web technologies into the stores. To exemplify, Food Lion has tried with personal scanners to help customers to track their supermarket shopping. Likewise, Barnes

and Noble set kiosks to permit customers to search the inventory, to locate merchandise and in fact to order out of stock items conveniently (Kotler & Keller, 2012).

# 3.6 Consumer Behavior:

It is very difficult to understand and presume consumer buying behavior in online shopping. It is observed that, consumer though like to collect information online, would prefer buying those offline. Even in the cases of defective products, for repairing they prefer offline store only (Engelhardt, 2001). On the contrary, these days often people are using the internet as the latest purchasing channel. Researchers reveal that online shopping is a self-feeding machine, meaning that higher the frequency of online visitors, more number of people get attracted to online shopping (Kowalewsky, 2004). Furthermore, to achieve the goal to identify the pros and cons of online shopping, a closer look at different types of online purchasers and their incentives should be studied (Reinbach, 2003). Moreover, the web is more popular now and hence the practice of the internet is getting more normative (Fingar, 2000). Ergo, wider internet usage associates broader demographics of potential online customers. But even until, the progression in the e-business area is far away from the normalcy. Although the internet ecstasy has reached a major section of the population, there is still a forked between interest and active involvement (Zwißler, 2002)

# 3.6.1 Consumer's Shopping Values:

Studies based in the arena of retailing states consumer's experience of shopping is a combination of both hedonic and utilitarian concepts (Forsythe, 2010) The consumption pattern also relies on these values together (Eastin & Kim, 2011). On the one hand, utilitarian shopping leads to attaining the optimal value of the particular goal, focusing on the functional features rationally. While hedonism believes in achieving the highest pleasure or dedicated pleasure of attaining a specific product. It focuses on deriving fantasies and is experimental (Hirschman, 1982).

The hedonic tendency of shopping reflects entertainment and emotional value in terms of increased stimulation and connotation of the buying experience (P. Sorce, 2005). However, utilitarian value depicts their predefined overt needs, lest any emotional affection towards any product (B. J. Babin, 1994). Studies posited that these two spending behaviours stimulate consumers purchasing pattern (Easten & Kim, 2011).

According to (To, Liao, & Lin, 2007.) (Wolfinbarger & Gilly, 2001), e-shoppers with hedonic tendencies to enhance their buying pleasure in online purchases, look for some unique experiences, while, the utilitarian approach focuses on the practical aspects of e purchasing, like, price, quality, usability and so on (Sorce, Perotti, & Widrick, 2005).

# **Web Atmospherics:**

Focussing more on web-based shopping rather than store environment, to build a positive impact amongst consumers to enhance their positive experiences, a conscious designing of web environment called e atmospherics is must (Dailey, 2004). To influence shopping outcomes, in congruence with a typical brick and mortar store, atmospherics providing important information on web portals must also be embedded to offer pleasure in e buying (Rayburn & Voss, 400-407).

Web purchasing enables buyers to utilize online stores for searching for goods and services. This is a chain of choosing a product to order the selected product, choosing the delivery method, indicating an address and date to deliver, and also the payment option. The four most important components of online shopping are the storefront, the shopping cart, the payment method and the order fulfilment.

### 3.7 What Influences Consumer Behavior?

Consumer behavior is a study of humans, groups and organizations to select, purchase, use and dispose of commodities, services, thoughts and experiences to satisfy their needs and requirements. It is mostly influenced by social, cultural and personal factors, and out of these cultural factors are the prominent one (Kotler & Keller, 2012).

# **Cultural Factors:**

Consumer behavior is highly impacted by cultural influences. As the family plays an important role in a child's upbringing in the United States, it inculcates certain values such as success, activity, competence and practicality, evolution, material comfort, uniqueness, liberty, humanitarianism, enthusiasm and external comfort. Every country has different perception concerning such parameters. Hence, marketers have to study and implement such cultural requisites for their existing as well as new products. Moreover, culture is further fragmented to sub-culture, for more specifications and socialization of the members of the community. It

includes nationalities, ethnic groups, religion and even topographical regions. Companies often grow their businesses considering these aspects. And eventually, social segmentations, especially in social classes which share common beliefs and choices are also pivotal and are deciding factors for marketers.

# **Social Factors:**

Likewise, social factors are a person's reference groups, can be direct or indirect. It includes family, friends, neighbors, colleagues, religious, professional, trade union groups, people with similar status and many other socially impacting factors. However, a family is considered as the most important constituent of socially influencing elements. Companies should understand this and focus on societal choices as well while producing and new product or services.

### **Personal factor:**

Eventually, individual's demographics such as age, gender, family size, self-concept, lifestyle, occupation, economic status and values are the vital factors in deciding a consumer's buying behavior. Every individual has its way of thinking which varies from time to time, so as the buying choices differs accordingly. Personality could be a useful parameter in analyzing consumer's buying pattern. Brands have their specialty which matches with a range of consumers (Kotler & Keller, 2012).

**Figure 66 Factors Affecting Consumer Satisfaction** 



Source: (Ecommerce, 2021)

# 3.8 Customer satisfaction:

Consumers often compare their final delivery with their expectations. The positive result of the same is simply called as consumer satisfaction. Any business to succeed need two key elements to meet, viz. consumer satisfaction and loyalty. The repeat purchase ultimately defines the consumer's loyalty as it defines that the consumer's satisfaction is exceeded and is lead it to the business benchmark. Although there are ample of determinants impacting consumer behaviour, however, prominent of those are Security, Payment methods, website design, amount of information provided, authenticity, pricing, quality, product range and shipping. (Vasić & al., 2019)

# **Security:**

Consumers purchasing online, always perceive security as one of the pivotal factors. Security can be termed as the capability of the website to protect consumer's personal information from unauthenticated sources while transacting online. To build trust with the consumer's security and privacy are very important and those providing such security, can attract more consumers and flourish. Internet retailers are mostly dealing with credit and debit cards, so while transacting electronically, chances of fraud and malpractices are higher. Moreover, research in the US reveals that around 70% of online buyers are extremely anxious about their data misuse while transacting online. Besides, the other concern regarding security is the authenticity of the consumers. Considering both of this reliability is one of the prime concern of the consumers while dealing online.

# **Quality:**

Quality of a product decides about the overall supremacy and authenticity of the product. A product to be considered worth means with reasonable cost better quality is achieved. In ecommerce, quality is positively correlated with customer satisfaction. Moreover, it is found to be the most prominent factor impacting buying decisions. It, however, determines whether online retailers maintain song bonding with the consumers or not. Offering excellent quality enables them to meet the customer's satisfaction and hence can provide contentment. Through online propagating their products and spreading information related to the product, customers can be attracted, while meeting finally with the expectations can only provide satisfaction in online shopping. Nevertheless, quality in terms of website design and comfort is also equally important and is a deciding factor.

# **Pricing:**

While assessing the product or any service, pricing is considered as paramount especially in online shopping and hence a deciding factor in consumer satisfaction. Price is what is to be sacrificed to gain something and hence is required to be estimated as per the value and usability of the commodity. However, if the perception is negatively matched, it makes consumers dissatisfied and disloyal o the product. For experienced consumers pricing is highly influencing the decisions and affects consumer satisfaction greatly. If a consumer finalized a product to buy, their demand for monetary benefit matters a lot. As in general online products are perceived to be cheaper, the consumer prefers online shopping. Their decisions are very much affected by looking at the prices, especially discounts and offers are expected. Moreover, the products available online cannot be seen, hence a perception that the products are different from the picture, ergo price perception are the prime determinants in consumers buying and ultimately satisfaction.

### **Availability of Information:**

Expectations regarding the information provided in online stores are mainly related to its relevance and accuracy. As the products before delivery in online shopping are intangible, the authentic product information is must for a buyer to receive. And if the information provided is matching the demands it is preferred. Researchers often reckon that the credibility and quantity of information are the legends of e-shopping. Where, the quantity of information refers to the adequacy of the provided details on the site, whereas, credibility means the extent of consumer's confidence in data authenticity. This can finally help the consumer to make an informed and rational decision regarding their purchases and assist retailers in dispelling the consumers regarding their confusions and concerns for particular products. A two-way interactive information platform is preferred as it will help in communicating in case of any queries left for the disclaimer.

### **Shipping:**

To trigger the consumer satisfaction, shipping acts as a link in the supply chain. Especially in online shopping, shipping presents a crucial activity in every procedure and the product delivery is a prime activity for customer satisfaction. Shipping enables the delivery as per the product ordered and should be following the time and place too. Furthermore, it should also meet the customer's expectations in a trustworthy and desired manner. Shipping should be done concerning safety and time delivery too. Purchasers tend to buy products from the comfort of their home, ergo, expects a secure, reliable and quick shipment of the ordered product. On-

time delivery with full reliance entails consumer's expectations and hence creates their satisfaction. However, if the same is delayed and not meeting the expectations, customer satisfaction is highly hampered. Timely delivery and quality products are the fundamentals of online shopping.

# Time:

Last but not the least, time-saving is a crucial element of online shopping. Time is considered as one of the most important resources in purchasing, both in online and offline shopping. As online shopping enables exploring various brands and by browsing the catalogues products can be compared in lesser time and hence with reduced stress. While, on the flip side, although ordering online is very easy and quick, but the delivery of the commodities takes time. Preferences in purchasing are varied in both online and offline shopping. As in online shopping, time is a concern, however, security and privacy are concerns in offline shopping. Since, online purchasing can be performed anywhere and anytime, as hurdles like traffic jams, search for parking lot and standing in a queue are totally avoided, and thus time is saved in online shopping. (Vasić & al., 2019)

# **E-Satisfaction and E- Loyalty:**

Satisfaction is nothing but a psychological mind state resulted from a positive experience. Most importantly, an organisation to fulfil its needs and desires for reaching satisfaction. Considering one to one interaction among the consumers with constant evaluation of their intention, a business always focus on customer satisfaction (Ding, 2005). However, customer loyalty has been defined as a deep-held commitment to buying and patronizing a preferred product again and again in the future. Which then cause repeat purchasing of the same brand, despite situational influences and marketing efforts to switch the consumer towards a competitor. Brand satisfaction is also considered as an important element for brand loyalty (Oliver, 1999).

# 3.9 Offline and Online Consumer Behavior:

No matter whether it is online or offline consumer's decision making is very similar. However, one of the major difference is the shopping environment and marketing communication. As per the conventional method of the consumer decision model, need awareness is the foremost. This is then followed by a chain of information search, alternative evaluations, building purchasing decision and ultimately behavior after experiencing the product.

Online shoppers get attracted by banner adverts or online marketing and the stimuli to buy the product is generated. And if after exploring the same through plentiful available web options and comparing it with the competing brands, consumers finally decide to buy the product, they start looking for the offers in the market. However, in this phase, a well compatible website is preferred to compete with the other established brands in the market. That compels them to buy the product. The Internet provides comfort in any respect. Like it provides pre and post-purchase comparisons and returns policies respectively. (Katawetawaraks & Wang, Online Shopper Behavior: Influences of online Shopping Decision, 2011)

# 3.10 Online Shopper's Decision Making:

Lauden and Traver, in their study, presented a comparative framework of online and consumers' decision. And they suggested certain transformations to add new factors to consumer decision context. According to them it always varies that which product to be bought online and offline. On the one side, it is often difficult to decide on some products in web shopping. According to the suggested framework, there are a plethora of factors like website features, marketing communications stimuli, firm capabilities and consumer skills are also pivotal.

There are few products like books and website, which can easily be purchased online, however, there are some difficult to decide on web purchasing. Besides, website characteristics matter a lot in understanding the web environment. Similarly, website speed and navigation also plays a vital role in online shopping. These factors contribute a lot in deciding consumers' attitudes and behavior in web purchasing together with a sense of controlling buying environment in an online realm. (Katawetawaraks & Wang, Online Shopper Behavior: Influences of online Shopping Decision, 2011)

# 3.11 Factors Impeding Consumers from online Purchasing:

Online shopping though highly preferred but has many constraints. Most consumers are concerned about unsecured payment, delayed shipping, undesired product delivery, spam, niggling emails and technological hassle. Marketers should consider such imperfections which are contributing to the consumer's dissatisfaction while shopping online.

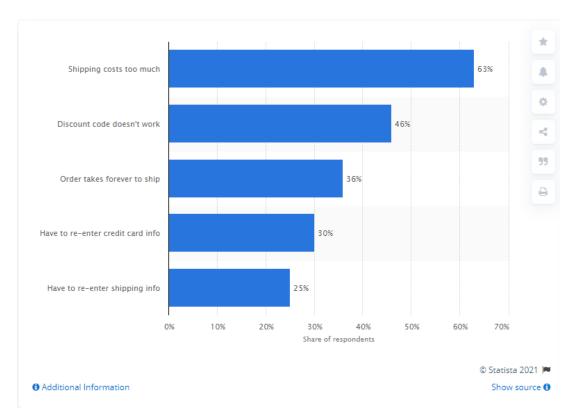
Security: As online shopping is mostly done either by credit or a debit card transaction, it leads sellers to extract buyer's information to protect themselves. Customers prefer buying from

those trustworthy sellers or a familiar brand is desired. Online shopping relies greatly on trust and issues related to cheating usually restrains consumers from such companies. As they are worried that the online store may cheat or misuse personal information.

Online Products are Intangible: Intangibility of the products sometimes becomes a constraint in online purchasing. Especially in case of clothes online shopping doesn't permit trials so actual fitting can be an issue. Apart from this, Consumers usually thinks that the information available on the website is not sufficient to finalize the product for purchasing. It is a general perception that the information available on the portal is misleading. This nightmare becomes true when the expectations of the product don't match the delivery.

Social Contact: Although some purchasers prefers to be free from salesman pressure; Many purchases are difficult without any sales assistance and thus people gets frustrated in case, there isn't any experienced professional support. Furthermore, people sometimes are so sociable that they highly consider their friends and family choices while selecting any product. Indeed it is also a common desire to entertain themselves in traditional stores while purchasing any product. Online shopping has these restrictions and this at times impede people buying online.

Online Shopping Dissatisfaction: Past experiences often impact future shopping decisions. Ergo, in the case in online shopping a wrong or poor quality product is delivered in past it hampers further purchases from the same store. The product could be defected, non-functioning or fragile. However, many sellers even do not refund. Besides, delays in shipment also add to the agony of online shopping (Katawetawaraks & Wang, Online Shopper Behaviour: Influences of Online Shopping Decision, 2011).



Source: (Staista, 2019)

As per the statistics, Americans have varied reasons which restrains them to shop online, like too much of shipping cost, discount code does not match, Oder delivery taking too much of time, re-entering credit card and shipping information. The most prominent reason to abandon the cart is observed as the cost of shipping which is accounted for 63% (Statista, 2019).

# 3.12 Importance of Website:

Online shoppers contemplate their buying decisions even based on the website through which the purchase. But an irrelevant or a dull website does not attract them to buy products. Thus it is often suggested to design the website efficiently. The elements to design a website to make it attractive on a first glace and motivates consumers to visit repeatedly is a key challenge. The previous static websites are largely replaced by highly sophisticated and dynamic websites. These much-advanced websites provide text, sound and even animations to attract buyers to visit again and again. Hence, to provide such digital platform seven Cs are recommended to make the website more attractive (Kotler et al., 2005).

- a) Context- Site and Design
- b) Content: pictures, text, audio and video

- c) Community: A platform to enable communication between two users
- d) Customization: the ability of the site to tailor itself following the users
- e) Communication: How site user interface can easily be enabled
- f) Connection: the extent to which the site is connected to other sites
- g) Commerce: The capability to provide commercial transactions prudently.

Most pivotal is, it has to be user friendly both in usage and appearance. Moreover, it should also be interesting, useful and challenging to the users. Eventually, the value of any site relies on the amount of appropriate content, which can attract users and stay longer. Operational websites comprise deep and useful information, interactive tools for purchasers to compare and explore a range of products (Kotler et al., 2005).

# 3.13 Managerial Implications for Online Shopping:

Marketers if want to know about the buyers' issues with online shopping, they need to understand the need of the online customers. To know their consumer's behaviour they can work on improving or developing a better marketing strategy for the consumers. There are few methods to motivate buyers to purchase online and to attract new buyers. To mitigate the problems associated with online shopping and to gain trust companies have to work on their website too. (Lim & Dubinsky, 2004)

Authentic and secure website: The willingness to buy online relies on the trust the portal has in the market. The major concern is in the digital transaction in web purchasing. Hence a transaction security and data safety should be considered prime. So for that companies have to get themselves approved with e Trust Certificate. Besides, carrying a brand name can be another way to build trust among e purchasers. Also, they need to ensure consumers that their personal information cannot be used and there is the least chance of identity theft in their web stores. (Constantinides, 2004)

*User-Friendly Website:* The website should not just be attractive in terms of appearance, but also in terms of usage it should be easy and friendly (Lim & Dubinsky, 2004). It comprises of useful information, good customer service, easy access to the website and a logical and hassle-free process together with ease in understanding the language. And the same applies to the payment process, i.e. it should also be made easy to transact while paying for the ordered products. (Wang, 2005)

Online Customer Service: Same as quality, service is a necessary part of e-shopping. In case the customer service is not proper or reachable, a customer may misunderstand and can also judge on the trust issues with the brand. There must be a feedback channel to interact with the buyers. This will enable them to connect anywhere and anytime with the seller. Apart from this, the software for the store should also be easy and friendly. In all, to offer a good customer service online, software downloading, e-form downloading, order tracking and customer comment and feedbacks and all should be properly checked and modified as per the needs (Lim & Dubinsky, 2004).

Extra Perks: As the online store is intangible, the option of trial and physical touch is not provided, so there must be some additional options to retain the customers for long. Like, a refund policy, to avoid purchasing risk, money back option together with the shipment cost, a proper link between logistics and other associated companies is desired in online shopping (Comegys, 2009). Additionally, the comfort of e-wallet, which is for transferring the refunded amount to those who do not carry any credit or debit card for paying their purchases (Yu, 2007).

# 3.14 Marketing Mix:

A combination of marketing tools to affect the marketplace is defined as a social and managerial process for obtaining what people need and want by creating and trading products and services with others. Core marketing concepts are surrounded by needs, wants, demands, products, services; satisfaction, values and quality; exchange, transactions and relationships; and markets and all these are linked with each other. (Kotler et al., 2005)

### 3.14.1 Marketing Mix for Online Shopping:

Marketing tactics of businesses are transforming day by day. There are ample of ways to attract consumers in an online segment, like customized messages to the consumers, more narrowly fragmenting buyers, transparency in delivering messages in communicating for brands and digital-savvy tactics. Considering these on priority value can be added to the buyers purchasing experiences. It is suggested by the research that there must be a proper discretion of planning for marketing online products. Firstly, the right selection of the shopper should be focused on. Some consumers are love to be ahead, especially youngsters or children in their families. Secondly, engagement of the shoppers also plays a vital role in e-commerce. An effective message should be delivered to the trendsetter to get the pattern of buying. Offers should be customized as if customers are more towards offers, provide them deal through coupon

promotions. Thirdly, the medium of connecting with the shoppers should be appropriate. Moreover, the product should also be need-based and consumer-centric. Besides, pair mobility with need could also be created to make it easy to make a shopping list, refill, prescriptions and even to navigate the store. Finally, in web trading, the medium of selling ought to be prioritized as it ultimately drives consumers purchasing online. Hence online shopping though complex, it is much rewarding if done properly. (Nielsen, 2012)

### 3.15 Impact of COVID-19 on Ecommerce:

The current pandemic affected the growth of online shopping a lot. However, it changed the online consumer behavior scenario forever. COVID-19 has shifted the consumers more towards online purchasing. The upsurge of online shopping underscores the urgency of ensuring all nations can seize the opportunities as the planet is recovering from the pandemic. It is observed in the study by UNCTAD, that out of 3700 consumers' world over, more than half of the respondents now shop more frequently in online mode. They trust more on the internet in news, health-related articles and even prefer digital entertainment more. It is observed that there is a 6 to 10 % hike in online shopping now in comparison to the past. However, the trends differ country-wise, like China and Turkey are the most prominent, whereas, Switzerland and Germany haven't reflected much growth as they are already much indulged in online shopping. Besides, looking it demographically, women and university graduates are now found to be more inclined towards it. This is considered a threat to the retail traditional stores post-COVID (UNCTAD, 2020).

#### 3.15.1 Consumer Behavior Post Pandemic:

Consumers' are adjusting with the new normal globally. There's a huge transformation in their beliefs and sentiments towards purchasing.

The following are the points reflecting through the past studies:

- 1. Gender Variations: Women are more likely to be concerned about the effects of the pandemic. Which states that men are more prone to online shopping post COVID.
- 2. Generational Changes: Individuals at different age groups responded differently with the contagion. The younger generation is found to be more into altering their buying habits. Which reflected dramatic trend including, cutting back on spending, piling up the stocks, lesser expenditure on experiences. However, the older generation is found to be slightly less concerned about the pandemic and hence lesser changes in their

- buying habits. They are letting the present situation's impact on what items they purchase comparatively.
- 3. Changes in Product Category: As per the buying choices of the consumers' affected by both local and global circumstances, the categories of the products purchased also differs accordingly. Most prominent products purchased during the pandemic are Preventive health care and wellness products, protective gears like masks and sanitizers, grocery and household essentials; quarantine preparation, like piling up the essentials, restricted living, such as fewer visits to shopping malls and limited online extravaganza.
- 4. Digital Streaming: As the pandemic made people homebound also it hit the cinema business a lot, so purchasing of digital streaming entertainment services such as Netflix and Amazon Prime, Hulu, Disney+ is also increased in the pandemic. (Meyer, 2020)
- 5. Major Losses are observed in luxury products as the contagion hit in all spheres together with the financial sphere, people restricted their luxury purchasing and started focusing on the essentials dramatically.

#### 4. Practical Part:

Introduction:

The study revolves around consumers' online buying behaviour. The major concern of the research is to identify the impact of various factors contributing to the individual's buying perceptions. Marketers often consider customer satisfaction and brand loyalty on priority, while dealing with any retail products, no matter offline or online. There are numerous online platforms available these days, so to compete in the market certain strategies are required. Thus to identify the influencing factors the research is undertaken.

The current study, considered both secondary and primary data to explicate the current scenario of the online shopping trend. The Secondary data is collected from a few authentic sources, like 'Statista' and US Census Bureau to check the current company statistics with reference to the research. However, primary data is collected through a survey method with the help of a well-structured questionnaire. Around 205 responses are gathered from the said region i.e. the United States of America. Further, to comprehend the role of various factors together with the extent of the impact, statistics are applied to the collected sample.

The prime objective of the study is to identify the most pivotal elements or the deciding factors, as per which the consumer is deciding the purchase in online shopping. To reach up to the conclusion, the necessary hypothesis is framed and then tested for the significance. And accordingly, the data is interpreted to get the findings for the study. Moreover, to conduct this study gathered data is described demographically too.

The collected sample is well classified as per the demographics such as; age, gender, Education, Marital status, Work status and income bracket.

# 4.1 Demographic Explications:

Online shopping through ubiquitous these days, it is most common in the USA. Hence, to comprehend the current scenario of the consumer buying behaviour in online shopping among the residents of the USA the research is being conducted.

The major research questions surround what, where, why, why not and how consumers purchase online and what are the factors motivating them to purchase online.

Marketers consider consumer behaviour pivotal, as it leads them to understand the consumer's needs and wants, according to which they can meet the buyer's expectation, and ultimately build brand loyalty. To accomplish this, consumers' trust and convenience should be considered on priority.

The prime objective of the study is to analyse the major factors contributing to online purchase in the USA. It also focussed on suggesting marketing strategies to one of the leading online stores in the country, which is eBay.

#### Socio Economic Status of the Respondents:

The study is conducted based on primary data collected by the survey method, using non-probability sampling. The data is gathered by using a structured questionnaire framed by a thorough study of previous researches together with considering the current scenario. The sampling tool is further circulated through online mode. There are 204 respondents participated in the research. The data is well classified based on the demographical factors like gender, age, education, income, occupation and relationship status in the United States of America. The collected sample is used to generalize the analysis for suggesting the marketing strategy to the said company.

The elements considered under study are:

- 1. Demographical factors (Gender, age, educational level, Occupation, Income and relationship status);
- 2. Consumers buying trend;
- 3. Factors contributing their decisions in e-purchasing; and
- 4. The barriers to online shopping.

#### Demographic Composition:

The table depicts the composition of collected data concerning the demographics such as gender, age, relationship status, education level, occupation and income. In terms of gender, it is observed that the male responses are found to be more than that of the female samples. Out of a total of 205, there are 115 males, 77 females and 12 preferred not to reveal their gender. In the total sample, only 2 respondents denied online shopping, and those are found to be males.

**Socio Economic Status of the Respondents:** 

**Table 1 Socio Economic Status of the Respondents** 

Socio Economic Status of		
the Respondents	Frequency	Percentage (%)
Gender		
Male	113	56
Female	77	38
Prefer not to Say	12	6
Age Composition		
12-17 years	1	0
18-24 years	91	45
25-35 years	93	46
36-50 years	18	9
50 years and above	1	0
Relationship Status		
Single	65	32
Married	46	23
In a relationship	85	42
Divorced / Separated	5	2
Widowed	3	1
<b>Educational Status</b>		
Doctorate	8	4
Post Graduate	54	27
Graduate/Diploma	131	64
Higher Secondary	11	5
Occupation		
Company Employee	83	41
Homemaker	8	4
Retired	1	1
Self-employed	64	31
State or Local Employee	13	6
Student	35	17
Income Bracket(\$)		
0	5	3
200-500	13	6
500-1000	11	5
1000-3000	49	24
3000-6000	69	34
6000-12000	36	18
12000-30000	15	7
30000 and above	6	3

Whereas, the age-wise classification of the respondents shows that the individuals under the age bracket 25-35 and 18-24 are the highest. However, 18 respondents are lying under 35-50 years of age and only 1 each from the range 12-17 and above 50 years of age. The educational status of the respondents reveals that most of the respondents are either graduate or are holding a diploma. Whereas, a good proportion of respondents (27%) are postgraduates also. Only 5% of them are secondary pass. And 4% of the sample are PhD holders. The responses are mostly collected from either company employees (41%) or self-employed (31%) individuals. However, a fair proportion (17%) of respondents are students also. Nevertheless, a mere 6% of

them are occupied in state or local jobs. Besides homemakers and retired contributed only 4% and 1% respectively. And, the income composition of the data collected shows the majority is from middle-income group, mainly under the bracket \$(3000-6000), \$ (1000-3000) and \$ (6000-12000) with numbers 69, 49 and 36 respectively. This is followed by high-income groups \$ (12000-30000) with 15 and 11 responses from even higher income i.e. \$ 30000 and above. However, respondents from very low income (13) and no income (5) also contributed to the research. Besides, singles (32%) and people in a relationship (42%) have highly contributed to the study. But a very good proportion (23%) of married people are also found. A mere 1% of widowed and 2% of divorced/ separated individuals are observed in the gathered sample.

### 4.2 The company eBay:

eBay is a global leader in commerce connecting millions of buyers and sellers universally. It enables various economic opportunities for individuals, entrepreneurs, businesses and organizations in all capacities. It has expanded its empire in 190 countries now and its portfolio majorly comprises of eBay Marketplace and eBay Classifieds Group.

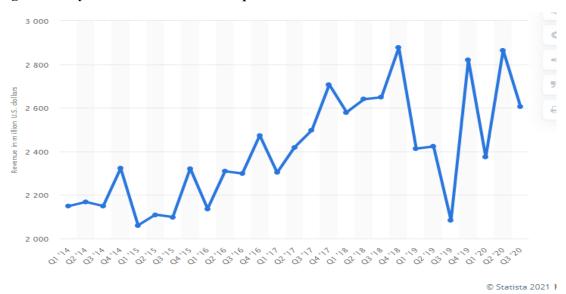


Figure 8 eBay's revenue in the second quarter of 2020

Source: (Statista, 2019)

As per the chart, eBay's revenue in the second quarter of 2020 is accounted for as over 2.6 billion US Dollars. This shows a 25% raise every year. It is estimated that major proportions of the revenue are generated through transactions, which is 2.36 billion dollars in the recent quarter.

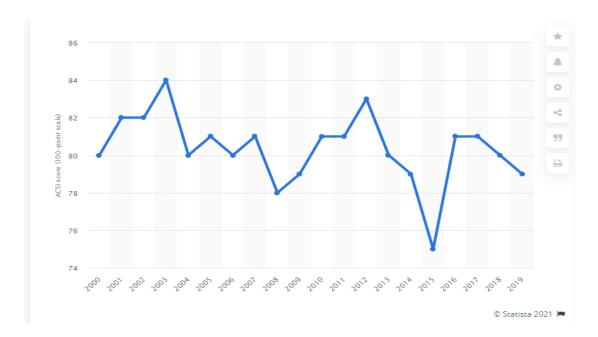
Search and navigation (easy to find products) 53% Product ratings and reviews Ö A fast and convenient check-out process Overall speed/responsiveness of the Improved product content and 99 38% information Ability to check inventory/availability in a local store Reserve online and pick-up in-store Recommendations for related products Improved mobile experience Personalized experience 10% 20% 30% 40% 50% 60% 70% Share of respondents © Statista 2021 🎮

Figure 9 Consumer Behaviour in Online Shopping in USA

Source: (Statista, 2019)

According to the secondary data collected from Statista 2021, as per the buyer's perception in the USA most important factors contributing to online shopping is search and navigation, followed by online feedback provided by the existing buyers. This is then subsequently by a fast and convenient check out process. However, personalized experience, improved mobile experiences and recommendations for the related products is the least priorities while purchasing a product online in the USA.

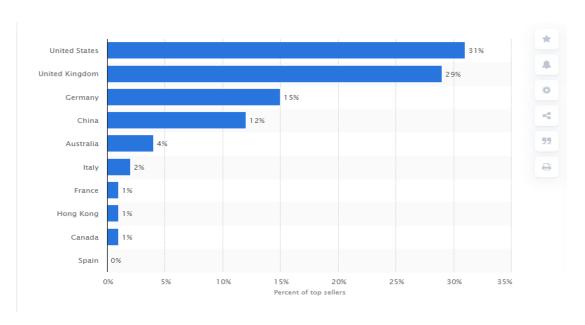
Figure 10 American Customer Satisfaction Index



Source: (eBay Statistics & Facts, 2020)

The trend mentioned above reveals the American customer satisfaction index (ACSI) scorecard for the eBay Website from 2000 to 2019. In the most recent year, it is found 89 out of a100. While, in the year 2015, it is fallen to around 75. So far the maximum is observed in the initial years i.e. 2003 (eBay Statistics & Facts, 2020).

Figure 11 Country-wise eBay Performance



Source: (eBay Statistics & Facts, 2020)

However, country-wise if noticed, eBay has covered the US market in a commendable manner, with 31% of the buyers are found in the States. Other popular countries where eBay is flourished is the UK with 29% of top sellers and Germany with 15% of principal merchants. (eBay Statistics & Facts, 2020)

Studies show that around 42% of US consumers searched online before buying any product or services. However, out of those 145 searched online but end up purchasing offline. The major consumer behaviour factors leading to a switch from traditional stores are found to be convenience followed by massive discounts and coupons. Apart from this, social surroundings like recommendations from friends and family is also a contributing factor. (Nagrale, 2020)

# Objective wise Data Analysis Based on Primary Data:

# 4.3 Objective 1

To infer the acceptance of online shopping among consumers.

Do you Shop Online?

1%

99%

PNo

Yes

Figure 7 Do you Shop Online?

Source: Primary Data, Chart prepared by the author

The pie chart shows that almost all the responses replied positively for online shopping, only 1% of the total 204 responses are not indulged in e-purchasing in the collected sample. Which shows the popularity of online shopping in the current situation among the US residents.

#### Which Site Do you prefer?

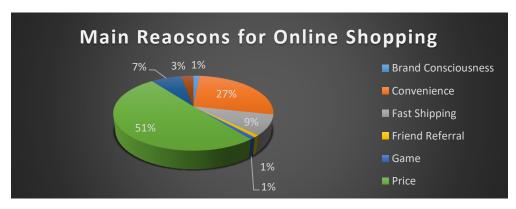
Figure 8 Online Shopping Preference in the USA



Source: Primary Data, Chart prepared by the author

The bar graph above depicts that the most preferred shopping web is found to be Amazon, followed by eBay and Walmart respectively. However, Kroger, Shop Rite and Shein are also a bit popular among the residents of the USA. Further, the rest of the chosen options are rarely preferred for online shopping in America.

**4.3.1 Main Reasons in Online Shopping:** Figure 9 Shopping Reasons for Online Shopping



Source: Primary Data, Chart prepared by the author

The chart above mentions the main reasons as per the study. Price (51%) is accounted for the most important reason for online shopping in the USA. The next impacting factor is found to be convenience (27%). People are a bit concerned about time-saving (7%) fast shipping (9%)

of the ordered products online. However, the other factors are not much contributing to their decisions in web purchasing.

Figure 10 Shopping Reasons for Online Shopping-Amazon

Figure 11 Shopping Reasons for Online Shopping-eBay





Figure 12 Shopping Reasons for Online Shopping-Walmart



Source: Primary Data, Charts prepared by the author

The same, when compared company wise among the three leading ecommerce companies in the USA, is found to be almost the same trend in all the three companies. Like, price is preferred the most followed by convenience. And even the next two contributors to online shopping i.e. fast shipment and time saving are also matching in Amazon and eBay. While Walmart customers preferred trust and brand consciousness over time-saving.

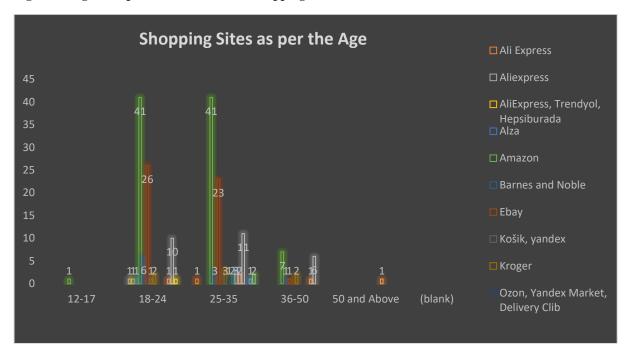
**Interpretation:** The information presented above inferred that online shopping is very popular in the USA. Although people have varied choices among e-stores, however, Amazon is found to be the most popular one, in succession with eBay and Walmart correspondingly. Moreover, the most important reason for online shopping is identified as price and convenience as the second reason for web purchasing. Further, a similar trend is visible even among the most popular online shopping stores.

# 4.4 Objective-2

To identify the relationship between demographical factors influencing online shopping.

**Age-wise preferences in Online Shopping Stores** 

Figure 13 Age-wise preferences in Online Shopping Stores

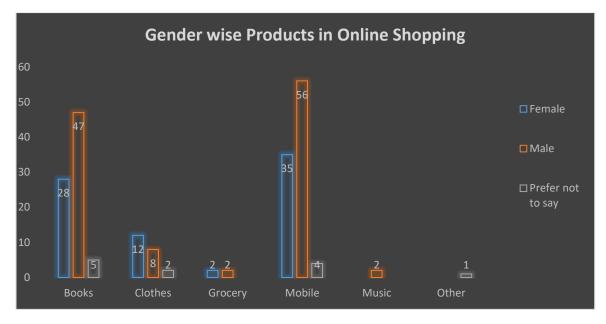


Source: Primary Data, Chart prepared by the author

The age-wise classification of choosing online shopping stores is presented in the bar graph. It portrays that the most preferred online store Amazon has surprisingly registered the same number of respondents in both the age groups of the younger population i.e. 18-24 and 25-35. Moreover, the second and third most popular e-commerce site are found to be eBay and Walmart which again administered almost similar proportion of respondents in the same age groups. While Amazon and Walmart customers under the age bracket 36-50 also preferred online mode of shopping. But other web portals of shopping are rarely found to be picked by any of the age groups taken under study.

#### 4.4.1 Gender-Wise Products in Online Shopping

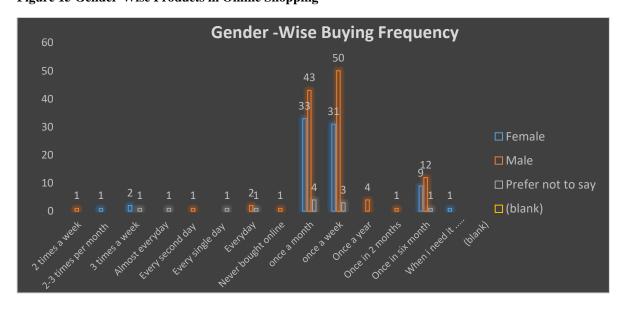
Figure 14 Gender-Wise Products in Online Shopping



Source: Primary Data, Chart prepared by the author

The presented bar graph reveals that the most preferred shopping by both males and females is found to be mobile and other electronic gadgets and books as second preferred shopping article, whereas males are leading females in both the categories of the products. However, books are slightly more preferred by the unrevealed gender over electronics. Another popular category is clothing where females are leading males and another gender in the collected sample. And rest of all product categories are rarely purchased online.

**4.4.2 Gender-Wise Buying Frequency**Figure 15 Gender-Wise Products in Online Shopping



Source: Primary Data, Chart prepared by the author

The presented bar graph reveals the gender-wise buying frequency among the residents. It is inferred that no significant difference is observed among the genders in terms of buying frequency. As both are buying proportionately either in a week or in a month from online stores. However, buying in a week is the more common frequency of online shopping amongst them.

#### 4.4.3 Occupation-Wise Products in Online Shopping

Figure 16 Occupation-Wise Products in Online Shopping

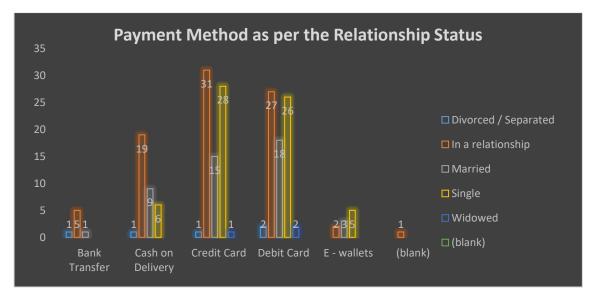


Source: Primary Data, Chart prepared by the author

The chart above delineates the occupation-wise online shopping product category in America. It shows that the company employees shop mobiles and other electronic items more (39) from online stores, their other product choices are identified as books (29) and clothes (11). Likewise, self-employed residents and students also showed the same trend. Other product categories are rarely found to be bought among the respondents from any of the occupation sectors.

#### 4.4.4 Payment Method as per the Relationship Status

Figure 17 Payment Method as per the Relationship Status

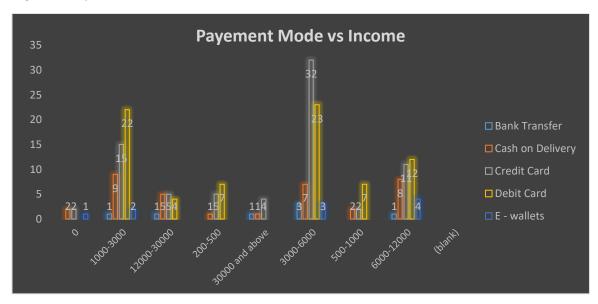


Source: Primary Data, Chart prepared by the author

The vertical bar chart presented above shows that the most preferred payment option in online shopping is a Credit card and Debit Card. While, the same options are most popular among people in a relationship, followed by singles and married individuals. However, the payment option preferred next to it is cash on delivery, which is hugely popular among people in a relationship. And E-wallets and bank transfers are also administered its presence in the collected sample mostly by singles and people in relationship respectively.

# 4.4.5 Payment Method based on the Income Bracket:

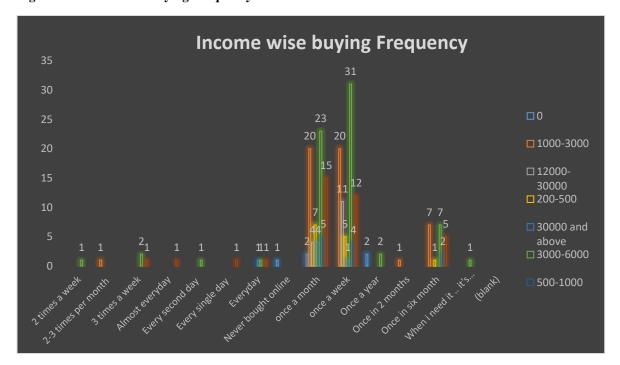
Figure 18 Payment Method based on the Income Bracket



Source: Primary Data, Chart prepared by the author

Bar graph reveals the mode of payment in web purchasing in the USA concerning income levels of the respondents. Although It is observed that, most of the respondents lies in the income bracket \$(3000-6000) followed by \$(1000-3000) and \$(6000-12000). However, people earning \$(3000-6000) are mostly using credit cards in consecution to debit cards for online shopping. Whereas, respondents earning \$(1000-3000) prefers debit cards over credit cards in web shopping. While, \$(6000-12000) earning respondents chose debit card than a credit card, cash on delivery and e-wallets respectively.

**4.4.6 Income wise Buying Frequency:** Figure 19 Income wise Buying Frequency

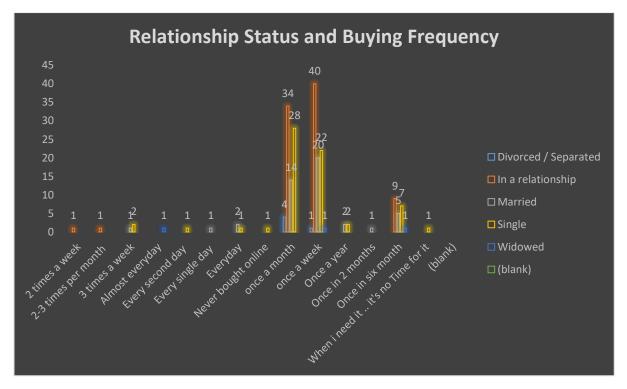


Source: Primary Data, Chart prepared by the author

The presented illustration depicts the frequency of online purchasing for the income levels of individuals. It is quite visible that the people in the USA are very much used for online shopping. As it can be seen that, respondents with income level \$(3000-6000) mostly buys on the web every week. However, the same income category is observed highly once a month web purchase frequency. The other prominent income category in once a week or at least a month is found to be \$(1000-3000). People with higher income also preferred buying online in a week or a month \$(6000-12000). Nevertheless, respondents also opted for once in a six-month option for the same in the income brackets mentioned. All other frequency options are rarely chosen by the respondents.

#### 4.4.7 Relationship Status and Buying Frequency

Figure 20 Relationship Status and Buying Frequency



Source: Primary Data, Chart prepared by the author

The bar graph depicted the consumers' buying frequency from online stores concerning the relationship status. The data showed that the highest proportion of the sample belongs to the people in a relationship. Which went well with the general trend of buying frequency, that people mostly preferring buying in a week followed by in a month from online stores. However the other leading category in the sample i.e. singles showed a reverse trend with more individuals buying per month than per week. Similarly, married folk also preferred the same trend. Nevertheless, some respondents in a relationship also prefer online purchasing half-yearly, followed by singles and married respondents respectively.

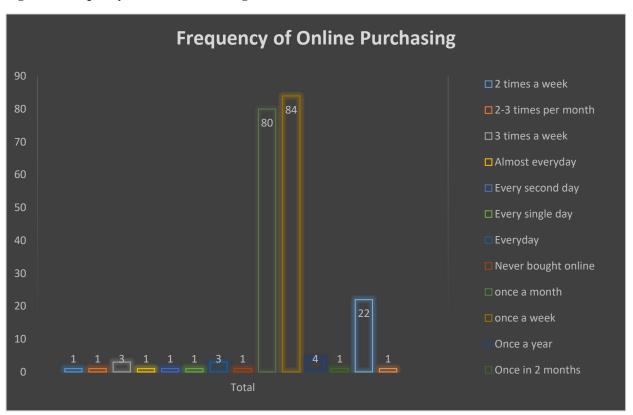
Interpretation: From the above analytical presentation, it could be inferred that the most popular e-commerce stores are found to be Amazon, eBay and Walmart correspondingly. Furthermore, the younger population is highly inclined towards online shopping in the States. The most preferred product to be purchased is observed as a mobile phone and other electronics, this is followed by books and clothes in both males and females. While occupation wise the majority i.e. company employees and self-employed respondents also showed the same trend in terms of product selection in online buying. However, females like clothes online more than males. Whereas, both the genders have similar buying frequency, which is in a week

or at least a month. In terms of earnings, it is inferred that the middle-income group likes online shopping the most and hence are habituated to online purchasing weekly. The chosen mode of payment is generally credit card, and debit card as a second option for online payments mostly among people in a relationship, singles and married individuals respectively of the USA.

# 4.5 Objective 3

To study the trend in online shopping in the USA.

**4.5.1** How often do you Buy Online? Figure 21 Frequency of Online Purchasing



Source: Primary Data, Chart prepared by the author

The chart above revealed the frequency of online purchasing by the respondents. It shows that the majority of them are found to be shopping online either once in a week (84) or once a month(80). However, 22 respondents also preferred purchasing 2 times a week. Four respondents buy online even every day, while, three said they only purchase once a year. Never bought online is chosen by only one respondent.

#### 4.5.2 Company-Wise Online Shopping in the USA

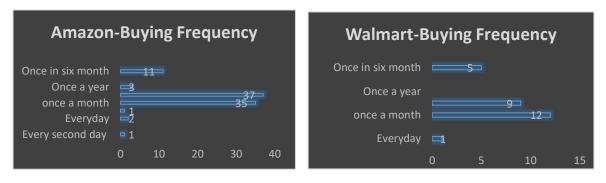
Figure 22 Online shopping Company-wise Frequency



Source: Primary Data, Chart prepared by the author

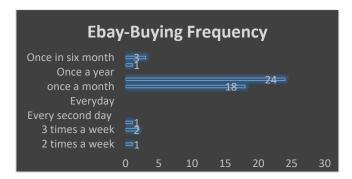
Figure 23 Online shopping Company-wise Frequency-Amazon

Figure 24 Online shopping Company-wise Frequency-Walmart



Source: Primary Data, Charts prepared by the author

Figure 25 Online shopping Company-wise Frequency-eBay



Source: Primary Data, Charts prepared by the author

Nevertheless, company-wise it is witnessed that Amazon buyers mostly buy once a week(37) or at least once a month (35), or even once in a month(11). Likewise, eBay buyers also prefers the same shopping frequency. But Walmart shoppers are less frequent online purchasers i.e. they buy in a month more than in a week.

#### 4.5.3 What Products Do People Usually Prefer Purchasing Online?



**Figure 26 Products Bought Online** 

Source: Primary Data, Chart prepared by the author

Although online shopping is ubiquitous in the United States of America and can be visible in all products and services, however as per the collected sample, it is found that the most preferred item to shop is mobile and electronic gadgets (47%), however, people also prefer buying books (39%) online. Other common purchases on the web are observed to be clothes (11%), followed by a few buying groceries (2%), music and other products (1%) online.

**Interpretation:** Residents of the States prefer online shopping frequently, mostly once a week, or at least a month. Whereas, Amazon and eBay consumers also have the same pattern of online shopping frequency. Walmart differs in frequency a bit where people mostly prefer online shopping once a month then once a week. The most common product to buy online is identified as electronics, followed by books. The other significant items purchased online by the respondents are clothes, while, grocery and other items are preferred least in online purchasing among the residents.

### 4.6 Objective 4

To study the problems perceived by consumers in online shopping and recommend to overcome those.

The online shoppers though comfortable in shopping at their convenience, but some barriers are impeding their shopping in online mode. The most important barrier which restrains online purchasing is found to be the safety of payment (22%), which is almost equivalent to high shipping cost (20%). Another obstructing element is identified as refund policy (18%) and a low trust level of online stores (16%). However, customs duty (12%), warranty and claims ((9%) and slow delivery (3%) also play a significant role in constraining consumers buying online.

**4.6.1 Barriers to Online Shopping** Figure 27 Barriers to Online Shopping

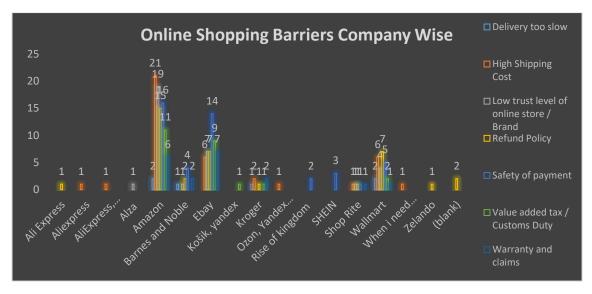


Source: Primary Data, Chart prepared by the author

While, if the same is observed company wise, the foremost brands are leading in these negative aspects too. These brands are found to be Amazon, eBay and Walmart in ascending order. Amazon customers are mostly hesitant due to high shipping cost, and the trust with the brand. While eBay buyers are worried about the safety of payment the most, followed by custom duties and warranty and claims. Nevertheless, Walmart is stringent in refund policy and its shipping cost is also found to be higher. Other barriers are also visible and hindering consumers from online purchasing. The data is classified separately for the three most popular brands in online shopping concerning the obstructions as per the data collected.

#### 4.6.2 Company-wise Online Shopping Barriers

Figure 28 Online Shopping Barriers Company Wise



Source: Primary Data, Chart prepared by the author

Figure 29 Online Shopping Barriers Company Wise-Amazon

Figure 30 Online Shopping Barriers Company Wise-eBay



Source: Primary Data, Charts prepared by the author

Figure 31 Online Shopping Barriers Company Wise-Walmart



Source: Primary Data, Charts prepared by the author

4.6.3 Occupation-wise Online Shopping Barriers

Figure 32 Occupation-wise Shopping Barriers



Source: Primary Data, Chart prepared by the author

The information above delineates the occupation wise problems associated with online shopping. It is inferred that the company employees are mostly found to be worried about the safety of payment and high shipping cost in online shopping. Another problem they face is refund policy followed by warranty and claims of online stores. However, the self-employed section of the sample took refund policy on priority ensuing that the trust issues and high shipment cost are equally a threat for them in online shopping. But, students are also concerned about payment safety together with the low trust levels in online purchasing. Nonetheless, Homemakers are also found to be insecure in online payments while purchasing on the web.

**Interpretation:** The most concerning impediment in online shopping in all the chosen brands are identified as High shipping cost, the safety of payment, slow delivery, high custom duty, refund policy, low trust level and warranty and claims. However, a certain percentage of magnitude differs from the brands. Amazon consumers mentioned high shipping cost, trust and safety of payment in descending order. Whereas, eBay buyers are considering payment of safety a hindrance. And Walmart, customers, are worried about the refund policy of the company. While occupation wise company employees are mostly worried about online transactions and high shipment cost in web purchasing. Conversely, self-employed consider refund policy as a matter of concern. But, irrespective of the occupation, most impeding factor in online shopping is observed as payment of safety and high shipment as the major hindrances in online shopping.

# 4.7 Objective 5

#### 4.7.1 Factor Analysis of Various Parameters Impacting Online Shopping

To evaluate and analyse various factors contributing to consumer behaviour in online shopping.

Figure 33 Factors impacting Online Shopping



Source: Primary Data, Chart prepared by the author

**Table 2-Reliability Statistics** 

	Reliability Statistics	
	Cronbach's Alpha Based on	
Cronbach's Alpha	Standardized Items	N of Items
.752	.737	15

Source: Primary Data, Statistical Table by SPSS

To test the reliability of the data Cronbach's Alpha test is performed with the help of SPSS software and with 0.752 alpha value it is found to be highly reliable. Considering the same

Factor Analysis is performed. Also, the significance level is less than 0.5, hence the null hypothesis is rejected and the alternative is accepted for the same.

**Table 3 Scale Statistics** 

	So	cale Statistics	
Mean	Variance	Std. Deviation	N of Items
45.12	63.359	7.960	15

Source: Primary Data, Statistical Table by SPSS

**Table 4 Case Processing Summary** 

Case Processing Summary					
		N	%		
Cases	Valid	204	100.0		
	Excluded <sup>a</sup>	0	).		
	Total	204	100.0		
a. Listwise deletion based on all variables in the procedure.					

Source: Primary Data, Statistical Table by SPSS

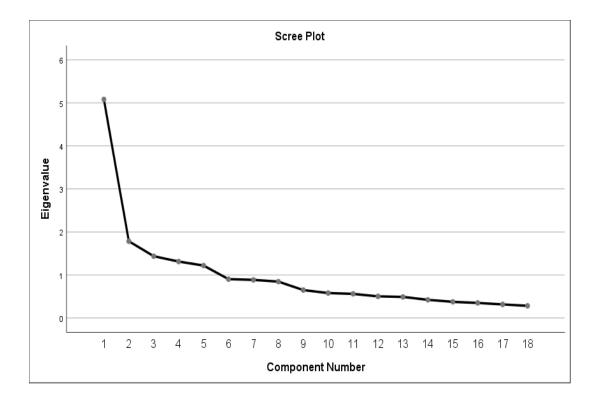
Table 5 KMO and Bartlett's Test

KMO and Bartlett's Test					
Kaiser-Meyer-Olkin Measure of Sampling	g Adequacy.	.801			
Bartlett's Test of Sphericity	Approx. Chi-Square	1100.155			
	df	153			
	Sig.	.000			

Source: Primary Data, Statistical Table by SPSS

To analyse the factors impacting online shopping behaviour of consumers, the exploratory factor analysis has been employed. To perform the same, Principal Component Method of factor analysis has been carried out, considering Eigenvalues more than one through Varimax rotation and the results obtained through a rotated component matrix are presented in the Table -5 The results of Kaiser-Meyer-Olkin (KMO Test) measure of sampling adequacy (KMO = 0.801) and Bartlett's Test of Sphericity (Chi-square Value = 1100.155; Significance = 0.000) indicates that the factor analysis method is appropriate and hence showed that it is truly adequate for the test for the current study.

**Table 6 Scree Plot** 



Source: Primary Data, Statistical chart by SPSS

The scree-plot depicts that the first five factors are found to be highly influencing as the Eigen values are more than one. Hence the factors contributing much in deciding consumer's behaviour is explained with these first five component numbers.

**Table 7 Rotated Component Matrix** 

	Rotated C	omponent l	Matrix		
	Component				
	1	2	3	4	5
Time_Delivery					.724
Detailed_Information					
Buy_Anytime			.604		.550
Easy_Comparison	.637				
Web_Design			.704		
Safety_Ease	.654				
Familiarity			.766		
Quality_Information	.641				
Less_Time					
Protects_Security					.592
Trustworthy					
Good_Offers	.605				
Review_Compare		.687			
Good_Stuff	.673				
Feedback		.786			
Discount				.723	
Convenience		.587			
CanBuy unavailable items				.811	
Extraction Method: Principal Cor Rotation Method: Varimax with		n. <sup>a</sup>			
a. Rotation converged in 8 iteration	ons.				

Source: Primary Data, Statistical Table by SPSS

**Table 8 Total Variance Explained** 

Total Variance Explained									
	Initial Eigenvalues		Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings			
Component	Total	% of Varianc e	Cumulat ive %	Tota 1	% of Varianc e	Cumulativ e %	Total	% of Varianc e	Cumul ative %
I get on time delivery by shopping online	5.08	28.221	28.221	5.08	28.221	28.221	2.842	15.79	15.79
Detail information is available while shopping online	1.784	9.913	38.134	1.78 4	9.913	38.134	2.289	12.717	28.50 7
Compare other products	1.436	7.98	46.114	1.43 6	7.98	46.114	2.185	12.137	40.64 4
I can buy the products anytime 24 hours a day while shopping online	1.312	7.291	53.405	1.31	7.291	53.405	1.847	10.263	50.90 7
website design	1.219	6.771	60.176	1.21 9	6.771	60.176	1.668	9.269	60.17 6
safety and ease of navigation and order	0.903	5.016	65.192						
familiarity with the website before	0.887	4.925	70.117						
quality of information	0.846	4.7	74.818						
less time in evaluating and selecting a product	0.65	3.611	78.429						
protects my security	0.58	3.224	81.653						
from a trustworthy website	0.561	3.118	84.771						
good offers	0.503	2.795	87.566						
can review and compare products	0.49	2.722	90.289						
feedback	0.422	2.346	92.635						
Discount	0.376	2.09	94.725						
Convenience	0.35	1.947	96.671						
good assortment	0.316	1.753	98.425						
buy items unavailable in my own country	0.284	1.575	100						
Extraction Method: Principal	Componer	nt Analysis.					<u> </u>		

Source: Primary Data, Statistical Table by SPSS

**Table 9 Communalities of Dimension Reduction and Component Transformation Matrix** 

		Communa	alities			
		I	nitial	E	xtraction	
Time_Delivery			.550			
Detailed_Information				1.000	.595	
Buy_Anytime				1.000	.720	
Easy_Comparison				1.000	.414	
Web_Design				1.000	.637	
Safety_Ease				1.000	.578	
Familarity				1.000	.663	
Quality_Information				1.000	.553	
Less_Time				1.000	.541	
Protects_Security				1.000	.583	
Trustworthy		1.000			.528	
Good_Offers		1.000			.594	
Review_Compare				1.000	.588	
Good_Stuff		1.000		1.000	.606	
Feedback				1.000	.694	
Discount				1.000	.676	
Convenience				1.000	.611	
CanBuy_unavailableiten	ns			1.000	.699	
	Com	ponent Transfo	rmation Matrix			
Component	1	2	3	4	5	
1	.614	.496	.461	.297	.276	
2	501	.386	284	.708	.134	
3	.259	239	523	043	.775	
4	352	510	.640	.210	.404	
5	.426	6536153		.604	378	
Extraction Method: Principal Component Analysis.						
Rotation Method: Varin	_	-				
Extraction Method: Prince	cipal Component Aı	nalysis.				

Source: Primary Data, Statistical Table by SPSS

#### Interpretation:

The tables above revealing analysis, illustrates that as per the gathered sample, anytime buying, familiarity with the website, good assortment and stuff available, feedback of the previous user and can buy unavailable products in the country; are found to be reflecting highest extractions. Thus, it is inferred that for choosing an online shopping store consumers' behaviour is highly influenced by the extracted elements among the eighteen selected parameters considered under

the current study. As per table-8, it is found that 60% of the variance is explained by the first five components of consumer's behaviour. The most significant factors are controlling buyer's decisions while selecting a brand for purchasing from any web portal. Bearing these factors in mind consumers make a brand selection in web purchasing in the USA.

#### 5. Results and Discussion:

The factors impacting online shopping in the United States of America is analysed using primary data through survey method. The major contribution is from the male's side comparatively. While, the age-wise younger generation are highly administered in the data, especially the age between 18-35. People in relationship and singles are found to be more in the collected sample, however, a married individual also participated significantly. Another parameter is education which shows a higher proportion of graduates and diploma holders, working generally in a company. Whereas, self-employed also contributed to the study sufficiently. They are usually from the middle-income bracket, but people earning higher income are also visible to some extent in the gathered data. A detailed analysis of the same has discovered many perceptive observations based on the variables and the objectives stated for the study.

Research Findings as per the collected secondary data:

- 1. eBay is one of the leading online shopping company in the USA. It has grown tremendously in the recent years.
- 2. Americans are highly satisfied with eBay. However, its satisfaction index has fallen in recent years, as compared to the years of the inception.
- 3. There are many contributing factors in motivating consumers to buy online through eBay. Nevertheless, convenience and discounts are observed as the most impacting factors in switching from the traditional stores.
- 4. Furthermore, consumers also prefer online purchasing due to better search and navigation facility followed by the feedback provided by the existing customers.
- 5. Consumers are found to be highly aggressive in looking for products online, while some of those end up buying offline.

The major research findings as per the primary responses are as follows:

- Online shopping is prevalent in the USA. Despite having varied choices for e-stores, Amazon is found to be the most popular one, in succession with eBay and Walmart respectively.
- 2. Residents of the United States of America are habituated to online shopping, hence prefer shopping online at least a week. If that is not possible so in a month they have to.
- 3. The most significant motivation for online shopping are found to price and convenience. And, the alike trend is noticeable even among the most popular virtual shopping stores.
- 4. The younger generation is extremely tending towards online shopping in America.
- 5. The most preferred merchandise to be bought is a mobile phone and other electronics, this is followed by books and clothes in both males and females. Whereas, women like shopping apparels more than men.
- 6. There isn't any difference between gender in terms of both shopping frequency and choice of products in online shopping.
- 7. Middle-income individuals like online shopping more than the other economic status of society.
- 8. People usually prefer credit card for online shopping. While the debit card is also used for e- purchasing at times.
- 9. Online shopping is preferred by people in a relationship or those who are still single. However, married folk also likes online shopping fairly.
- 10. The biggest hindrance to shopping virtually is the risk of online payment followed by high shipping cost. Sometimes, the refund policy also becomes a concern while purchasing from Walmart.
- 11. The company-wise factors impeding online shopping are more or less similar to the general trend as per the total collected sample.
- 12. The major contributing factors in online purchasing are familiarity with the website, good stuff availability, feedback from the existing buyers and availability of those products which are currently not available in the country.

#### 6. Recommendations:

Considering the analysis of the collected responses together with the results drawn through the statistics, marketing strategies for a company like eBay are as follows:

- 1. Prices should be kept competitive to retain the existing consumer and also to lure the new ones as online shopping is mainly preferred by the middle-class category.
- 2. The website should be user friendly, in terms of searching and exploring the products on the virtual site.
- 3. A good assortment of products should be available in the store so that consumers' can compare products quality as well as prices online.
- 4. There must be a secure payment system available so that customers will not be threatened of fraud and malpractices while transacting on the portal.
- 5. There should be a good range of products for youngsters, especially product which is trendy and can be presented on special occasions.
- 6. Electronic gadgets, books and apparels should be kept affordable in comparison to other e-stores, to lure more customers online.
- 7. A good range of such products can also attract e-buyers to the store.
- 8. The companies refund policy should be hassle-free, to help customers return and get the amount in their e-wallets for further purchases in the future.
- 9. The company should think about lowering its shipment cost so that more and more buyers can shop globally.
- 10. As the virtual stores are not providing trial service, the company should take feedback from every customer, so that new buyers can read and decide their purchases based on those.

#### 7. Conclusion:

To sum up, the entire analysis from the gathered primary data together with the secondary statistics, reckoned that online shopping is trending in the said country. The USA has taken a big leap in these few years, however, satisfaction level is slightly decreased in the recent years. In this sedentary lifestyle people prefer convenience and price on priority while shopping, hence online shopping is preferred. However, the younger generation mostly working in companies and the self-employed section of the society, earning medium income, usually prefer online shopping and are even frequent in e purchases. They are buying those products which are costly in traditional stores comparatively. Besides, consumers are also looking for better search and navigation for products to facilitate their shopping experience. But to finalize their purchasing they also check for feedbacks from existing consumers. In this arena of digitalisation, plastic money is commonly used in e-purchasing especially, to share the burden of monthly expenses and to avail the benefit of the advancements. Furthermore, consumers are now searching for a much familiar e-commerce site, having a range of products available. It is even observed in this pandemic era, that e-buying has surged dramatically. Moreover, it is affected by a range of factors, which are motivating buyers to surf online and in most of the cases end up buying from those e-stores. People also prefer buying online as it provides a platform to buy those products which are not available in the country; however, the shipment cost is still a concern. Ecommerce businesses need to be highly competitive to remain standing in the market, so for doing so consumers' needs and desires regarding the website should also be considered pivotal. Despite having certain concerns in online shopping, people prefer online purchasing as it is convenient and even affordable irrespective of the company or the demographic attribute. Being a shopper to be brand loyal, the marketing mix should be framed in analogy with the said study. Also, it could not be wrong to believe that the future of online shopping is highly enduring and can be a threat to traditional offline stores in the future.

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# 9. Appendix

Consumer Behaviour in Online Shopping

Dear All, This is a true academic survey questionnaire for my Master's study. The study is based on the consumer behaviour of Online Shopping in the USA. The responses collected will be confidential will solely be used academic and for research purpose. Regards **ABDURRAHIM** \*Required 1. Do you Shop Online? \*

Yes No

2. How frequently do you buy online? \*

Once a week

Once a month

Once in six month

Once a year

Never bought online

Other:

3. From which site do you prefer online shopping usually?

eBay

Amazon

Wallmart

Kroger

Shop Rite

Barnes and Noble

Other:

4. Which mode of payment do you generally use while shopping online?

Cash on Delivery

Credit Card

Debit Card

Bank Transfer

E-wallets

Other:
5. Main Reason for online Shopping? *
Price
Convenience
Fast Shipping
Trust
Brand Consciousness
Friend Referral
Time-Saving
Other:

6. What products do you normally shop online? (You can select more than 1) \*

**Books** 

Mobile / Computer / Camera (Electronics Products)

Clothes

Music/Movie

Grocery

Other (Please Specify)

- 7. (Respondents are requested to answer the following questions with answers from strongly agree to strongly disagree on a Likert five-point scale) 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree. \*
- 1. I get on-time delivery by shopping online
- 2. Detail information is available while shopping online
- 3. I can buy the products anytime 24 hours a day while shopping online
- 4. It is easy to choose and make a comparison with other products while shopping online
- 5. The website design helps me in searching for the products easily
- 6. While shopping online, I prefer to purchase from a website that provides safety and ease of navigation and order
- 7. I believe that familiarity with the website before making actual purchase reduce the risk of shopping online
- 8. I prefer to buy from a website that provides me with the quality of information
- 9. I feel that it takes less time in evaluating and selecting a product while shopping online
- 10. Online Shopping protects my security
- 11. I like to shop online from a trustworthy website
- 12. It's always easy to find good offers and even sometimes cheaper price on selected items
- 13. can review and compare dozens of stores and products at once
- 14. good assortment, stuff that I can't buy in the usual shops and so on
- 15. the feedback from previous users I found it very helpful to minimize the risk

- 16. Discount is obvious. 17. Convenience is only the factor 18. I usually buy items unenviable in my own country online 8. What are the main barriers which keep you away from shopping online? \* Safety of payment Low trust level of online store / Brand Value added tax / Customs Duty **High Shipping Cost** Refund Policy Warranty and claims Delivery too slow Others reasons (please specify) 9. What's your Gender? \* Female Male Prefer not to say 10. You comes under which age bracket? \* 12-17 18-24 25-35
- 36-50
- 50 50
- 50 and Above
- 11. Relationship status: \*

Single

Married

In a relationship

Widowed

Divorced / Separated

12. What's your highest level of education? \*

Secondary

**Higher Secondary** 

Graduate/Diploma

Post Graduate

Doctorate

13. What's your work status? \*

Company Employee

Self-employed

Student

Homemaker

State or Local Employee

Other:	

14. What is your Income Level (Per Month)? (\$) \*

0

200-500

500-1000

1000-3000

3000-6000

6000-12000

12000-30000

30000 and above