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Factors Affecting Online Shopping Behavior: A Case Study of Young Adult **Consumers in Rangsit University**

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Abstract

The internet has significantly changed the traditional way of global businesses, interaction and transaction of consumers and product trading. This paper aims to examine factors that influence teenagers' online shopping behavior and to investigate obstacles when consumers are dealing with an online platform. We employ a quantitative approach with a survey method. The data is collected using a questionnaire. There is a total of 50 respondents. The results in the present study highlighted that there are relationships between consumption factors and online purchasing. Additionally, low price is the most significant factor that influences the decision making on online shopping of young adults' behavior. This research paper will help in business.

Keywords: Online shopping, young consumer buying behavior, shopping factors, consumer preferences online shopping

1. Introduction

Online shopping is electronic commerce that allows consumers to purchase goods and services directly from sellers via web browsers or applications in commercial transactions. Generally, it is known as e-commerce which uses the Internet to trade between sellers and consumers directly. This trade does not have to negotiate through an agent. Also, it is a free trade without limit of time and place to access the target directly and rapidly. In the past few decades, the internet is globally developed, and the digital economy is also enhanced worldwide regarding high information technology. Firms with new technology and modern marketing adopt e-commerce to improve their products and service qualities. Moreover, firms are more likely to promote businesses through the websites and e-commerce applications in order to detail the product information and to attract new consumers.

Cristina (2018) reported that the digital commerce era and economy improvements in Thailand is the second largest economy of South East Asia region with the GDP of 395 Billion USD and also one of the countries with the highest number of Internet users in the region which e-commerce is fundamental. Regarding the top of rich internet penetration rate, a second decisive factor which is affecting the growth of e-commerce in Thailand is growing middle class with a higher purchasing power. Furthermore, Vasundhara (2018) the Thai e-commerce market is valued at almost 4 billion USD and is expected to grow revenue in the rate of 13.2% annually and able to reach 5.8 billion USD by 2022. The Thailand 4.0 marketing program has launched to bring the wave of e-commerce opportunities in the country. It has increased internet adoption and encouraged business to use E-payment for the better convenience payment process. According to the Internet World Statistics, out of more than 60 million population are Thai Internet users. It is primarily due to the fact that internet penetration and interest of massive youth population toward online shopping.

Online shopping becomes a trend among teenagers in Thailand as consumers are able to save more time and energy despite the larger distance that arises for ones to visit physical stores, and the consumers are also provided with unlimited offers on the internet. Online shopping also facilitates the shopping of consumers by reducing mobility. It provides endless opening hours and allows consumers to place an order at any time. Besides, it also provides the consumers with products that are not available nearby the consumers, and the delivery time is flexible not only delivering to houses but also to workplaces. The online offers can be easily compared; consequently, the consumers can purchase products at their most favorable conditions such as price, quality, promotion, variety, and convenience. Apart from the

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advantages, there are risks in shopping online as well. Once the order was placed without personal interaction, some risk of unknown trader identity, unexpected quality of products, and others might arise.

2. Objectives

The specific objectives of this study are

- 1. To investigate consumer preferences of online shopping platform.
- 2. To examine the difficulties of consumers when shopping online.
- 3. To study the factors that influence students' decision making in shopping online.

3. Materials and Methods

This paper uses a quantitative approach with a survey method. The data are collected using a questionnaire. Furthermore, our respondents are 50 undergraduate students selected using Random sampling. The descriptive statistics reported in this paper include percentage, frequency, and correlation.

Undergraduate students have been found as the most frequent users of the Internet and its related activities in terms of online purchases in developing countries. Hayhoe, Leach, Turner, Bruin, and Lawrence (2000) showed that items that are a significant proportion of e-markets and potential markets come from clothing, travel, food away from home, educational expenses, household products, entertainment, and personal items. All the questionnaires were wholly replied. As a result, there is a 100% response rate. The survey focuses on the Rangsit University students because they are the most active users of the Internet in general and online shopping specifically according to their youth age.

Online shopping is defined as buying a basket of commodities and its related services (e.g., delivery service) over the internet Chaffey (2009). According to Shergril and CHEN (2005), the customers can be attracted to the shopping website depending on its commodity value, quality of service and customers' service, convenience, the experience of using online shopping websites, and finally payment security and privacy. These factors affect customers' behavior when shopping online. Niklas, Carl, &Asle (2017) In online shopping, consumers chose brand consciousness and fashion consciousness as most decision making when consumers decide to shop online. Consumers prefer to shop online using a smartphone rather than a computer. Moreover, retailers could get well benefits by designing smartphone shopping application to support the demands and correlate with the respondents' frequency to look at and buy clothing online with a smartphone. These analyses are important for retailers that strive to increase economic earnings from mobile technology solutions. A study from a sample of 357 US college students, by Cowart and Goldsmith (2007), showed that quality consciousness, brand consciousness, fashion consciousness, hedonistic shopping, impulsiveness, and brand loyalty were positively associated with online apparel shopping. Price sensitivity was negatively correlated with online spending. Detailed studies have been conducted about consumers' attitudes toward online shopping in recent years.

The main objective of these studies was to identify the factors that influence the consumers' decision whether to shop online. Online shopping became a medium for e-commerce transactions to increase the service quality provided to customers and increase their satisfaction by providing merchandises with high quality at competitive prices; these are why online shopping is more convenient, and its popularity increases day by day (Sultan and Uddin, 2011).

Vaghela (2014) study the perception of the customers towards online shopping and also discriminate this perception of gender vise. Based on data analysis, it is found that most of the customers perceived that online shopping is a better option than manual shopping and most of the customers were satisfied with their online shopping transactions. Customers are accessing their internet at their home, office or college in which most of them are buying clothes, electronics items, and accessories. The most alarming barrier for online shopping was that customers have to provide their credit card number and that they cannot see the products personally. However, they agree that online shopping is more expensive than manual shopping, it takes more time to deliver the products, and they are facing problems while making online purchases.

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According to Vilasini & Monica (2016), there are several factors influencing students while purchasing online products. Consumers felt more satisfied with an online retail store by checking influencing factors. A focus on the group study resulted in these factors such availability, low price, promotion, comparison, convenience, customer service, perceived ease of use, attitude, time consciousness, trust, and variety. Also, the increase in the usage of internet and online shopping among the college students has created new prospects and opportunities for online retailers to take advantage in the marketing plan and to becomes essential sellers regarding the most favorable factors that influence the online shopping behavior of the college youth. The influencing factors of the best price and time consciousness identified in this research are consistent with the result of Joshi and Upadhyay (2014) stated that the business world is being gradually changed to e-economy by the ever-increasing global competition increased information and changing consumers behavior with rapid innovations and buying influencing factors. Moreover, Neha & Deepali (2017) stated that the online shopping has truly revolutionized and influenced promotion discounts because price plays an important role among student consumers and they faced major problems on credit card information and lack of security on online payments. Online shopping also offers time-saving benefits like incredible convenience and easy price comparisons; moreover, consumers also have endless choices of purchasing and easy access to consumer reviews and ratings before placing an order. Quality of service (QoS) includes delivery time, delayed and damaged or lost items, quality of offered goods, and technology used for processing and delivering customers' orders (Cairns, 1996). Customer service includes after-sale service, answering customers' inquiries and questions, and providing the customers with return and payment policies.

Soonyong and Taesik (2011) investigate the effect of online consumer reviews on consumer's purchase intention. In particular, they examine whether there are gender differences in responding to online consumer reviews. The results show that the effect of online consumer reviews on purchase intention is stronger in females than males. The adverse effects that consumers are influenced from negative reviews are more than from positive reviews; they are also found to be more evidence in females. These findings have practical implications for online sellers to guide them to effectively use online consumer reviews to engage females in shopping online (Sivanesan, 2017). Online websites must ensure the quality and accuracy of the information to their customers since the transaction is online so the customers must be ensured of web security and confidential card information. Online shopping could be made successful only by making the delivery of undamaged goods and proper delivery time (Vanitha and Prakash, 2016). The main intentions of the study of problems faced by consumers in online shopping are that the online sellers sell fake products and do not inform the buyers so products should be verified before delivery and it can cause problems in the quality of products. The proper awareness of online shopping and trust among online buyers and sellers is low.

4. Results

The majority of respondents are of the ages 19-21 years old (60% of the entire samples). Besides, most of the respondents are female, accounting for 50% of all respondents. Also, the results showed that most of the respondents, accounting for 36%, have an income of 9,000 Baht or below. Secondary to that, the results showed that second-most respondents are of the ages above 22 years old which is 40%, are male students, and have an income of 9,500-15,000 Baht which can be considered as potential consumers. However, 68.0% of them regularly connect to shopping online, other 20.0% access online shopping just once a week while the rest of them rarely shop online. Most of the respondents (56% of the samples) spend less than 1,000 Baht per month on online shopping, 42% spend between 1,000 and 5,000 Baht per month; and however, 2.0% disburse over 5,000 Baht per month.

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Table 1 Sample Profile

Characteristics	Frequency	Percentage
Gender		
Female	30	50.00 %
Male	20	50.00 %
Total	50 100.00 %	
Age		
19-21	30	60.00 %
Above 22	20	40.00 %
Total	50 100.00 %	
Income (Baht)		
> 9,000	18	36.00 %
9,500 - 15,000	17	34.00 %
16,000 –20,000	9	18.00 %
Above 20,000	6	12.00 %
Total	50	100.00 %

Table 2 The proportion of social media that the respondents prefer for online shopping.

Purchasing Methods	Frequency	Percentage	Rank
Facebook	11	22.0	3
Instagram	29	58.0	1
Twitter	3	6.0	6
Website	11	22.0	3
Line/Line@	4	8.0	5
E-commerce website/application	14	28.0	2

Table 2 shows the proportion of social media that our respondents usually use for their online shopping. We found that 58.0% of the samples have been shopping online through the Instagram channel. Customers who shop online through E-commerce Website/Applications are accounted for 28.0%. Meanwhile, the online shopping channel that is less selected is Twitter which accounts for 6.0%.

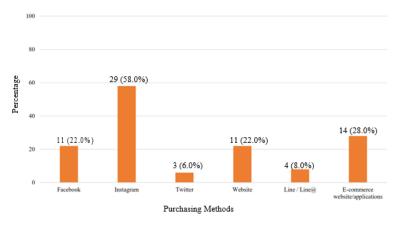


Figure 1 Customer's purchasing methods

Figure 1 shows that the consumers' most purchasing method is the Instagram accounting for 58.0% of the samples, followed by E-commerce Website/Application at 28.0%, Facebook at 22.0%,

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Website at 22.0%, LINE/LINE@ at 8.0%, and the online shopping preferred channel, Twitter, which accounts for 8.0% of the total online shopping methods.

Difficulties	Frequency	Percentage	Rank	
Quality issues	27	54.0	1	
Dealing with seller	3	6.0	6	
Delivery and logistics	6	12.0	2	
Digital payment failures	4	8.0	4	
Unclear return and	4	8.0	4	
guarantee policies				
Lack of security	6	12.0	2	
Total	50	100.0		

Table 3 shows that the difficulty that consumers face most when shopping online is Quality issues of products received after sellers shipping the products, which accounts for 54.0%, followed by the difficulty of Delivery and logistics (12%) that can occur during services of logistics companies or the delay of shipment and Lack of Security in online shopping that is unreliable, which also accounting for 12.0%. Besides, the issue that less occur is when consumers Dealing with Seller at certain times at 6.0%. In addition, both Digital payment failures and Unclear return and guarantee policies account for 8.0% and the difficulty that customers face least when shopping online is Dealing with the seller which accounts for 6.0% of all data. Figure 2 presents the data from Table 3 in graphical representation.

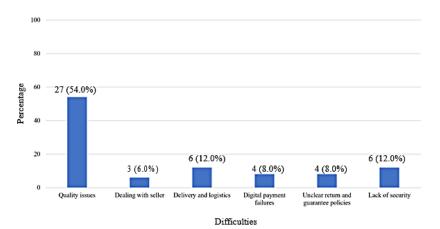


Figure 2 Customer's difficulties when dealing with online shopping

Next, the researchers analyze the relationship between factors related to online shopping behaviors. The five factors that are employed to find the relationship define as follows: 1. Variety of Products, 2. Low Price, 3. Conveniently, 4. Promotion Provided, and 5.) Easy to compare Products. The researchers use statistics Chi-square test to analyze. The results show in Table 4.

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Table 4 The relationship between factors related to online shopping behavior

φ's Coefficients	s		Results	
> 0.25			Very Strong	
> 0.15			Strong	
> 0.10			Moderate	
> 0.05		Weak		
> 0		No or very Weak		
Factors	χ^2	df	<i>p</i> -value	ф
Variety of Products	2.5	4	0.64	0.23
Low Price	12.6*	4	0.01	0.50
Conveniently	3.2	4	0.53	0.25
Promotion Provided	8.9	4	0.07	0.42
Easy to compare Products	7.2	4	0.13	0.38

^{*.} Correlation is significant at the 0.05 level (2-tailed).

Factors	Correlation Rank	\overline{X}^{\bullet}	SD
Variety of Products	5	1.46	0.65
Low Price	1	1.82	0.66
Conveniently	4	1.58	0.76
Promotion Provided	2	2.24	0.82
Easy to compare Products	3	2.72	0.61

^{*} Remark Each Factor's Score maximum at 3 and minimum at 1

Table 4 shows the relationship between factors related online shopping behavior from the maximum to the minimum using descriptive statistics correlation.

The result shows that consumers tend to rely most on the Low Price which is related to the undergraduate students' online shopping behavior and has a relationship value $\phi = 0.50$ which is very strong and ranks the highest as compared to other factors. Next, the second-rank factor is Promotion Provided that has a relationship value $\phi = 0.42$ which is also very strong. Thirdly, Easy to Compare Products has a relationship value $\phi = 0.38$ which means the relationship is very strong. Following, the fourth factor, Conveniently, has a relationship value $\phi = 0.25$ and is very strong. Lastly, Variety of Products has a relationship value $\phi = 0.23$ which is Strong but ranks the lowest as compared to other factors.

5. Discussion

The analytical results of this research after investigating consumers preferences of online shopping methods indicate that, from the 50 samples of consumers who shop online, most of them apparently prefer to shop online through Instagram, accounting for 29 out of the 50 consumers. Because Instagram is performing mainly in pictures and videos of products, consumers can easily and clearly obtain certain product information, seller contact, shipping details, product price, and delivery time. Besides, Instagram is more convenient in terms of sorting the products into each category using hashtags and ease of searching for a variety of products. Furthermore, nowadays Instagram has been popular among various sellers. Secondary to Instagram, E-commerce Website/Application is the second-most online shopping preferred methods for consumers who prefer discounts and promotions in purchasing products. In addition, Ecommerce Website/Application apparently provides not only low prices products, reduction shipping fees and cost of shipping for sellers, and giveaway vouchers for a future purchase in their E-commerce Website/Application but also a variety of products. It is convenient for consumers to buy products when they have promotions or in sales. The results also show that Facebook and Websites are another online shopping methods that consumers trust to buy products. Generally, Facebook and Websites will provide full details of their certain business and products with guaranteed trust. Lastly, the two least preferred online shopping methods are Twitter and Line/Line@. Apparently, the results show that the consumers' least favorite method is Twitter as it is just for a particular group of people who use it for other things rather than doing business. The main reason is that the complex functions of Twitter are not provided for business. Meanwhile, Line/Line@ is an application for communicating with sellers from online business. However,

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because its functions and applications are quite difficult to use, consumers usually contact the sellers right away through their other business channels, and because the online shopping methods have been developed through live chat/talk between the consumers and sellers.

The difficulty that consumers face most when shopping online is Quality issues of products received after sellers shipping the products, which accounts for 54.0%. The trust between online consumers and sellers is low because of the quality issues of the products that do not match to what the sellers have mentioned, for instance, fake products, low-quality conditions, or not the right products that consumers wanted to purchase. Following, the second-most faced difficulty is Delivery and logistics that can occur during services of logistics companies and can be the delay of shipment, wrong addresses or the inefficient delivery service. Hong (2015) suggested that the product delivery risk had a positive effect if the consumer ordered the product from a reliable online merchant; thus customers find ways to approach trustworthy online sellers to reduce the product delivery risk. When purchasing from a reliable online merchant, the consumers feel safe and secure from undesired product delivery problems. In the researchers' opinion, the consumers cannot trust the sellers and online shops because the cyber is not a safe place to do such business; however, some online shops have been fully trusted. Adnan (2014) indicated that the product delivery had a negative impact on consumer's buying behavior. Furthermore, Adnan (2014) suggested that online merchants should provide insurance coverage to online buyers if an item is not delivered to the consumer in time. Consumers fear not to receive the products in time or a delay in delivery which leads to a high product delivery risk.

Regarding Lack of Security in online shopping that is unreliable, Sivanesan (2017) suggested that because the transaction is online, so the customers must be ensured of web security and confidential card information. However, Iconaru, Perju, & Macovei Octv (2013) suggested that due to the manipulation of trust and compromising over personal data to the third party, consumers feel unsafe, which leads the decrease in the consumers' trust over the security of e-retailer. Lee & Turban (2001) argued that trust is an important factor to influence consumer's intention to shop online. Srinivasan (2004) cited that the success of e-commerce is based on two factors; trust and security. Furthermore, processing transactions through bank account transfers will show the trust of consumers on the sellers as well as replace the digital payment failures that can lack security in terms of inability to process online transactions. Consumers faced difficulties and thought that online shopping methods providers should improve. Unclear return and guarantee policies are also the difficulties consumers face least. It concerns the returning process when the consumers receive unexpected products on hand, and the guarantee policies of E-commerce Website/Application are low. Besides, Dealing with the sellers is one of the difficulties in online shopping that can occur in various kinds of situations such as lack of communication skills of the sellers that could lead to misunderstanding situation.

The most significant factors that influence decision making in online purchasing of consumers is the products' Low price. Based on the samples of this study regarding the demographic results, 60% of them are under 22 years old and 36% of them are having an income of fewer than 9,000 Baht, which implied that lower prices lead to higher demands; and thus, more consumptions. In addition, this research investigated among college students and found that their income is not high, so they prefer low price products rather than expensive products. Consumers prefer to buy products when the sellers offer a promotion (Raghubir, Inman & Grande, 2004). The price promotion refers to giving low price for a product or offering more products at the same price to create sales. It can include freight discount, cash voucher, price deduction, and discount promotion from the sellers, among them, free express shipping fee and shipping fee reduction are the consumers' most favorite. Consumers purchase things online because they can easily compare the products in terms of price, quality condition, promotion, and delivery dates to satisfy the intention of online shopping. Moreover, it is more convenient to shop online rather than visiting a physical store as it is time-saving, easier to compare the price and check the product details by just one click, and able to directly deal with the sellers to ask for a promotion, discounts, and even free shipping fee. In this study, convenience refers to 24-hour availability of online storefront (time-saving) and ability to access from any location (less moving). The results show that consumers prefer online shopping because it

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is more convenient to choose the product and make a decision to purchase. Online shopping is the shopping channel which contains a variety of products that are sold globally in every online channel such as Facebook, Instagram, Websites, E-commerce websites, Twitter, LINE, and LINE@. Consumers can see products prices, conditions, promotion, and quality. Most of the consumers prefer a variety of products because they will be able to search for a certain product in any online shopping channel until they meet their demand.

6. Conclusion

The prospective investigation of difficulties that consumers faced will help online stakeholders to develop their businesses to meet the right way to do business and satisfy consumers despite the difficulties of the consumers. Business owners will need to focus on the difficulties rather than factors that consumers prefer and also need to forecast the trends regarding consumers behaviors such as how consumers perform in online shopping due to the differences in demographics, educated, income, and shopping behavior of consumers. However, it must take a while to adjust the development in online shopping among young consumers. Kotler & Armstrong (2006) suggested that understanding consumers' decision making is also one of the important for companies and marketers to come up with appropriate marketing strategies that will be suitable to their consumers. In this relation, the personal factors such as general demographics like age, income, genders, and how often they shop online have been identified in plenty literature on consumer shopping behavior as a significant element in understanding the consumer behavior. It appears that this paper is also useful for online sellers that intend to improve and develop their business regarding the results of consumers behaviors. The sellers, even SME businesses or Start-up businesses, need to check their quality control before giving product details and delivering the products to corroborate that the products have good quality. For the consumers, the most preferred factor to make a certain online purchasing is low prices due to the ages and incomes of the consumers. Their vision is to meet the right products at the right price and conditions.

7. Acknowledgements

People who contributed to the work but do not fit criteria for authorship should be listed in the Acknowledgments, along with their contributions. It is the authors' responsibility to ensure that anyone named in the acknowledgments agrees to being so named. The funding sources that have supported the work should be included in the acknowledgments.

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