

Factors that influence intentions to purchase online only products

Meeniga Ramesh Supervisor: Deepak Gupta
Amrita School of Business, Coimbatore

Introduction

This paper explores factors that influence consumer intentions to purchase products that are available exclusively online in India. Specifically, we investigate purchase intention for online only products using consumer attitude and buying behavior patterns. An empirical study in which the contributions of both perspectives are investigated is reported. We study the perceptions of 214 potential online shoppers and their attitudes and intentions to shop online exclusive available products. In terms of relative contributions, we found that the trust-antecedent 'perceived risk', trust on brand of the product and trust on brand of the e-commerce website directly influenced the attitude towards purchasing online exclusive available products.

Motivation for Study

- General studies about online purchase behavior states that they are many powerful factors in customer decision making like Affect, Cognition etc. .
- However a recent trend is the popularity of online only business models in E-commerce in India, Relatively few studies exists that investigate the factors that influence intentions to purchase online only products in India. This study fills that gap

Literature review

| Constructs | Papers |
|-------------------------|--|
| Perceived Risks | Development of A Scale To Measure The Perceived Benefits And Risks of Online Shopping. |
| Consumer Susceptibility | Measurement of Consumer Susceptibility to Interpersonal Influence. |
| Brand Trust | Effects of consumer perceptions of brand experience on the web: Brand familiarity, satisfaction and brand trust. |
| Website Loyalty | The role played by perceived usability, satisfaction and consumer trust on website loyalty. |

➤ Constructs used in the questionnaire

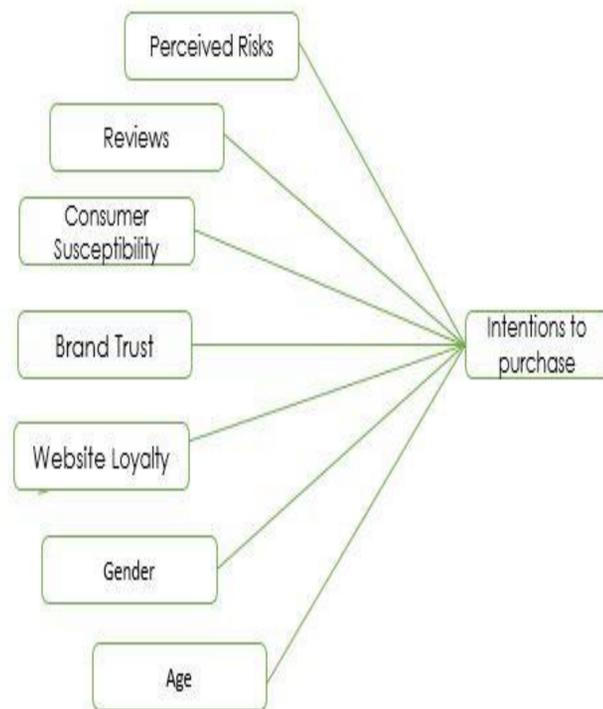
Research Gap

| Offline Purchase | Online Purchase | Brick & Mortar Purchase | Online Only Purchase |
|--|---|--|---|
| <ul style="list-style-type: none"> • Touch and Feel • Convenience • Quality • Attitude | <ul style="list-style-type: none"> • Time Saving • Reviews • COD • Variety of Products • Low Price • 24/7 | <ul style="list-style-type: none"> • Brand Loyalty • Price Comparison • Service • Attitude towards channel switching |  |

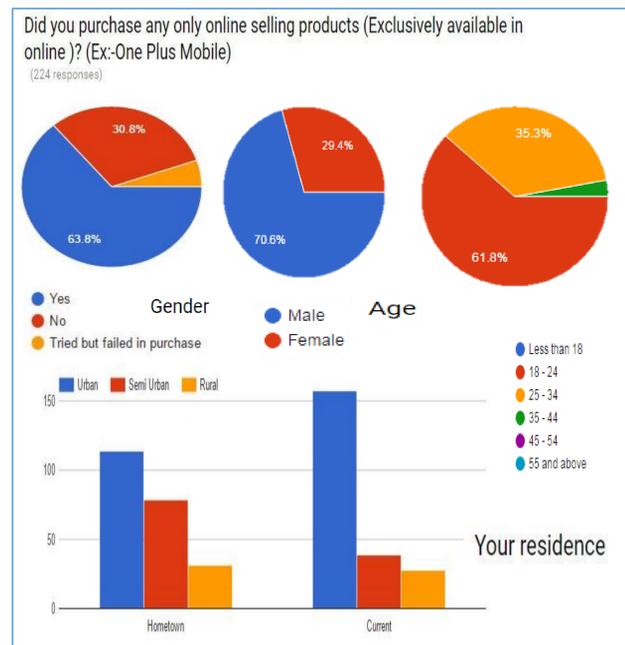
Research Question

- What are the factors that influence the intentions to purchase online only products(Online Exclusive) in India.

Conceptual model



Sample Description



Research Methodology

- Data was collected by use of online questionnaire
- Respondents belong to India.
- Sample Size – 214
- Respondent criteria: must be online buyer
- Logistic regression method of analysis was used because the dependent variable is binary

Hypothesis

- H1** : Trust on Website will have a positive influence on the intentions to purchase online only products.
- H2** : Trust on Product Brand will have a positive influence on the intentions to purchase online only products.
- H3** : Susceptibility to interpersonal will have a positive influence on the intentions to purchase online only products.
- H4** : Perceived risks in shopping online will have a negative influence on the intentions to purchase online only products.
- H5** : Age/Gender impacts the intentions to purchase intentions to purchase online only products.

Logistic Regression Results

| Intention to purchase | ODD & RATIO | COEF. | P>Z |
|----------------------------|-------------|-------|-------|
| Online Shopping Preference | 1.070606 | 1.91 | 0.056 |
| Financial Risk | 0.9616449 | -1.75 | 0.08 |
| Reviews | 1.084644 | 2.22 | 0.026 |
| Website Trust | 1.135761 | 2.05 | 0.04 |
| Product Brand Trust | 0.9707757 | -0.64 | 0.519 |
| Informational Scale | 1.023431 | 1.36 | 0.174 |
| Normative Scale | 0.9938273 | -0.18 | 0.861 |
| Gender | 0.8769227 | -0.48 | 0.632 |
| Age | 0.8868198 | -0.46 | 0.646 |
| Income | 1.205348 | 0.6 | 0.551 |
| Product Risk | 0.9977004 | -0.1 | 0.919 |
| Time Risk | 0.9488547 | -1.29 | 0.197 |

Interpretation

- The interpretation for the above results are as follows:
- There was a positive relationship between preference for online shopping and the willingness to buy online only products.
 - There was a positive relationship between trust in the consumer's favorite E – Commerce site and the willingness to buy online only products.
 - There was a negative relationship between perceived financial risk online and the willingness to buy online only products.
 - There was a positive relationship between responsiveness to online reviews and the willingness to buy online only products.

Contributions

- This is the one of the first studies that focus on the intentions to purchase online exclusive products.
- The study showed that E-Commerce brand trust is more important than product brand trust in influencing online only purchase behavior.
 - The study also shows the importance of individual attitudinal variables such perceived financial risks in shopping online in influencing online only purchase behavior.

Limitations

- Further studies can be done by focusing more on the influence of satisfied customers recommendation to the new buyers which is left unexplored in this study. This will help to improve the understanding of consumer behavior and influencing factors.

Publication

| Conference/Journal | Paper Title | Status | Scopus Indexed | Date of conference |
|--------------------|---|-----------|----------------|--------------------|
| ICCPCT | Factors that influence intentions to purchase online exclusive products | Completed | Yes | March 31 |

References

- Adams, J. S. (1965). Inequity in social exchange. In Leonard Berkowitz (Ed.), *Advances in Experimental Social Psychology*, 2. (pp. 267–299) New York: Academic Press.
- Aiken, L. A., & West, S. G. (1991). *Multiple regression: Testing and interpreting interactions*. Newbury Park, CA: Sage.
- Baumeister, R. F., & Leary, M. R. (1995). The need to belong: Desire for interpersonal attachments as a fundamental human emotion. *Psychological Bulletin*, 117, 497–529.
- Berger, J., & Heath, C. (2007). Where consumers diverge from others: Identity product domains. *Journal of Consumer Research*, 34, 121–134.
- Bolton, L. E., & Reed, II (2004). Sticky priors: The perseverance of identity effects on judgment. *Journal of Marketing Research*, 41, 397–410.
- Brewer, M. B. (1991). The social self: On being the same and different at the same time. *Personality and Social Psychology Bulletin*, 17, 475–482.