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## **Introduction**

Retailers are increasingly focusing on e-commerce as a tool that they can use in order to gain competitive advantage. However, it is notable that in order for e-commerce to be a truly successful medium, the retailers have to identify the consumer behaviours portrayed towards the same in order to encourage spending. Specifically, the retailers have to learn how consumers behave towards online product display, online payment methods, return services, warranties provided by the online retailers, different methods of product delivery and credit facilities offered by the retailers among others. The typical online purchasing decisions are made in a process comprising of the following stages: 1) need awareness; 2) searching for relevant product information; 3) evaluating available alternatives; 4) implementing the purchase decision; and 5) Post-purchase decision-making. Hadjiphanis & Christou notes that understanding consumer behaviour in e-commerce involves gaining insight on how the people search for product information in an online environment (1). Once understood, the retailer can then customize their websites to meet the specific information needs that consumers need in order to make the purchase decision.

Since the online environment gives consumer a wider choice of products and product platforms from where to make their purchases, this study seeks to establish the exact consumer behaviour portrayed in an e-commerce environment and the specific factors that influence such behaviour. The study also seeks to highlight aspects of e-commerce consumer behaviours that the researcher considers important towards helping retailers meet the diverse consumer behaviours presented in an online environment. This study

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acknowledges that consumer behaviour; just like in the traditional marketplace is influenced by personal, lifestyle and psychological factors. As such, the paper will seek how each of the factors affects consumer behaviour and how online retailers can meet the consumers needs highlighted in such behaviours. Lowe defines e-commerce as the act of purchasing an online product (363). This involves ordering the product and making the payment for the same.

## **Literature Review**

In a research of e-commerce in Canada, Lowe (363-374) notes that though this new way of purchasing products and services gives consumers a wider choice and is more convenient, it is yet to be embraced by a large percentage of consumers as was predicted when the concept began. Most notably, Canada's e-commerce by individuals in 2001 was estimated to be worth \$2 billion only and represented 0.4 percentage of the total household spending (Lowe 363). Some of the factors affecting e-commerce by individuals include their access to internet, their willingness to use the internet to purchase products and services, and the products available for purchase on an online setup (Lowe 364). Hadjiphanis & Christou argue that in order to understand consumer behaviour in e-commerce, one has to look at the consumer as an information processor; they processes information presented to them by marketers, become aware of the different products presented to them, and finally make a purchase decision (2). Typically, the e-consumers will visit a retail store with the intention of either purchasing an item or simply enjoying the shopping experience.

Just like in behaviour portrayed by consumers in traditional purchases, Hadjiphanis & Christou states that e-commerce consumers make their decisions based on operational, temporal and spatial considerations (3).

**Operational dimension:** This search strategy is observed in brand conscious consumers. Such use the search engines to purchase brand items that they already know and possibly use. They value reliability, consistency, quality, affection, trust reputation and loyalty. Brand conscious consumers also have specific expectations when thinking, purchasing or using a specific product. The operational dimension is most noted in early adopters (Hadjiphanis & Christou 2). When such is the case, the shoppers go directly to a specific site for purchase instead of using search engines.

**Spatial dimension:** This search strategy is used by consumers who mix their consumption history with new information obtained from internet sources.

This means that the consumer's behaviours are influenced by a mixture of internal habits and external information. In an online environment, consumers are able to use the search tools to support information such on both internal preferences and new information on product and services.

Shoppers in this category search for items on sites that rate products. They also use compare items on different shopping sites.

**Temporal dimension:** Hadjiphanis & Christou defines the temporal dimension as the time that a consumer takes between his/her first thought about purchasing a product or service and the actual purchase. The online platform is used by shoppers who use the internet as both a transactional medium as well as a search tool. A different group of shoppers engage in recreational shopping where

they seek as much information as possible about a product before making the actual purchase.

Hadjiphanis & Christou notes that the consumer's behaviour towards a product is affected by any prior knowledge they may possess towards the product, level of interest that they have towards the product, and the ease or complexity of information access regarding the product (3). Shoppers in this category use search engines, but can also navigate directly to a shopping site. Consumer value is also identified by Hadjiphanis & Christou as a major influence to consumer behaviour in e-commerce (4).

Just as is the case in consumer behaviour towards products and services sold in the traditional retail outlets, factors such as perceived benefits and the cost of a product affect consumer behaviour in e-commerce.

## **Approach**

This study will use a literature review approach whereby, credible published work will be analysed for purposes of giving the researcher a clear perspective of the various factors that affect consumer behaviour in e-commerce. This approach was chosen because consumer behaviour especially in the wake of increased online shopping has been discussed widely by researchers. As such, this study opted to avoid doubling the efforts of other researchers who have carried quantitative surveys in different markets. Instead, this study seeks to use findings published by different scholars in order to establish the real factors that influence consumer behaviour in e-commerce. Through the review of literature, this study will

also seek to establish if different consumer behaviour is portrayed by people in different groups in the society.

Such include the wealth versus the middle income earners, the middle-aged as compared to the seniors, and the illiterate versus the more educated. The study will also seek to establish whether the proximity of online shoppers to physical retail shops affect their attitude towards e-commerce. This study will also seek to establish how psychological, social and cultural factors among other demographic variables affect consumer behaviour.

The study also establishes that intervening variables such as brands, marketing communication by marketers and firm capabilities affect consumer behaviour.

## **Conclusion**

Consumer behaviour in e-commerce is a reflection of different factors that integrate to influence the consumer's decision making. In addition to culture, social norms, psychological factors and demographic factors, other factors such as product characteristics, consumer skills, firm capabilities, marketing communications, brand, and website features all work together to influence consumer's purchasing attitudes. Notably, the consumer's desire to purchase products that offer him/her quality service, or meets some of his/her other needs also affect purchasing behaviour. This then raises the need for detailed information regarding the product or service. Usually, it is the prerogative of the online retailer to provide the information about the specific product to online shoppers.

If the shopper feels that not enough information has been provided by the retailer, then he or she is most likely to navigate to other e-commerce sites where more satisfactory information is offered. Other considerations that the retailers need to make in order to impact positively on consumer behaviour include ease of information access and transactions. The retailers also need to guarantee payment security and publish well articulated product purchase policies.

Some of other factors that affect consumer behaviour in e-commerce include the status of the online shopper and their esteem towards specific products. Ethics is also increasingly affecting consumer behaviour especially at a time when being environment friendly is being touted as the only way to save earth from self-destruction. The amount of fun associated with a product is however a key consideration to consumer behaviour, just as is the case with aesthetics. This means that the product may not be high quality, but its desirable package may make more consumers attracted to it.

## **Works Cited**

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