

Attitudes of customer towards online shopping



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The aim of this project is to explore and analyse the different attitudes of customer towards on-line shopping around the world, also i will to find out some factors will affect customer's attitudes for on-line shopping. Then to analyse and compare the different customer situations between China and United Kingdom. For research design and methodology, i will through questionnaire and literature review to identify the key factors that have influence on the customer's attitudes. The findings contain ten main points: variety of goods, convenient, web-site design, speed of loading, price vs quality, accurate information, method of payments, delivery, customer service, security and privacy. Finally, i will make the conclusion of the questionnaire and literature review.

Introduction:

Nowadays, On-line shopping industry becoming a huge industry in the business world. For the reason why on-line shopping becomes more and more popular, some studies have focused on the relationship between customer and internet. While some research has focused on the factors, which will affect the attitude of customers towards the on-line shopping, also other researches sought show the different attitude of customers in different countries.(Chung-hoon, 2003) Through research in the different countries, it can collect more information for these issues.

The purpose of this business project is to research and analyse the different customer attitudes towards on-line shopping in the world. Also i will to find out the factors that affect customer's attitude towards on-line shopping and compare the difference between China and United Kingdom. It will help me

to obtain more useful and effective information and resource to do further research about on-line shopping. Then i will analyse these different factors that cause the different customer's attitude for on-line shopping.

In this paper, i will identify the key factors that have influence on the customer's attitude towards on-line shopping and to do literature review about on-line shopping and research different customer's shopping habits in different countries. At the same time, i will do researches, including primary research and secondary research are two methods of conducting investigation. And conduct a survey and set a questionnaire to collect different peoples' choices and opinions, then to analyse these data and information to help me research these important issues for my project.

Literature review

Before begin my project, i should to prepare many works. I can through literature review to evaluate and analyse what type of information i can use in my project, then i need to relate my findings to research further information and issues to studies this project. I will find some useful books, journal articles, magazines and others to read and research the main power points of these articles, then i will compare different authors' views related to my research topic to help me find out the main factors that affect people have different attitude towards on-line shopping and different countries' situations. For this stage, it is most important for my research this topic, it can help me to get more useful and effective existing information and data from most professional authors, also it can help me to improve my sense of on-line shopping research, it is most positive for my business research.

Recently, some research has been done to find out the relationship between internet and customer. Much of the earlier works have stated some factors that could affect the attitude of customers towards the on-line shopping. There are several dominant factors, such as financial security, variety of merchandise, speed of the web-site, delivery and others. The whole process of on-line shopping could be divided into three stages, which are information search and alternatives evaluation, purchase, and post-purchase.(Monsume, 2004) These factors will affect customers for shopping on-line, but i can find more factors, that can affect customer's attitude for shopping on-line. Also, if different countries, we can find different factors for customer's attitude for shopping on-line, especially compare western countries and eastern countries, we can find many extremely different information and resource.

Accurate information is extremely important for customer thinking product's quality and service. Liu (2008) indicated that high quality information available on-line could lead high satisfaction of customers. It will help customer have the full acknowledge and understanding to the product including color and size. Therefore, on-line retailer provides most enough and accurate information for customer, this is on-line retailer's task and responsibility. If the on-line retailers provide not enough accurate information, even some on-line retailers provides some wrong information with customer, at the result, this will affect on-line shop's business development. China on-line shopping report 2004 reported that about 25% of Chinese customers were not satisfied because of the wrong product and service information. (CNNIC, 2004)

Low price is a key factor for people choose on-line shopping, when the product is same but if the on-line shop provide a lower price, it could attract more customers and to help on-line retailer to promote the selling quantity.

97% people from United Kingdom and China think the quality of goods is very important, when people consider the price and quality, more than half people disagree that low price is more attractive than goods quality.

Although the Chinese are especially sensitive to price and they are accustomed to comparing price (Yan, 2003). On the other hand, Degeratu (2000) argue that price sensitivity maybe lower on-line than offline.

Actually, people still should consider the delivery fees, but most on-line retailers still use price as a bait to attract customer to buy their goods, at the sometimes, this method is most efficient, it can attract more customers and improve selling quantity.

As a web-site designer, not only the appearance and functionality should be considered, but also the speed of lading a page. It will raise the satisfaction of customers, and improve the interest of shopping on-line.(Weinberg, 2000)

One of the reason people like shopping on-line is convenience. However, if the customer think open a web-site page, search a product they want and loading is time consuming, they will lose interest and patient for shopping on-line. Dellaert and Kahn (1999) agree that if the time customer waiting to download is shorter than their expecting, the satisfaction of the consumer with the service will increase.

Compare with the traditional shopping mode, security and privacy is one of the most important points for customers (Culnan, 1999; Friedman et al. 2000; Grewal et al. 2004). Most customers wish the on-line retailers can

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provides a safe environment when they shopping on-line, and the customers do not want to share some personal information with any unreliable e-retailers. This makes the on-line shopping market lose a lot of consumers because of the security and privacy problems.(Ni, 2000) Therefore, the bank and e-retailers have responsibility to develop a quite good system to protect the information safety when customer shopping on-line. Zhu (2002) agreed that on-line shop also should secure on-line transactions and mistake-free service to make customer feel safe and comfortable when they have shopping on-line.

As we all know security is a most important factor for people consider on-line shopping both in China and United Kingdom. However, the difference between China and UK is that 77% people in the UK feel secure when they do on-line shopping and give out their credit card and personal information on the wet-site. But in China, only 6% people think it is secure and 89%customers feel uncomfortable when they use internet banking and give out their personal information. This shows that the security of on-line shopping in China is a serious problems, therefore, that when people shopping on-line they feel not safe. This may lead a number of customers not trust shopping on-line. Liu (2008) claimed that “ because China lacks network ID authentication and on-line transaction credit system, credit, security and privacy become they key issue of on-line shopping.

Normally, there are two payment methods in China, cash and credit card. In most European countries, they use credit card as the method of payment. Some on-line shop use the method that after the customer received the goods, then pay cash to the staff who is in charge of delivery. This payment

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method make customer feel safe and comfortable. If the on-line retailers use the delivery company, they should have enough communication with the company to make sure the process of transfer the money. However, most of on-line retailers like to use the credit card payment method. After customer use internet bank to pay the money, the retailer will arrange the product delivery, this is low risk for retailer (Yan, 2003). Some banks also have some relevant service for those people who always shopping on-line, this can help on-line shop attract more customers and make existing customers feel more comfortable, also this method can promote on-line shopping more effectively.

Research methods

Primary research

In order to do this business topic research more better and professional, i will to do primary research and secondary research to collect more useful and effective information and data. I will conduct a survey and set a questionnaire to survey a number of people about their attitude for on-line shopping both in China and United kingdom. This will be in the form of an e-mail, internet questionnaire and i may also do a survey in the Aberystwyth town and on the campus. This activity will begin from the 27 April 2010 to 8 May 2010. After received these feedback, i will analyse and research these results.

This questionnaire target young people whose age range from 17 to 35.

College students will be one of the mainstreams. Many surveys showed that college students spend more than 18 hours a week on the internet and near

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half of them have the experience of on-line shopping.(Liu 2008) Moreover, the college students accept new things more quickly and easily, and they have strong brand loyal. Another mainstream of the on-line shopping customer is people whose age range from 26 to 35. This kind of people are well educated and have work, also they have stable salary for their shopping on-line. The questionnaire's sources are based on the theory and author's views through the literature review.

To assess the level of agreement and disagreement in relation to the factor that affect customer's attitude, a five -item scale will be used. Five point from 1: strongly disagree to 5: strongly agree. For instance, do you think shopping on-line is convenience? Another measurement is three-item scale which divided into three part including important, not important, undecided. Different semantic scales will be used to evaluate user's overall opinions about the shopping on-line.

Secondary research

All projects contain secondary research both empirical research and theory research. By using existing information, collected originally for some other purpose and being used a second time, i can obtain effective information and theory. I borrowed some about on-line shopping books from the library, reading journals on Metalib, also i research on the internet, these researches provides me many useful and effective information and data.

Moreover, i should read many materials and choose and collect useful information and resources before it is used in my business project.

Therefore, i should pay more attention for these works for my project quality

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more better. Also i must make sure i can get enough relevant information and materials for my project. On the another hand, through read some articles, i found another serious issue, that is most literatures only indicated the factors that affect customer's attitude about on-line shopping, but just have few articles compared the different attitudes in different countries. Therefore, it is a big challenge for me do more research about this issue.

To summary, these two research methods can help me to analyse and explore the different on-line shopping customer's attitudes in different countries. Although, for primary research i will pay time and money to do this questionnaire, but it will help me to get more first-hand information and data to do this project more better. Moreover, secondary research could help me to have understand about theory and give me some relevant previous studies for my project, also it gives me some ideas on setting the questionnaire and doing the primary research. These works are most useful for my research and analyse this project.

Conclusion

Through i reviewed some literatures, i obtained some main factors and issues that could affect the customer's attitude towards on-line shopping. These factors are most power for my research project and its will affect people's attitudes for shopping on-line. Therefore, i will do further discusses and analysis about shopping on-line in next session and find more useful and effective factors and information for this project, there are ten main factors for affect people on-line shopping.

1. Wet-site design

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2. Information quality
3. Security and privacy
4. Response time transaction capacity
5. Variety of goods
6. Payment methods
7. Delivery
8. Customer service
9. Quality of products
10. Experience of using computer and Internet

For these factors, i will discuss and analyse different attitudes between China and United kingdom, it can help me collect more information from questionnaire and literature review, i will using existing information and first-hand information to analyse these issues for effectively. Moreover, i will through read many books and journal to discuss these factors, which influence the customer's attitude towards on-line shopping, and compare different views from different authors to discuss these issues more effectively and deeply.