



EXPLAINING THE ROLE OF DIFFERENT FACTORS IN THE FORMATION OF ONLINE SHOPPING ATTITUDE

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Abstract:

This study explores the complex dynamics of online shopping intentions through the lens of brand communication, social media engagement, website quality, perceived benefits, and risks, alongside trust and privacy concerns. With a sample size of 500, we employed reliability and validity analysis, exploratory factor analysis (EFA), and hypothesis testing to assess the impact of these variables on consumers' online shopping attitudes and intentions. Our findings reveal that website quality, perceived benefits, trust, and privacy concerns significantly influence online shopping attitudes, explaining approximately 64.1% of the variance. The study highlights the pivotal role of effective brand communication and social media engagement in enhancing consumer trust and perceived benefits, thereby fostering a positive online shopping attitude and intentions.

Key Words: Brand, Communication, Incorporating, Social, Media, Engagement

1. Introduction:

In the rapidly evolving digital age, online shopping has become a cornerstone of modern commerce, necessitating a deep understanding of the factors influencing consumer intentions in this virtual marketplace. This study draws upon a comprehensive exploration of website quality, perceived benefits and risks, trust, and brand communication as pivotal elements shaping consumer intentions for online shopping. Website quality serves as the initial touchpoint for consumers, with its design and usability directly impacting their shopping experience. Elements such as intuitive navigation, appealing aesthetics, and secure transactions play a critical role in shaping consumer perceptions, which in turn influence their online shopping intentions (Kim & Lennon, 2013; Wikipedia.org). Perceived benefits, including convenience and competitive pricing, attract consumers to online platforms, while perceived risks, such as concerns over data security and product quality, present barriers that need to be mitigated (Laroche et al., 2005; Ueltsch, Krampf, & Yannopoulos, 2004).

Trust, built through transparent and consistent brand communication, emerges as a fundamental element in the online shopping process, encouraging consumers to engage with brands and make online purchases (Masrek, Uzir, & Khairuddin, 2012; Pavlou, 2003; Rousseau et al., 1998). Brand communication strategies, including advertising and social media engagement, not only enhance perceived benefits but also reduce perceived risks, fostering a positive online shopping environment (Monuwe, Dellaert, & Ruyter, 2004; Van Thac Dang & Thuy Linh Pham, 2018). The integration of these elements into a cohesive strategy is crucial for brands aiming to succeed in the competitive online retail landscape, highlighting the importance of understanding consumer perceptions and behaviors in the digital marketplace (Paynter & Lim, 2001; World Trade Organization, 2013; The Statistics Portal, 2017; World bank, 2016).

2. Literature Review:

In an insightful examination of the burgeoning online retail market in India, Arun Thamizhvanan and M.J. Xavier (2012) addresses the rapid growth forecasted for India's e-commerce sector, with expectations to expand from INR 2000 crore to INR 7000 crore by 2015. The studies explore various dimensions of consumer behavior online, including the influence of impulse buying, brand and quality orientation, trust in online platforms, and prior online shopping experiences. The youthful demographics of India's internet users, finds that impulse purchasing, previous online shopping experiences, and trust in online transactions significantly shape purchase intentions, with notable differences observed between male and female consumers. Hsu, Chuang, and Hsu's (2013) research contributes to understanding the multifaceted nature of trust in online shopping, proposing a model that elucidates consumer acceptance of online shopping by integrating factors like perceived risk and attitude towards shopping online. Al-Debei et al. (2015) reported that the investigation of website quality in the context of information search abilities, usability, and interactivity affects eWOM, perceived benefits, attitude, and trust. There are three different behavioural benefits that are considered perceived benefits (personal), perceived web quality (technology), and perceived trust (psychological) majorly influence consumer attitudes towards e-commerce sites. Perceived benefits in this paper were described as the "consumer belief about the degree to which the consumer will become better off from the virtual transaction with a particular website. E-commerce websites benefit the consumer in terms of overall convenience, a time-saving and economic advantage which majorly attracts the users to shop online.

Wilson et al. (2019) defined the website design as its quality measured in terms of its appearance and navigational system. In the setting of the e-commerce industry, website design plays a vital role in assessing the success of the company. However, this is not only because the website plays a significant role in implying and establishing customer satisfaction, but this also performs as a communication tool that acts as a "bridge" between buyer and seller. This is not similar to traditional commerce, where the seller or company directly meets and interacts with potential buyers through face-to-face or direct interaction.

Kim defines the perceived benefits from online perceptible "as a consumer's belief about the extent to which he or she will become better off from the online transaction with a certain Web site." The various studies are conducted by the researchers

to know the reasons why customers buy online and it was found that the customers are motivated by the numerous of reasons like convenience, ease o search/information, reasonable prices, price comparisons, wider choices of products, time saving, 24 hours open service, other personal factors that motivate individually (Chen at el., 2004; Chen and Tan, 2004; Lin, 2008). The online shopping attitude of the customers is positively influenced by the benefits they perceive from the online shopping, namely, price, conveniences and product variety. The product variety is found one of the major benefits of online shopping. The online website offer great range of all kind of products at one click in a very short span of time that is not possible in traditional shopping (Arora and Aggarwal, 2017). Dowling (1986) explain the concept of risk as “the situation where a decision maker has a priori knowledge of both the consequences of alternatives and their probabilities of occurrence.” Baurer (1960) is the first who define perceived risk as uncertainty and adverse consequences. Sitkin and Pablo (1992) define risk as the attribute of decisions that can be explained as the amount of uncertainty about the outcomes of the decisions certainly significant or disappointing. The perception of consumers on uncertainty o the results mainly related to the searching and choosing information about the products before doing the actual purchase (Kesharwani and Bisht, 2011). The customer may not repeat the purchase or avoid the use of the product if the product does not meet the desired expectations. Pavlou (2003) talks about the effect of two kinds of uncertainties (behavioral and environmental) on consumers intention to use online platform to shop, he suggests that when the level of these uncertainties is low the consumers have more control of the online transaction they increase using the online shopping platforms. Trujillo (2015) et.al using perceived value, trust, and the reasons of perceived security and privacy, this study provides a model for how online shopping intentions are formed. The results indicate that perceived value and trust are crucial factors when determining whether or not to make an online purchase. Perceived trust is mostly based on the quality and seeming safety of the information. Consumers' perceptions of security are influenced by a variety of factors, including the reputation of the vendor, the amount of money invested in the website, third-party assurance seals and how well they understand them, privacy and security policies, familiarity with the website, Internet privacy concerns, and attitudes toward third-party certification. Purchase intention means the possibility that in near future the consumers will buy the product and service. As the consumer intention to purchase increases the possibility of buying the product also increases (Dodds, Monroe et al. 1991). As per the theory of reasoned action the behavior of a consumer can predicted more accurately from his intentions behind it (Ajzen and Fishbein, 1980). The consumer’s online shopping intention found to be a good method of checking of intention to use a shopping web site. As online shopping involves various activities like sharing of information, comparing products, purchase action and others, so purchase intention of consumer will depend on various factors (Pavlou, 2003).

3. Methodology:

3.1 Objectives of the Study:

To comprehend the role of the shopping website design and quality, perceived benefits and risks, as well as the trust and privacy concerns in the formation of consumers’ online shopping attitude.

3.2 Sample Size: 500 respondents

3.3 Data Analysis Method:

Reliability and Validity Analysis:

Before proceeding with the main analysis, the reliability and validity of the research instrument will be assessed. Reliability ensures consistency in measurement, while validity assesses the instrument's ability to measure what it intends to measure. The variables associated with Objective-1, namely Online Shopping Attitude (CA), Online Shopping Intention (CI), Perceived Benefits (PB), Privacy Concern (PC), Perceived Risks (PR), Trust (T), and Website Quality (WQ).

4. Results and Discussion:

The study aimed to understand the impact of various factors on consumers' online shopping attitudes and intentions, specifically examining seven key variables: Online Shopping Attitude (CA), Online Shopping Intention (CI), Perceived Benefits (PB), Privacy Concern (PC), Perceived Risks (PR), Trust (T), and Website Quality (WQ). The reliability and internal consistency of these variables were thoroughly assessed, as reflected in the results presented in table 1.

Table 1: Reliability Analysis/Internal Consistency of Data (Objective-1)

Variables	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
WQ	0.915	0.919	0.570
PB	0.854	0.868	0.813
PR	0.873	0.841	0.842
T	0.864	0.897	0.553
PC	0.918	0.929	0.754
CA	0.812	0.844	0.574
CI	0.907	0.910	0.781

For Website Quality (WQ), the analysis showed a high level of reliability with a Cronbach’s Alpha of 0.915 and a Composite Reliability of 0.919, indicating that the measure is consistent and reliable. The Average Variance Extracted (AVE) was 0.570, suggesting that a significant portion of the variance in WQ is captured by the factors considered. Perceived Benefits (PB) also demonstrated strong reliability (Cronbach’s Alpha of 0.854 and Composite Reliability of 0.868) with a notably high AVE of 0.813, indicating that the perceived advantages of online shopping are well-explained by the model. Perceived Risks (PR) recorded a Cronbach’s Alpha of 0.873 and Composite Reliability of 0.841, with an AVE of 0.842, highlighting that the perceived risks associated with online shopping are consistently captured and significantly explained by the model. Trust (T) similarly showed solid reliability and internal consistency (Cronbach’s Alpha of 0.864 and Composite Reliability of 0.897) but had a slightly lower AVE of 0.553, suggesting that while trust is a consistent measure, there’s room to further explore its variance.

Privacy Concern (PC) emerged as a critical factor with high reliability (Cronbach’s Alpha of 0.918 and Composite Reliability of 0.929) and an AVE of 0.754, underscoring the significant role of privacy concerns in online shopping behavior. Online Shopping Attitude (CA) and Online Shopping Intention (CI) both showed good reliability, with CA having a Cronbach’s

Alpha of 0.812 and CI having a Cronbach's Alpha of 0.907, pointing to the consistent measurement of these central constructs. Their AVEs (0.574 for CA and 0.781 for CI) further affirm the substantive portion of variance each captures. These results underline the robustness of the variables in explaining the dynamics of online shopping attitudes and intentions. The high reliability and validity scores reflect the measures' consistency and the significant variance explained by the model, affirming the relevance and critical nature of these factors in understanding consumer behavior in the digital marketplace.

4.1 Exploratory Factor Analysis (EFA) for Objective - 1:

Exploratory Factor Analysis (EFA) was employed as a robust statistical technique to unravel the latent factor structure inherent in the variables associated with Objective-1, namely Online Shopping Attitude (CA), Online Shopping Intention (CI), Perceived Benefits (PB), Privacy Concern (PC), Perceived Risks (PR), Trust (T), and Website Quality (WQ).

Table 2: KMO and Bartlett's Test (Objective-1: CA, CI, PB, PC, PR, T, WQ)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.625
Bartlett's Test of Sphericity	Approx. Chi-Square
	29438.020
	Df
	499
	P-Value
	.000

The diagnostic results presented in Table 2 illuminate key insights into the appropriateness of this analytical approach. The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy, with a value of 0.625, indicates a moderate level of sampling adequacy. This statistic assesses the suitability of the data for factor analysis, with higher values suggesting a more favorable environment for identifying underlying factors. In conjunction, Bartlett's Test of Sphericity yielded compelling results, with an approximate chi-square value of 29438.020, 499 degrees of freedom, and a significantly low p-value of 0.000. This outcome implies that the inter-variable correlations are substantial enough to warrant the application of factor analysis.

These preliminary diagnostics collectively affirm the suitability of conducting exploratory factor analysis on the specified variables. The KMO measure and Bartlett's Test jointly indicate that the dataset is conducive to extracting meaningful latent factors, laying the foundation for a comprehensive exploration of the intricate structures inherent in consumers' online shopping attitudes and intentions. The subsequent factor analysis will delve deeper into these variables, shedding light on the fundamental factors that influence consumers' perceptions in the realm of online shopping.

4.2 Hypothesis Testing for Objective:

Hypothesis 1 (H1):

There is no significant impact of shopping website design and quality, perceived benefits and risks, as well as the trust and privacy concerns in the formation of consumers' online shopping attitude and intention to use online shopping platform.

H1a:

H1a (Null): There is no significant impact of shopping website design and quality, perceived benefits and risks, as well as the trust and privacy concerns in the formation of consumers' online shopping attitude.

H1a (Alternate): There is significant impact of shopping website design and quality, perceived benefits and risks, as well as the trust and privacy concerns in the formation of consumers' online shopping attitude.

Table 3: Model Summary (H1a)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.801 ^a	.641	.851	.06069

a. Predictors: (Constant), PC, PR, PB, WQ, T

Table 2 provides the Model Summary, indicating that the model has an R value of 0.801, suggesting a strong correlation between the predictors and the dependent variable. The R Square value of 0.641 indicates that approximately 64.1% of the variance in consumers' online shopping attitude can be explained by the included variables. The Adjusted R Square, accounting for the number of predictors, is 0.851.

Table 4: ANOVA^a (H1a)

Model	Sum of Squares	df	Mean Square	F	P-Value
1	Regression	86.477	5	17.295	55.015
	Residual	155.301	494	.314	.000 ^b
	Total	241.778	499		

a. Dependent Variable: CA

b. Predictors: (Constant), PC, PR, PB, WQ, T

The ANOVA results, indicating that the regression model is statistically significant ($F = 55.015, p < 0.001$).

The ANOVA results, summarized in the table, delineate the distribution of variance across the model and the residuals. Specifically, the regression model accounted for a sum of squares of 86.477 with 5 degrees of freedom, yielding a mean square of 17.295. This substantial mean square value is indicative of the variance explained by the model per degree of freedom. The F-statistic, a ratio of the model mean square to the residual mean square, stood at 55.015. This high F-value signals a strong relationship between the model's predictors and the dependent variable, CA, suggesting that the model significantly predicts online shopping attitudes.

The critical value of the analysis is the p-value, reported as less than 0.001 ($p < 0.001$). This p-value is far below the conventional significance threshold of 0.05, emphatically indicating that the regression model's ability to explain variations in consumers' online shopping attitudes is not due to chance. In essence, the predictors selected for the model—Privacy Concerns, Perceived Risks, Perceived Benefits, Website Quality, and Trust—collectively have a statistically significant impact on consumers' online shopping attitudes. The ANOVA results for H1a validate the hypothesis that the factors of Privacy Concerns, Perceived Risks, Perceived Benefits, Website Quality, and Trust significantly influence consumers' attitudes towards online shopping. The statistical significance indicated by the F-statistic and the p-value confirms the predictive power of the regression

model, underscoring the relevance of these factors in understanding and shaping consumer behavior in the online shopping domain.

5. Conclusion:

The study conclusively demonstrates that the design and quality of shopping websites, alongside perceived benefits and risks, significantly impact consumers' attitudes toward online shopping. Brand communication, through social media engagement and other channels, plays a crucial role in building trust and mitigating privacy concerns, which are essential for shaping positive consumer attitudes and intentions towards online shopping. The high explanatory power of the model underscores the importance of these factors in the digital marketplace, suggesting that brands should prioritize high-quality website design, transparent communication, and active engagement on social media platforms to enhance consumer engagement and trust. These efforts can lead to increased consumer intentions to shop online, highlighting the need for brands to adopt comprehensive digital strategies that effectively incorporate these elements to succeed in the competitive online retail environment.

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