Good dissertation about technological influence on consumer behaviour

Business, Customers



Advancement of technology specifically information technology is playing a significant role in buying electronics products (Tai, Pearn and Chen, 2015). This swift and fast modern technology affect the attitude of a customer. Consumers employ to acquire new models/versions and quality products. This is the prime cause of boosting the branded products, and numerous market players present themselves to consumers with a great deal of futures innovated designs in their products. In addition, consumer's enticed to modern technology feels more comfortable about existing market trend.

E-commerce: Online Accessibility of Products

The online accessibility of electronic products provide a superior array of options, brand names and the lack of electronic products in the stores that are primary drivers of the online marketing. (Bakhar, 2015; Rajaselvi, 2015). The e-commerce allows inexpensive transaction-making through a variety of market systems. It also facilitates the exchange of details in between purchasers and vendors used to provide without time limitations and provide room to observe existing market mechanism. The e-commerce penetration in under developing countries is limited compared to developed nations, but it does cater to impulse purchases like Western nations (Baji and Sakhar, 2013; Lee, 2010).

More so, the products offered by online stores is a strong motivation for consumers due to the simplicity of acquisition through the internet. The costs and discounts provided are the major inspiration for the people purchasing online. The e-commerce market is striving to progress and upgrading to make customer's e-tailing encounter problem cost-free as well as practical. The improved system of prompt shipment bring in much more

practical repayment alternatives as well as provide folks with lucrative offers with discounted price enhance impulsive purchasing. (Che et al., 2015; Erdoğmus and Çiçek, 2011).

Innovations in Electronic Products and Online Buying

There are wanton modifications and innovation in electronic products, and this is fastest expanding the market on the globe today. Baji and Sakhar (2013) conducted a research in India to predict customer trend making use of e-commerce. They reported that on-line buying of cell phones, Mp4 Players/iPads, and cameras as 32 %, 21 % and 19 % respectively. The people that are making on-line acquisitions are young and teenagers who consider better rates, savings as well as hot deals that form their significant inspiration while making a decision to buy (Rajaselvi, 2015).

Mode of Payment

The mode of payment is also a substantial element in evaluating the perception of the consumer for online buying. The mode of payment includes credit/debit cards, PayPal, online banking, cash on delivery and so forth. Lo and Harvey (2011) reported financial significances of credit card that permit the customers to borrow money extremely effortless to satisfy their need to purchase. They observed that habitual customers usually overspent and seldom influenced by cost. Their habit of profligacy was partly mediated by excessive utilization of their credit cards. Additionally, frequent customers pay less attention about their budgets, specifically when they made use of credit card. These consumers also assimilate more delight by completing their buying compared to normal customers (Lo and Harvey, 2011). Baji and

Sakhar (2013) reported mode of payment credit/debit cards, cash on delivery and online banking 37%, 33% and 27% respectively in their study conducted in India. Hsu, Chang and Chuang (2015) opined that the success of online buying also based on consumers' repeat purchasing. They formulated expectation-confirmation model by incorporating varying assumption to ascertain online shopping and the factors influencing repeat purchase intent in on-line buying. They added that the convenience in the mode of payment influenced the buying behaviour of the consumer.

User-friendly Website Design

User-friendly website design is imperative for internet banking, and it is a very important tool of attraction in the current competitive business environment (Thomas, 2008). The website design with user-friendly features impacts online marketing. This is because a variety of visitors has different demographic profiles with both non-technical and technical skills (Bagga and Bhatt, 2013).

Online Group-Buying

The essence of an on-line group-buying is to recruit sufficient individuals to produce an adequate quantity of orders to develop the basis for a lesser purchase price. Kauffman, Lai and Ho, (2010) explained that on-line group-buying allows individual consumers to integrate their buying power in order to get savings. Demand gathering, as well as quantity discounting, are core principles of on-line group-buying having objectives of decreased transaction expenses as well as an associated threats. Essentially, it boosts usefulness for the customers. As network innovation and e-commerce continue to

develop, on-line group-buying is becoming more popular depending on a company design for the internet buying (Phau and Poon, 2000).

Zhang and Gu (2015) reported that the number of online group-buying consumers in China had reached 141 million in December 2013 representing usage price of 22. 8 %. Almost 8. 0 % increase was observed during the period 2012- 2013. Many other studies have identified essential factors of online group-buying habits based on electronic word-of-mouth, trust, credibility, website quality, and info propagation. (Ashmore, 2009; Chang, 2006; Sun, 2011; Tsai, Cheng and Chen, 2011; Zhou, Zhang and Zimmermann, 2013). Sun, Liu, and Luo, (2010) determined five ascendants including potential risk, interaction, reputation, as well as trust on the initiator and predicted the degree of trust on initiator that favorably affects group-buying. They mentioned that the electronic word-of-mouth is a way of enforcing societal impacts on individuals.

Many online versions of new companies based on internet-based selling techniques provide fascinating internet group-buying options. The main idea associated with internet group-buying is that customers can take advantage of their cumulative negotiating power to decrease the rates at which they acquire the products based on their interest. Simultaneously, providers may able to develop advantage of reduced price by hiring consumers. Therefore, the goal of online group-buying on the web is to create a state of affairs in between providers as well as customers to take full advantage of the accumulated social well-being. (Sun et al., 2010; Zhang and Gu 2015).

Other Factors Influencing Online Group Buying

The higher number of orders influence more consumers to get involved, and this is because the final auction cost is likely to be lower than it would be otherwise. This favorable feedback is associated with externalities. However, a phenomenon of inertia persists that commonly occurs at the start of internet group-buying because of the small number of orders that take place in the beginning of an internet group-buying. (Kauffman et al., 2010; Uma and Sasikala, 2011). Many potential consumers are persuaded to wait until the public auction rate for the online sales products dropped to an acceptable level. This only comes with the participation of increased number of people in the auction. Consequently, consumers will certainly have the affinity to wait one another to sign up with the public auction. Hence, the start-up inertia has to be overcome before the number of orders will maximize. Kauffman et al. (2010) discovered three incentive mechanisms to address this problem including time-based, sequence-based as well as quantity-based incentives. The numerous incentive mechanisms trigger customers to perceive an absence of cost fairness and step-by-step fairness in a public auction's procedures. The conceptual viewpoint to stand for a variety of decision-making influence consumers that could be applied in the online marketing strategies. The participation in savings provide the basis to produce perceptions of higher cost fairness in online group-buying auctions. Compared to other reward mechanisms, a sequence-based motivation system provides customers a feeling having less step-by-step fairness. (Kauffman et al., 2010).

Influence of Marketing Strategies

Effective communication strategy

Effective communication strategy is of prime importance in the modern era that create awareness among the consumers. Bagga and Bhatt, (2013) reported numerous fundamental factors that develop motivation among consumers and influence buying behavior. More so, advertisement of promotional sales using social media have sufficient impact on buying behavior. Liu and Xiao (2008) also mentioned the influence of advertisement of promotion strategy that force the public to buy particular products.

Influence of Distribution Strategy

The effective distribution system that provide convenience in placing an order and receiving products influence the consumer behaviour. Hence, many companies strengthen their distribution system by eradicating the distributors and used to opt delivery at the door step to enhance consumers network (Darrel, 2011).

Consumer Residential Background

The residential environment of consumers has a varying influence on buying decisions. Mishra, (2010) conducted a study by taking into account sample population comprised of rural and urban consumers. He reported the negligible difference of style and price perception among both communities for buying of cellphones. Contrarily, the substantial difference was observed in the context of functions, quality, as well as brand perception among rural and urban consumers. He added that the rural community is less influenced by these parameters compared to urban consumers.

References

Ashmore, P. (2009). Free Trade Nation: Commerce, Consumption, and Civil Society in Modern Britain. Cultural and Social History, 6(4), pp. 525-526.

Bagga, T. and Bhatt, M. (2013). A Study of Intrinsic and Extrinsic Factors

Influencing Consumer Buying Behaviour Online. Asia-Pacific Journal of

Management Research and Innovation, 9(1), pp. 77-90.

Baji, A. and Sekhar, N. (2013). Consumer Behavior towards Buying of Electronic Goods. International Monthly Refereed Journal of Research in Management & Technology, 2, pp. 20-27.

Bakhar, R. (2015). A Study on Consumer Buying Behaviour towards Selective Electronic Home Appliances in the Nagpur City of Maharashtra. International Journal of Applied Services Marketing Perspectives, 3(3), pp. 1104-1114.

Chang, S. (2006). Empirical and Theoretical Analysis of Overlapping Electronic Markets. Ph. D. University of Connecticut.

Che, T., Peng, Z., Lim, K. and Hua, Z. (2015). Antecedents of consumers intention to revisit an online group-buying website: A transaction cost perspective. Information & Management, 52(5), pp. 588-598.

Cheng, H. and Huang, S. (2013). Exploring antecedents and consequence of online group-buying intention: An extended perspective on the theory of planned behavior. International Journal of Information Management, 33(1), pp. 185-198.

Darrel, R. (2011). The Future of Shopping. [Online] Harvard Business Review. Available at: https://hbr. org/2011/12/the-future-of-shopping [Accessed 22 Jun. 2015].

Erdoğmus, I. and Çiçek, M. (2011). Online Group Buying: What Is There For

The Consumers?. Procedia - Social and Behavioral Sciences, 24, pp. 308-316.

Hsu, M., Chang, C. and Chuang, L. (2015). Understanding the determinants of online repeat purchase intention and moderating role of habit: The case of online group-buying in Taiwan. International Journal of Information

Management, 35(1), pp. 45-56.

Kauffman, R., Lai, H. and Ho, C. (2010). Incentive mechanisms, fairness and participation in online group-buying auctions. Electronic Commerce Research and Applications, 9(3), pp. 249-262.

Lee, S. (2010). Analysis of Relationships E-Commerce on Consumer Decision Making Motivation for Buying Goods Online. SSRN Journal. [Online] Available at: http://papers. ssrn. com/sol3/papers. cfm. id= 1918328.

Liu, M. and Xiao, M. (2008). Research on relationship between consumer satisfaction and web consumer shopping behavior. International Journal of Business Research, 8(5), pp. 127-136.

Lo, H. and Harvey, N. (2011). Shopping without pain: Compulsive buying and the effects of credit card availability in Europe and the Far East. Journal of Economic Psychology, 32(1), pp. 79-92.

Mishra, A. (2010). An Analysis of Buying Behavior of Rural and Urban Consumer in Sagar District with Reference to Utility Pattern of Mobile Phone. Asia-Pacific Journal of Management Research and Innovation, 6(4), pp. 18-25.

Phau, I. and Poon, S. (2000). Factors influencing the types of products and services purchased over the Internet. Internet Research, 10(2), pp. 102-113.

Rajaselvi, K. (2015). Buyer Behaviour towards Electronic Goods. International

Journal of Enterprise and Innovation Management Studies, 1(3), pp. 74-80. Sun, H. (2011). Designing for Social Commerce Experience as Cultural Consumption. Lecture Notes in Computer Science, pp. 402-406. Sun, P., Liu, Y. and Luo, J. (2010). Perceived Risk and Trust in Online Group Buying Context. 2010 3rd International Conference on Information Management, Innovation Management and Industrial Engineering, pp. 660-663.

Tai, Y., Pearn, W. and Chen, C. (2015). Product mix determination and capacity allocation for heterogeneous products in thin film transistor liquid crystal display manufacturing. Computers & Industrial Engineering, 80, pp. 201-211.

Thomas, E. (2008). Internet Marketing In the International Arena: A Cross-Cultural Comparison. Journal of International Business Strategy, 8(3), pp. 84-93. Tsai, M., Cheng, N. and Chen, K. (2011). Understanding online group buying intention: the roles of sense of virtual community and technology acceptance factors. Total Quality Management & Business Excellence, 22(10), pp. 1091-1104.

Uma, K. and Sasikala, P. (2011). Study on Consumer's Perceptions and Buying Behaviour towards Selected Home Appliances Products in Madurai District. IJAR, 4(4), pp. 87-88.

Zhang, Z. and Gu, C. (2015). Effects of Consumer Social Interaction on Trust in Online Group-Buying Contexts: An Empirical Study in China. Journal of Electronic Commerce Research, 16(1).

Zhou, L., Zhang, P. and Zimmermann, H. (2013). Social commerce research:

An integrated view. Electronic Commerce Research and Applications, 12(2), pp. 61-68.