

# Factors Affecting Consumer Buying Behavior in Internet Market

Anuj Bansal<sup>1</sup> and Dr. Priyanka Srivastava<sup>2</sup>

<sup>1</sup>Ph.D. Scholar, Manav Rachna University

<sup>2</sup>Faculty, Manav Rachna University

E-mail: <sup>1</sup>88anujbansal@gmail.com, <sup>2</sup>priyanka@mru.edu.in

---

**Abstract**—Internet offers wide range of the options and platforms for making consumer buying easy and realistic. Consumer buying on internet takes less of time, and is secured. The time of buying can also be adjusted, besides offering customized choices to buy products and services. Affecting consumer buying on internet is attractive and innovative and above all saves money.

## 1. INTRODUCTION

Ever since the internet revolution started, consumers across the globe were empowered with a holistic way of buying, which was based on quick decision making. The consumer buying behavior within purview of this research paper attempts to look into the 5 Ws and 1H of why a consumer buys or not buys a particular product.

eCommerce is a widely growing industry, and much of this growth owes its relevancy towards improving the consumer experience. The potential online stores concentrate on converting a particular visitor into a buyer in due course of time. Here, in this entire process, the consumer's buying decision is largely controlled and influenced by factors like products/service information; product description, product quality, free shipping facility, transparency in return policy and the comprehensiveness of service level agreement, visual search and the instantaneousness involved in buying.

The paper will also attempt to go for the problem recognition, search and evaluation, purchase decision made at online store, and post evaluation of the decision made by consumer. Through this means, we try to evaluate the schism that exists within "Real World" and "Online" buying behavior.

Amazon, Flipkart, Snapdeal were ranked among the top-notch online stores, meeting the desires of consumers and giving them valuable services. The concept of shopping on internet is evolving for over 40 years now, but in India, this concept has taken the stride in the only a recent decade.

The drive of online shopping presents an interesting insight, alongside the appearance of technology as well as state of the art tools, which have constantly begun to shape the entire process of consumer buying.

## 2. LITERATURE REVIEW

The assessment of online shopping by Barnes (2013) deliberately asks the question as to why online shopping has become popular in India. Authors like Poulter (2013) one of the key reasons is ease of shopping. (Chaing & Dholakia, 2003) are of the reason that around 85% of online consumers find the comfort in comparing the prices online. There is still one reason to ascertain and it that online shopping does not encourage consumers to stand in long queues (Poulter, 2013).

Online purchasing offers all-time convenience as the consumers can shop from anywhere, even when they are busy with their home chores. Even for the consumers following a busy lifestyle, retailing is just as easy as click of mouse straight from their desk. (Poulter 2013) on an average one third consumers shop from their bed, whereas the purchases are quite prevalent between 7PM and 1AM. Over 55% consumers analysed by Rackspace (2013) self-confessed that they were dissatisfied while purchasing from internet store, for the reason that there was complicated check out procedures.

The Check-out procedures in online shopping ought to be simplified, as exhaustive form filling tends to drive consumers off the track. Enormous shipping costs levied also brought a frustrating picture, although these costs can be ward off with voucher code. The traditional way of shopping the atmosphere of local marketplace is the key influencer to drive consumer's perception. It is on the basis of the environment that brings the consumer to the point where he or she consider his or her shopping a pleasurable

experience or not. Consumers shopping on internet are often limited by narrow experiences, often manipulated by technological abilities.

Lee and Turban (2001) has a fair notion, which says navigating through various ecommerce portals happens to be complicated for consumers, who are not aware of the nitty gritty, and do not often consider internet as reliable medium for monetary transactions.

These consumers find the fault on various factors like refunds, return policies, billing glitches, exchange procedures and many times it is the faulty products in total. Dellaert and Kahn (1999) made a clear identification that consumers who are experiencing problems while shopping on the internet will need to wait only for eight seconds for receiving the response from tracking system of the online store. In opposition to the convenience of shopping in the brick and mortar retail environment, or traditional product stores, consumers who shop at the online stores get more of product information.

There is uncertainty in online transactions, and online retailers therefore, have to vouch for authenticity and reliability of the data. More importantly, there is less relevancy with regard to legal material. It is therefore important to measure the extent of trust of consumers towards the e-retailing by way of exploration of the website's nature, credit card security and pitching personal details of the shopper. Such risks pose high probability of losing potential consumers.

However, by larger means, the consumers have an overwhelming and positive experience when they shop online. They are informed, entertained, and all of it brings a high level of enjoyment in the lives of e-consumers.

### **3. RESEARCH PROBLEM**

There are variety of statistical analysis and economic data available on the customer buying behaviour and their intentions of buying at the physical stores. These statistics also proclaim customer loyalty towards particular brand and the shopping mall.

However, this review paper specifically looks into consumer buying behavior in the online stores. What is the nature of loyalty exhibited by them when they are buying at online stores? What is the difference in the rate of customer satisfaction and loyalty? How customer satisfaction is ultimately transformed into loyalty for a particular brand or the product.

Limited data and real time resources are available to support the research and validate consumer satisfaction, loyalty and purchasing behavior at online stores. Several efforts are put together in studying and analysis of the consumer shopping on internet.

We have introduced the case studies of as many as four online eCommerce portals, which are actively engaged in delegating their tasks and addressing the needs of Indian consumers. However, since the consumers belong to diversified ethnic groups and cultural frameworks, no specific data pinpoints on demography and socio-economic structuring of the customers involved in purchasing at the online stores.

### **4. RESEARCH OBJECTIVE**

The principal objective of the review paper here is:

- To find out critical factors which influence the behavior of online consumers;
- To discover the buying behavior of consumers at the online stores; consumer behavior towards online marketing;
- To explore the critical factors necessary in the swaying habits of online consumers.

### **5. RESEARCH METHODOLOGY**

**Research Design:** The paper involves descriptive research from secondary online resources. Field research was not conducted. It was quantitative descriptive research was undertaken, keeping in view the estimated time frame.

**Nature of Study:** The study involves qualification of data through the medium of case studies of premium online marketing stores. No cross tables were used in course of the research.

**Research Technique:** Survey from secondary internet resources were undertaken to ensure comprehensiveness.

**Sampling Methodology:** During the entire research, Convenient Sampling method is used.

## 6. ANALYSIS – CASE STUDIES

### Online Buying Behavior – Case Study FlipKart

**About Flipkart** - eCommerce Store Started in the year 2007, with the first product sold as the book titled "**Leaving Microsoft to Change the World.**" The total number of employees are 33000. Estimated advertising revenue earned is more than \$6,574. The Average Page Load Time is registered at 2.1 seconds, much faster than the 29% of websites currently active in the world. The E Commerce store accepts payments in form of Debit Card, Credit Card, Cash on Delivery, and Gift Vouchers. The store has 30 Days Replacement Policy, Free Shipping and EMI Options. Flipkart used social media to tap the sentiments of young buying population.

#### Inference:

Customers are not feeling comfortable with method of online payment. Most of the customers are young. There are middle management retention problems. The operations of E Commerce store are not consistent. This online retail store is facing stiff competition from various domestic and international stores.

### Online Buying Behavior – Case Study Amazon.in

**About Amazon** - American E Commerce Store, based in Seattle, Washington, began its operations as online book store but was soon selling Blue-rays, DVDs, MP3 Downloading, Software Videogames, Apparel, Furniture, Toys, and Jewelry. The store offers international shipping facility to only few countries. There are separate websites for UK and Ireland, France, Canada, Germany, Italy, Spain, Netherland, Australia, Brazil, Japan, China and India. The online retail store has free home delivery, cash on delivery, and strong business relationships with many electronic consumer companies and the publishing houses.

#### Inference

It operates on a on very extremely low margin and products are of high quality. It has tie ups with several players of the untapped market. It has also opened physical stores to give consumers a great shopping experience. Online security threats reported. Consumers are not happy about it.

### Online Buying Behavior – Case Study Myntra.com

**About Myntra** – Myntra is India's progressively growing and biggest e-commerce company, based in Bangalore, Karnataka and popular for fashion and lifestyle products. It is single largest e-commerce platform that brings a holistically exclusive range of brands and products on its portal. The e-commerce store also gives advantage to the shoppers for choosing the apparel, accessories, cosmetics, and footwear from more than 500 leading Indian and international brands. The ecommerce plans to execute new strategies that would transform retail and shopping in India. Besides, the brand is making the attempts for conveying the best branded and the trendiest items all along the way.

**The Problem** – Myntra had a Siloed ecosystem, which meant that there was high turn-around time for queries of the customers to be answered within a time frame. And besides, the prospective customers had to click several times after visiting the portal to get information about the products. The system of functioning within Myntra had no means where information about the customer behavior could be collected and punitive measures could be taken to bring improvement in their behavior.

#### Inference -

Myntra implemented the unified Incident Management System across the various channels of the Customer Support and this included increase in E-mail, Voice Chat and the Social media. The customer interaction in Myntra has grown by approximately 60-70% every year, in time span of last five years. This smart ecosystem has helped customers to interact with Myntra management directly, who in turn help in the process of understanding the customer requirements with a better proposition. Myntra is now using the survey module that has been successfully incorporated into the the platform to collate customer feedbacks and take appropriate actions to improve CX.

### Online Buying Behavior – ShopClues.com

**About ShopClues-** ShopClues.com is India's premier online Managed Marketplace, which connected the buyers as well as the sellers online, giving them the trusted as well as the pleasure of the safe online shopping and a smartly engaging environment. ShopClues integrates an innovative customer centric approach we provide the best online shopping experience to our customers – starting from the best selection, great technology, perfect fulfilment and ending with the best customer service you have ever experienced.

ShopClues has a rigorous merchant approval process ensures, which gives the buyers can be assured on all aspects of product purchase, be it authenticity, quality or the price. The merchants at ShopClues are successful retailers who have earned credibility and customer loyalty through years of excellence in building customer experience in the offline environment.

### The Problem

**Problem#1** -ShopClues had the mandatory Newsletter Signup Popup on the homepage, and this led to the loss of as much as 25% of the traffic to other ecommerce portals. Since there was no visible X or close button, users were bouncing immediately. Although it was possible for users to simply click anywhere else on the page to close the popup, a significant portion of their visitor's didn't realize this. Moreover, the product page was not at all structured.

**Problem#2** – The product page was too cluttered, and the right column showcases information like shipping options, buyer's insurance, reviews, and similar products.

**Problem#3** - ShopClues' recorded user sessions showed that the site's phone number was the most commonly searched item. Their contact information was listed at the bottom of the page, but the scroll heatmaps tool showed that many visitors weren't scrolling that far. Combined with the fact that their search is a catalogue of items and not company information, those visitors couldn't easily find what they were looking for.

### Inference:

ShopClues added a high contrasting X in the corner to allow users to exit the popup and continue to the site. This simple change provided an incredible amount of uptake in conversions, since it was hindering the entrance to the site.

Eye-tracking heatmaps were used to restructured their page to reflect visitor priorities armed with empirical data. Optimizely, an excellent A/B testing solution, was used to validate the hypothesis.

The merchants are enjoying the benefits of state-of-the-art technology, robust fulfilment processes, reliable payment facility and unmatched marketing expertise. This allows them to focus on what they do the best, bringing the best products to the customer at the best price.

### Tabulated Representation:

Case Study	Objectives	Strategy Used	Platform/Dimensions	Problem Faced
<b>FlipKart</b>	<ul style="list-style-type: none"> <li>- Create digital market space</li> <li>- Widening customer base</li> <li>- Generate new leads</li> </ul> <p><b>Problems Faced:</b></p> <p>Competition from Local and Established Market Players</p>	<ul style="list-style-type: none"> <li>- penetration pricing</li> <li>- event concept advertising</li> <li>- social media marketing</li> </ul> <p><b>Target Audience:</b></p> <ul style="list-style-type: none"> <li>• International and National household consumers</li> <li>• All types of buyers</li> </ul>	<ul style="list-style-type: none"> <li>-facebook</li> <li>-twitter</li> <li>-Pinterest</li> <li>-Youtube</li> </ul>	<ul style="list-style-type: none"> <li>- Online payment method was not comfortable</li> <li>- Stiff Competition from domestic and international stores</li> </ul>
<b>Amazon.com</b>	<ul style="list-style-type: none"> <li>-Developing new digital market space.</li> <li>-Expanding the Customer Base</li> </ul> <p><b>Problems Faced:</b></p> <ul style="list-style-type: none"> <li>• Limited presence in the newly found local market</li> </ul>	<p><b>Social Media Marketing</b></p> <p><b>TV Advertising</b></p> <p><b>Target Audience:</b></p> <ul style="list-style-type: none"> <li>• International and National household consumers</li> <li>• All types of buyers</li> </ul>	<ul style="list-style-type: none"> <li>-facebook</li> <li>-Youtube</li> <li>-TV (Electronic Media)</li> </ul>	<ul style="list-style-type: none"> <li>- It operates on extremely low margin</li> <li>- Online security threats reported</li> <li>- Consumers were not happy about it</li> </ul>
<b>Myntra</b>	<ul style="list-style-type: none"> <li>-Expanding the Online Fashion Industry</li> </ul> <p><b>Problems Faced:</b></p> <p>Myntra had a Siloed ecosystem,there was high turn-around time for queries of the customers</p>	<ul style="list-style-type: none"> <li>-Social Media Marketing</li> <li>- Blogging</li> <li>-Video Content Strategy</li> </ul> <p><b>Target Audience:</b></p> <ul style="list-style-type: none"> <li>• International and National household consumers</li> <li>• All types of buyers</li> </ul>	<ul style="list-style-type: none"> <li>-Youtube</li> <li>-Website creation</li> <li>- Blog creation</li> <li>- facebook promotion</li> <li>-Pinterest</li> <li>-Google Plus</li> </ul>	<ul style="list-style-type: none"> <li>- there was high turn-around time for queries</li> <li>- prospective customers had to click several times to get information about the products</li> </ul>

ShopClues	<p><b>Increasing the Customer Base</b></p> <p><b>Problems Faced:</b></p> <p>ShopClues had the mandatory Newsletter Signup Popup on the homepage, and this led to the loss of as much as 25% of the traffic to other ecommerce portals.</p>	<p><b>Social Media Marketing</b></p> <p>- Blogging</p> <p>- Video Content Strategy</p> <p><b>Target Audience:</b></p> <ul style="list-style-type: none"> <li>• International and National household consumers</li> <li>• All types of buyers</li> </ul>	<p>- Youtube</p> <p>- Radio</p> <p>- Facebook</p> <p>- Drawing and Painting</p>	<p>- mandatory Newsletter Signup led to the loss of traffic</p> <p>- The product page was too cluttered</p> <p>- their search result is a catalogue of items and not company information</p>
-----------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## 7. FINDINGS AND INTERPRETATION

### Factors Affecting Buying Decision of the Consumers at Online Store

Online shopper makes speculative decisions, for the reason that the way a consumer thinks during the time of his or her buying is not easy to predict. The decision of a consumer is based on various thoughts that may arise out of intense liking of the product or the service. No marketing analyst of any calibre whatsoever, can make a generalized decision on what entices a consumer to buy or not buy. The psychological state of mind of any consumer is elusively hard to judge by any online business owner or his marketing team.

However, based on the online research and comparison, certain factors have been hypothesized, which are likely to be instrumental in consumer buying decision while he is at the online store. TAM (Technology Acceptance Model) and TRM (Theory of Reasoned Action) delves into these factors as:

#### Factor#1

**Risk of Financial Transactions** – Risk of losing the finance is always the first concern of individuals when a consumer buys from online store. There are higher age groups (50 to 70 years), who show more rigors with respect to the privacy and security at online transactions. This age group also perceive higher intensity of risks when they try to shop online by providing their credit card or debit card number. On the opposite side, most of the millennials have free will towards buying products on internet.

#### Factor#2

**Risk of Purchasing the Product** – Purchasing a product at any tradition brick and mortar store comes with lesser risk as the product is right in front. The consumers can easily feel the product by touching it. In this manner, the consumers have general ideology built up. But in case of the product purchased from eCommerce store, despite the fact that product descriptions are highlighted along with zoomed pictures, there is very little scope left for evaluation.

#### Factor#3

**Convenience of Shopping** - Purchasing any product or service at online store comes with convenience. Any potential consumer visiting online store saves the energies and time during shopping. It is a healthy activity altogether. The time and energy saved can be judiciously spent on other relevant activities. Purchasers at the online store can buy just anything.

#### Factor#4

**Product Deliveries** – A general conscience or disbelief in always there in the minds of online shoppers that they may not receive the product, even after registering a purchase. There may be an occurrence of delivery losses, where the product gets either lost or damaged and as the result does not reach the end consumer. High probability of loss is also attached to improper shipping as well as transportation handling. The best that could be done in this situation is by providing regular updates on delivery date and time.

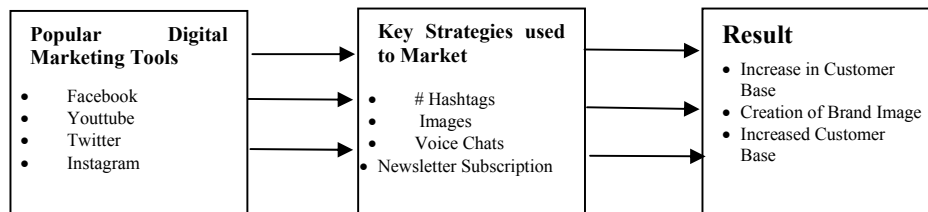
#### Factor#5

**Infamy to the Return Policy of the Online Store-** Return policy brings consumer to the judgemental levels whether he should buy the product or not from a particular online store. This policy is basically giving the online customer an advantage to return the product, if in case, the product is not measuring to the standards. An online purchaser will feel cheated if he or she finds that the product received by him is not measuring the expectations or is worthwhile.

**Factor#6**

**Difference in Cultures** – Purchasing at the online store is subjugated by cultural differences. Such differences arise from the fact that different societies follow different value systems. Statistics reveal that more than 40% of consumers buying the products online are from Non- English-speaking countries, and cultural differences are quite obvious to believe. Therefore, consumer behavior is seriously affected as the result of cultural schisms. Ecommerce stores need to take an objective responsibility here.

Consumer behavior on the internet is beyond prediction and cannot be standardized on protocols. Providing the basic product information will reduce the behavior of consumer who is out there for registering the purchase.

**8. THEORETICAL FRAMEWORK****9. RESEARCH LIMITATIONS**

The research was restricted only to the secondary resources as the access to primary data was not possible. Another significant limitation during the research study was absence of metrics system that could assess the situation on real time basis.

**10. CONCLUSION**

The behavior of consumers buying at online stores is influenced basically from the three essential facts – availability of wide range of products; freedom to shop at any time and from anywhere; advantage to compare the prices from competitors to get the best bargains ever.

Shopping from the physical stores has its own set of disadvantages, which come in the form of: limited price comparison facility; shopping process is time consuming; plenty of time is consumed while shopping; and traveling is required.

One of the key advantages of consumer groups to shop online is that such groups have increasing fondness for spending their valuable time at physical stores, and value the time spending for social reasons, like conferencing with the friends.

Online shopping is helping the consumers to make self-decision, and these decisions are made entirely on the basis of information and comprehensive research. The behavior of consumers is increasingly becoming knowledgeable.

The case studies undertaken as the part of this research paper has clearly outlined positive boldness and overhaling behavior of consumers, while they make online purchases. Such consumers fall within the low and the high age and income groups.

The progress of e-commerce has caused an E-transformation in the global retail ecosystem. In this whole process, internet has become cost effective. The interesting point out to evaluate here is that consumer purchase at online stores is influenced by highly secured payment gateway systems, transparent return policies, higher product quality.

The results demonstrate that the respondents seemingly understand the gravity of online shopping and its positivity. These results are instrumental in highlighting symmetrical growth of shopping at online stores by new age consumers. Several online stores are employing variable factors, and formulating their essential strategies as well as innovative plans to ensure better understanding of existing and prospective consumers.

The organizations are working on concepts to materialize significantly on the consumer implicit and explicit requirements in online shopping ecosystem.

The finding of this research also looks into buying behavior of female consumers, as there has been large increase in this segment also. Therefore, the online retail stores should find out strategies exclusive towards buying behavior of the female consumers.

Good understanding of consumer online shopping patterns has to be understood in the future by online stores to attract more consumers to buy online, and this would help in scaling the revenues to a new high.

---

Internet Marketing is undoubtedly growing by leaps and bounds in recent times, and is making a niche place for itself. This mode of marketing is remarkably leading the concept of convenient shopping and fair selection.

#### **11. ACKNOWLEDGEMENTS:**

This work was supported with case studies and secondary research. Secondary information resources were used during the writing of research paper.

#### **REFERENCES**

- [1] [https://shodhganga.inflibnet.ac.in/bitstream/10603/13562/16/16\\_chapter%209.pdf](https://shodhganga.inflibnet.ac.in/bitstream/10603/13562/16/16_chapter%209.pdf)
- [2] <http://www.allresearchjournal.com/archives/2016/vol2issue5/PartM/2-5-31-765.pdf>
- [3] <https://www.digitaltechnology.institute/blog/impact-of-digital-marketing-on-consumer-behaviour/>
- [4] <https://eujournal.org/index.php/esj/article/view/6204>
- [5] [https://www.researchgate.net/publication/324277805\\_Impact\\_of\\_Digital\\_Market\\_on\\_Consumer\\_Buying\\_Behaviour](https://www.researchgate.net/publication/324277805_Impact_of_Digital_Market_on_Consumer_Buying_Behaviour)
- [6] <https://www.scribd.com/doc/116026823/Influence-of-internet-marketing-on-consumer-behavior>
- [7] <http://www.eajournals.org/wp-content/uploads/Online-Marketing-and-Consumer-Purchase-Behaviour.pdf>
- [8] <http://ijrmb.com/vol4issue3SPL1/sivasankaran.pdf>
- [9] <https://www.inc.com/adam-heitman/how-digital-marketing-transformed-the-consumer-buying-process.html>
- [10] <http://www.ijrst.org/articles/IJRSTV2110099.pdf>
- [11] <http://intelliassist.co.in/impact-digital-marketing-consumer-behavior/>
- [12] <http://www.allresearchjournal.com/archives/2016/vol2issue5/PartM/2-5-31-765.pdf>
- [13] <https://www.mediavisioninteractive.com/social-media/how-digital-is-changing-consumer-behaviour/>