

Good online shopping research literature review example

[Business](#), [Customers](#)



(Instructor name)

Introduction

The rise of electronic commerce (e-commerce) in the last decade has been well documented. Beginning with Amazon for books (and more categories added later), and moving on to a number of other spheres including travel, fashion, and a number of services, e-commerce has seen tremendous growth, with increasing number of consumer preferring it as the channel of choice for shopping. Even those customers that buy from retail stores are likely to go online and compare products and prices before deciding what to buy and where. Due to its universal reach, a wide range of retailers can use it as a marketing channel. While the online channel grows, it has its fair share of supporters and opponents. While those in favor of online shopping talk of convenience, choice, price savings and the ability to compare goods across multiple retailers, those opposed highlight the key thing lacking in online purchase, viz. the look and feel of the product, the touch and feel factor. However, based on studies carried out by a number of researchers, the benefits seem to far outweigh the limitations of online shopping. This brings us to the hypothesis which is:

Most people prefer to shop online as they see this way as much easier.

Factors influencing customer buyer behavior

It is very difficult to set quantitative factors for evaluating a customer's experience with online shopping. Different customers may disagree about their perceptions and satisfaction level, and may provide widely varying

assessments for the same experience. For this, conditioning influenced by a number of factors can be critical. Some of these factors are:

Social

The acceptance and adoption of online shopping varies from country to country, and can play a huge role in determining the satisfaction level of customers (Celik, 2011). The main segment most heavily into online shopping was top management executives (Ong, 2010). The five main categories of online shoppers were found to be:

- senior management executives,
- professionals and white collar workers,
- businessmen and self-employed
- Blue collar workers
- The retired or unemployed and housewives.

This most likely are based on the level of technical awareness and comfort in handling technology and online transactions. The key factors that drive online shopping in this area include reference groups, family, social roles and social status (Armstrong and Kotler, 2003).

Cultural

Cultural conditioning was found to play a strong role in determining the online purchasing behavior of customers. A survey by Schaupp and Belanger (2005) found that customers who were comfortable sharing their personal details online had a better online experience than those who were reluctant to do so. This is mainly due to the fact that systems work on information, and more information led to better options (Luo, Ba and Zhang, 2012). However,

the level of comfort in sharing information and interaction online is determined by culture, subculture and social class (Armstrong and Kotler, 2003).

Personal

These factors are those that are inherent to the individual. They include elements such as age, stage of lifecycle, occupation, economic situation, lifestyle, personality and self-concept (Armstrong and Kotler, 2003). The personal factors can also span a host of elements and range from the perceived risk of buying goods online, how fast the website loaded, the choices found, ease of transaction, previous experience, etc.

Psychological

Consumers act and react based on their perceptions (Kesidou, et al, 2011). Factors like motivation, perception, learning, beliefs and attitudes determine the psychological make-up of the consumer, and these can also define the online shopping experience and choices of the consumer. The way a person reacts to his environment or makes a decision is conditioned by his learning, belief and attitude towards the situation. People form opinions and beliefs based on their previous experiences, and these play a role in the perception of future experiences.

How consumer Attitude Affects Purchasing Process

As discussed earlier, shopping online has a number of benefits and shortcomings for consumers. Depending on the approach of the consumer towards the experience, they are likely to get a satisfactory or unsatisfactory

feeling from the process. Typically, younger generations and those more familiar with using the internet and electronic tools have a better experience with online shopping than the older generations and those with a lower education background. Similarly, consumer attitude is also affected by the product features and website quality (Tabaei, et al, 2011).

The Difference between Online Shopping and Physical Shopping

There is a significant difference between online shopping and physical shopping in a store. The key differences have been outlined below:

Physical Shopping Advantages

- The advantage of touching, feeling and trying out every merchandise before buying
- Experiencing the complete brand in terms of its ambience, identity, etc.
- Getting assistance in choosing from a physical person.
- Goods can be exchanged if not found suitable.

Physical Shopping Disadvantages

- Choice restricted to merchandise within the store
- No option of price comparison for the same item across different stores.

Online Shopping Advantages

- Variety is unlimited across stores on the internet.
- Price comparison can be made easily through online research and even comparison sites
- Sites can remember previous purchases and make suitable suggestions for

future purchases.

- Convenience of buying from anywhere.

Online Shopping Disadvantages

- Returning purchases is cumbersome.
- Goods cannot be experienced before purchase
- Limited online assistance in choosing what to buy
- Brand experience is limited due to limitations of the device being used.
- Risk of identity theft and misuse of information

Conclusion

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