

On-line purchasing research paper examples

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



With the introduction of computer internet services, suppliers have developed new online shopping systems aiming at increasing business transactions. Consumers can actively involve themselves in business transactions any time and place and buy goods or services. Increase in the number of internet users should lead to increase in online purchasing by consumers. However, this is not the case and several factors have contributed into a decrease in on-line purchasing methods by consumers.

First, most people believe that cases of fraud and theft of credit cards comes from online shopping. Some online shopping methods require consumers to give out their credit card or debit card information. With the increasing rate of cyber terrorism, internet experts have knowledge of stealing money from these cards. Online buyers argue that the internet is the place where most theft cases occur when an individual identifies him or herself to the system. Data published in 2005 shows that, most thefts in United States do not occur through online purchasing where individuals give out their credit card information. Despite campaigns carries for the promotion online shopping, 20 % of U. S population still have a belief that online purchasing leads theft (The MultiChannel retail. com 2009).

The nation loses a lot of revenue yearly because most people who have fallen victims of cyber thefts no longer shop online. Consumers no longer believe in the safety of online shopping despite many businesses shifting into online selling. From figure 1 12 % of customers no longer use online shopping services because of security reasons. Only 40% of consumers shop online, but from trusted shops (Brant 2).

The analysis of online shopping patterns has discovered three factors that influence consumer behavior towards purchasing. One of these factors is confidence. The consumer must have enough confidence while using any method of purchasing. Having trust on the online sites increases the tendency of consumers using it. However, most online shopping sites lack the ability to safeguard customer's private information, or even make home deliveries of goods and services. Lack of confidence on the sites that suppliers use for online shopping has decreased consumers' use of online purchasing methods (Paypal 4).

Another factor influencing consumer online purchasing power is convenience. Convenience is a extremely essential factor that influences consumer's buying decision. Most online shopping sites are too complicated for the normal person use. Moreover, some sites are hard to trace, examine, and chose the best merchandise for paying for goods or services. This kind of inconvenience has made many consumers prefer the olden method of purchasing direct goods from shops. On the other hand, inconveniences influence customers to make repeated purchases and impulse buying interrupting an individual's budget (Paypal 5).

The third factor influencing consumer online purchasing behavior choice. Online shopping neglects consumers the ability to pay what they want since it has no room for bargain. On the other hand, people have different tastes and preferences. Some products are highly sensitive and require consumer's physical appearance in order to choose from different choices. Moreover, many people fear making online purchases because they do not offer their

preferred shopping methods. Choice is in itself an extremely heavy factor that determines consumer's desire for goods or services. In addition, most online shopping methods give only one choice where the consumer must give the credit card details. Consumers feel insecure giving a machine their personal financial information in fear of theft or blockage (Paypal 6).

Secondly, consumers have not yet gained enough knowledge and skills about online shopping. Most of them use their computers and smart phones to look for shops that offer what they demand, and compare prices between shops. Shopping online has a lot of difficulties especially when consumers have no idea on internet use. The first and expanding virtual business have developed programs aimed at educating consumers on using online shopping methods since it is a priority to them (Constantidies 112).

Network experience blocks many from making online purchases. People end up shopping for the wrong products, or losing money on the transaction. This makes many that have experienced it lose trust in online shopping. Online shopping experts expect that more than 90 5 of consumers to use the service, but only 15% has adopted the trend. Lack of enough knowledge on information technology contributes a lot to this decrease (Constantidies 113).

Finally, lack of access to online shopping gadgets, like computers and internet enabled phones, has contributed into the decline of the number of online shoppers. Some of these gadgets are very expensive for a normal person to afford. Most people in developing countries lack access to personal computers making it hard for them to shop online. Furthermore, social-

personal factors influence people's ability to use online purchasing methods. In most cases, people have less interest, or take it as an expensive means of shopping. The most affected generation comprises a good proportion of adults who have never interacted with computers in their life time, or have no interest in them. Low education levels contribute to this factor that result into low literacy levels combined with lack of technological skills.

Works cited

Constantides, E. " Influencing the Online Consumer's Behavior: The Web experience", Journal

of Internet Research, Emerald Group Publishing Limited, 2004. 14(2)

Brant, S. Consumer Online Shopping Fears. First Data Corporation, 2009

Paypal. Using the 3Cs of online consumer buying behavior to accelerate sales and build

Customer Loyalty, Paypal, Inc. 2008. Retrieved from:

[https://www.paypalmedia.](https://www.paypalmedia.com/assets/pdf/fact_sheet/March20083CsWhitePaperFINAL.pdf)

[com/assets/pdf/fact_sheet/March20083CsWhitePaperFINAL. pdf](https://www.paypalmedia.com/assets/pdf/fact_sheet/March20083CsWhitePaperFINAL.pdf)

The MultiChannel retail. com. U. S. Consumers Fear Online Shopping, 2012.

Retrieved from:

[http://www.themultichannelretailer.com/news/5280/u. s.](http://www.themultichannelretailer.com/news/5280/u.s._consumers_fear_online_shopping/)

[_consumers_fear_online_shopping/](http://www.themultichannelretailer.com/news/5280/u.s._consumers_fear_online_shopping/)