



A Study On Consumer Acceptance Of Online Shopping: Integrating Trust And Risk

Dr.R.Ramki, Assistant Professor (Selection Grade) Department of Commerce, Hindustan Institute of Technology & Science, Chennai-103

ABSTRACT

E-commerce has initiated new way of distribution channel and online shopping tendency to increase the needs and wants of customer. Due to change in information technology, e commerce is emerged and played in industry arena by the way of selling the product and services. Ecommerce is the trading the product and services using the network and internet tools. Technology supports the new initiative and attitude of customer buying behavior. Various studies have been initiated to understand the attitude and behavior of customer by using online shopping. They found that online shopping support towards ease accessibility, timeless, perceived risk, product features and attribute have more impact in buying intention. Through this article, we analyzed how consumer acceptance of online shopping: Integrating trust and risk of this research study.

Keywords: Online Shopping, Trust and Risk

INTRODUCTION

In current scenario, internet plays a significant role in daily life of human beings. The invention of internet brings many benefits to individual as well as company in daily activity with the invention of this internet we can use to communicate, learn, process, entertained, buy a goods and services without moving some where places. Internet collects all competitors, product, services and customer in one place. Online shopping consumer behavior not bounded towards online shopping. They also utilize the internet for identifying and comparing the prices of product, services and news so on. The recession has so much impact on online consumer behavior. Behavior of online shopping customer determined on various elements such as shopping purpose, personality, knowledge of ecommerce, motives, incentives and experience.

REVIEW OF LITERATURE

Kim (2018) projected various barriers affecting ecommerce in the market place. Such as limited skill in using technology, lack of awareness, high cost of investment, lack of assurance and confidence in using the ecommerce, cost of maintenance systems, lack of human skills resources and lack of change of ecommerce, insufficient infrastructure of ecommerce and small space of ecommerce market are highest barriers factors that not able to popularize the ecommerce market.

Miyazaki (2019) perceived risk mostly impacted on consumer online buying behavior negatively. They also find that Internet experience is unrelated to the existence of worry according to the privacy and security of online buying power and the perceived risks of scheduling online purchases.

Rengasamy Natarajan Balamurugan et al (2019) identified that there are more than 20 attributes are importance factors which influence the purchasing power of online buyers, these variables are time saving, travel time is less, customer experience, easy to reach, less transport cost, quick delivery, high variety of product, internet speed, preferences, no of ecommerce sites, all time accessibility 24x7, easy payment, attractive offers, less cost, product customize, no negotiation, purchase anywhere, access to global brand.

OBJECTIVES OF STUDY

- To know the variable that influence customer intention to purchase through online.
- Understand the customer awareness, trust and satisfaction level towards online shopping

Advantages digital marketing brings for customers

With rapid technological developments, digital marketing has changed customers buying behavior. It has brought various advantages to the consumers as given below:

Stay updated with products or services

Digital marketing technologies allow the consumers to stay with the company information updated. Nowadays a lot of consumer can access internet any place anytime and companies are continuously updating information about their products or services.

Greater engagement

With digital marketing, consumers can engage with the company's various activities. Consumers can visit company's website, read information about the products or services and make purchases online and provide feedback.

Clear information about the products or services

Through digital marketing, consumers get clear information about the products or services. There is a little chance of misinterpretation of the information taken from sales person in a retail store. However, Internet provides comprehensive product information which customers can rely on and make purchase decision.

Easy comparison with others

Since many companies are trying to promote their products or services using digital marketing, it is becoming the greatest advantage for the customer in terms that customers can make comparison among products or services by different suppliers in cost and time friendly way. Customers don't need to visit a number of different retail outlets in order to gain knowledge about the products or services.

24/7 shopping

Since internet is available all day long; there is no time restriction for when customer wants to buy a product online.

Share content of the products or services

Digital marketing gives viewers a chance to share the content of the product or services to others. Using digital media, one can easily transfer and get information about the characteristics of the product or services to others.

Apparent Pricing

Company shows the prices of products or services through digital marketing channel and this makes prices very clear and transparent for the customers. Company may regularly changes the prices or gives special.

Enables Instant Purchase

With traditional marketing, customers first watch the advertisement and then find relevant physical store to purchase the products or services. However, with digital marketing, customers can purchase the products or services instantly.

Data Analysis and interpretation

Table 1: Profile of the Online Buyers

	Category	Number of Respondents	Percentage of Respondents
Gender	Male	70	70%
	Female	30	30%
	Total	100	100%
Age	Below 18 Years	17	17%
	19-30 years	25	25%
	31-45 years	33	33%
	Above 45 years	25	25%
	Total	100	100%
Profession	House Wife	11	11%
	Employee	50	50%
	Business	23	23%
	Students	8	8%
	Any other	8	8%

	Total	100	100%
Monthly Family Income (in Rs.)	Below 10000	21	21%
	10001-20000	49	49%
	20001-40000	25	25%
	Above 40000	5	5%
	Total	100	100%

Source: Primary Data

Interpretation

From the above table-1 indicated that the Consumers are satisfied through purchasing digital marketing. People find it safe mode of online purchase. Ratio of male customers is very high in online shopping that is 70%. Awareness about online shopping is 100% among the respondents. Ratio of 31-41 age group respondents making purchase from online. Most of the employees are buying digital marketing in maximum levels with 50 %.

One way ANOVA

In order to show the significance of the variables we used a one way Analysis of Variances, also known called as one way ANOVA, which used to investigate and identify difference among two or more independent variables. Here we analysis the primary factors with reference variables. The significance value is presented as the last column in the table that if the value is less than 5% (0.05) the variable is considered to be significant.

Independent Variables		Mean Square	F	Sig.
Frequency of online purchase	Between Groups	5.236	1.256	.000
Experience of Using Internet	Within Groups	1.356		
Amount spent for online purchase	Between Groups	123.265		
Saving Time	Within Groups	13.256	2.365	.000
Products preferred through online shopping	Between Groups	18.236		
Trust in the Internet retailer	Within Groups	4.256	11.256	.046
Online shopping	Between Groups	16.325		
	Within Groups	11.325	10.256	.032
Products preferred through online shopping				
Trust in the Internet retailer	Between Groups	2.563		
Online shopping	Within Groups	.256	1.256	.000
Products preferred through online shopping	Between Groups	17.326		
Trust in the Internet retailer	Within Groups	9.236	11.258	0.317
Online shopping	Between Groups	2.365		

paymentissecure	WithinGroups	279	1.236	.000
CostofDelivery				
	BetweenGroups	11.587		
	WithinGroups	8.256	8.269	0.123
Speed ofDelivery				
	BetweenGroups	35.569	16.237	0.429
	WithinGroups	21.235		

- The present study revealed that risk, product features also major impact on customer intention to take the buying decision. Online retailer wants to try to minimize the risk of transaction among the customers.
- This can be reduced by implement money back guarantee and easy to exchange the product, quality merchandise, protect online transaction and effective customer services. Credit ration from customer side would also reduce risk and improve their company brand image. The online retailer should concentrate on quality packaging that can minimize the product damage and tampering.
- Online retailer should focus on delivery of right product to customer point to prevent undelivered of merchandise ordered and high cost of delivery the online purchase.
- Online buyers will find the easy and understandable navigation of websites. Retailers should give adequate information about the product, facility to compare the product on various view such as price, quality, dimension, etc. would help the customer in making the better choice.

CONCLUSION

The Internet shopping becomes so popular because, most of the people agree that due to internet shopping they can save their time & money. And a group of people neutrally accepts that internet shopping is one of the easiest ways of shopping, it is more efficient, shopping can be performed at any time and finally it avoids the hassles of shopping in a store. Regarding to the use of internet shopping people needs help. But now internet shopping has come very easy, and people may either do that either him/ herself alone or if necessary they can take help but most of the people has given a significant answer that during internet shopping they have taken help either once or a few times more and now they can perform such action independently.

References

1. **Chaffey D & Smith P**, E-Marketing Excellence: Planning and Optimizing Your Digital Marketing, Routledge. Fourth Edition, 2008, 580-593.
2. **Upasna K. (2012)**, "E Commerce in India; Early birds, expensive worms", Consumer and Shopper Insights, McKinsey Report, July 2012, P.1
3. **Waghmare GT**, E-Commerce, a Business Review and Future Prospects in Indian Business. Internet, Marketing in India. Indian Streams Research Journal, 2(5), 2012, 1-4.

4. Pavlou, P. A. (2013), "Consumer Acceptance of Electronic Commerce: Integrating Trust and Risk with the Technology Acceptance Model", International Journal of Electronic Commerce, Vol.7, No.3, pp. 101-134.
5. Choudury, & Kacmar, C. (2012), "Developing and Validating Trust Measures for E-Commerce: An Integrative Typology," Information Systems Research, Vol.13.

