# Online Shopping - Growing trend against Conventional Shopping

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Internet shopping has been widely accepted as a way of purchasing products and services. It has become a more popular means in the Internet world. It also provides consumer more information and choices to compare product and price, more choice, convenience, easier to find anything online.

Online shopping has been shown to provide more satisfaction to modern consumers seeking convenience and speed. online shopping today has reached about four times the size of the traditional shopping for certain goods and services.

<u>Key words:</u> online shopping , Traditional shopping , convenience , satisfaction.

### **INTRODUCTION:**

E-Commerce platforms are different from conventional physical stores in many ways. With continuous advancements in technology, it is becoming easier and easier for people to buy any product just with a click. In comparison to that what is offered at physical stores, online stores would offer a number of advantages:

Online shopping is much more convenient and time saving. There is no hassle of traveling and waiting lines. With ease of access and availability of 24X7; online shopping is available anytime and anywhere. These stores provide consumers with free and rich information about products and services.

### **LITERATURE REVIEW**

Today there are many tools and review options that help consumers, compare and make decisions easier among various products and services.



Hoffman and Novak (1996) indicated that the key distinguishing feature between traditional mass media and marketing communication on the Internet is interactivity. There are lots of definitions of e-commerce, and they all are not very far from each other.

Mostaghel (2006) concluded that through means of telecom network, ecommerce is all about the sharing business information, maintaining business relationships, and transacting.

Same as that, according to Tian and Stewart (2007), Ecommerce represents not only the business of goods and services, but also keeping buyers, building relationships with customers and other companies to establish new business horizons with them.

Dating back to 40 years, every business has been divided into two types: Business-to-Business (B2B) and Business-to-Consumer (B2C).

Identified by Gröblinghoff (2002) Business to Business ecommerce is an electronic system through which companies can conduct transactions and also share information. Additionally, information is shared before & after the transaction with the customers. Ecommerce also offers number of applications for creating and achieving easier connections with distributors, resellers, suppliers and etc. Grewal et al (2002), stated that online shopping is much more efficient in meeting the consumers' needs and wants. This method of shopping is an easy way out for customers when it comes to access information about the brand's product quality, availability, product specifications and prices, along with comparing all this with those of another brand with the help of online shopping.

Brown et al., (2003) in his study instigated an outcome that customers can now make more intelligent purchasing decisions in a way which is not possible through traditional shopping.

Monsuwé et al., (2004) also concluded that an anonymous purchase for the items that are too personal to buy on stores is what brings customers online today.

Brown and Reid (1997) observed that routine tasks like shopping for groceries have become easier for customers who do not like crowds and driving the trolley around the store. Nowadays, people are more conscious about personal image and fashion, especially young adults. For them, shopping is an entertaining, pleasure-filled activity that is like an escape. And it is important to note that such shoppers are looking for good service standards too.



Source: Walker Sands' 2014 Future of Retail Study

Haubl and Trifts (2000) also mentioned that Customers tend to look for alternate options and compare prices while doing online shopping. Websites such as flipkart.com is providing a facility to compare between different products with just a few clicks.

Furthermore, according to Chen & Chang, (2003), while accessing online shopping websites, consumers can go through customers' reviews which can guide their purchasing decision. To comprehend the consumers' reasons to take part in shopping online, it is important to take into consideration the situational factors that lead to it.

Wolfinbarger and Gilly (2001) concluded that the foremost reason why most of the shoppers like to make online purchases is high accessibility and great convenience. Shopping from the comfort of your own house saves the effort of travelling. This is especially good for people who do not have enough time to go to the market, as the internet allows consumers to shop at any time throughout the day. Therefore, one of the key situational factors is the lack of time.

As per Monsuwé et al., 2004), the second situational factor is traveling as it is related to the distance consumers often need to travel to the stores which have the items they need. Consequently, online shopping helps them to reduce this burden. For instance, many people living in busy cities may not have the appropriate transportation to travel to more affordable shops.

Dennis et al., (2007) concluded that people living in big cities may be forced to shop at the costly town centers if it was not for the option to shop online. Ozen & Engizek, (2014) instigated the outcome that convenience is a major factor which motivates consumers to opt for online shopping.

Gehrt et al., (2012) performed a study on finding the reasons behind convenience of online shopping. Online retailing provides benefits in terms of place and time; shoppers can be saved from spending time going to crowded malls.

According to Li (1999) e-consumers are more acquainted with convenience rather than experience.

Li & Zhang, (2002) concluded that for e-consumers, convenience is the most significant aspect when making purchases as they have limited time and are not as bothered by the idea of purchasing goods without physically touching them.

Assael (1992) and Kotler (1997) identified that demographic variables offer valuable insights into 'Who consumers are' and 'What they need'. For instance, income may act as the main factor for consumer's purchasing power, and merchants should focus their marketing campaigns of luxury goods on those with high income. It is also common for e-commerce sites like amazon.com and ebay.com to request customers to fill in their demographic information during registration to experience personalized offerings.

### MATERIALS AND METHODS

The scope of the study is to analyze customer behavior towards online shopping and study the factors affecting an individuals' choice.

The present study incorporates the collection of both primary and secondary data for an in depth investigation.

Primary data has been gathered through structured unbiased questionnaire. Out of the questionnaires mailed to 500 individuals, 370 responded back, therefore the sample size for the study stands at 370.

**Measures of central tendency:** these are ways of describing the central position of a frequency distribution for a group of data. This includes mean, median, skewness and kurtosis.

**Measures of spread:** These are ways of summarizing a group of data by describing how spread out the scores is. To describe

this spread, a number of statistics are available to us, including the range, quartiles, absolute deviation, variance and standard deviation.

Coefficient of Variation can be calculated to study the spread of overall data. Higher the coefficient of variation, higher the spread in the data.

#### Inferential Statistics

Statistical inference is the process of using data analysis to deduce properties of an underlying probability distribution. Inferential statistical analysis infers properties of a population, for example by testing hypotheses and deriving estimates. It is assumed that the observed data set is sampled from a larger population. We use p-value, Chi-square and likelihood ration test to test the hypothesis.

### STATISTICAL ANALYSIS

### <u>Items purchased by Consumers Online viz- a- viz</u> <u>Conventional Stores</u>

While retailers grapple with providing a consistent shopping experience among channels, new kinds of competitors seems to pop up out of nowhere, further altering customer expectations and disrupting any hoped-for status quo.

While studying the reach of online shopping websites, we decided to study the consumer preferences to resort to online shopping. The participants were given a choice to decide between online, offline or both methods as their choices.

List of products and results are shown as:

#### Table 1 Items purchased Online viz-a-viz Conventional Stores

Products	Off.	Online	Both
Mob/Dth Rech	66	165	139
Movie	64	133	173
Travel Ticket	76	136	158
Fashion Acc.	107	81	182
Personal Care	156	81	133
Food	202	72	96
Books	155	80	135
Electronics	88	108	174
Sports	140	83	147
Home Appliances	161	75	134
Entertainment	120	100	150
Automobile	223	66	81
Jewellery	186	69	115
Baby Products	168	72	130



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Maximum participants prefer online methods of shopping for Mobile/DTH recharges whereas, movie tickets, fashion accessories, travel tickets and consumer electronics are the category of products which had mixed response.

Automobiles, jewellery, baby products and food are the categories that consumers prefer buying offline.

Books, Sports, Entertainment showed uniform responses.

### <u>Customer Shopping experience while doing online</u> <u>shopping</u>

As part of our study, we devised eleven variables on the likert scale of (1-5) where 1 being the least contributor and 5 being the most.

We have used perception based tracker to test if the variable affects the overall customer satisfaction while doing online shopping.

## Table 2 Perception based tracker for e-shopping experience of customers

	Scale				Descriptive Statistics			
Variables	St.D is	Di s	Ne u	Ag r	St.A gr	Mea n	Std. Dev	C.V
Rel. Info	15	68	32 7	41 6	540	185. 36	225. 41	82.23 %
Variations	14	44	22 2	44 4	745	240. 56	304. 95	78.88 %
Colours & Sizes	16	38	24 3	41 6	750	232. 32	303. 41	76.57 %
Out of Stock policy	15	46	29 1	40 0	675	203. 92	271. 74	75.04 %
Glitch free transactions	11	56	27 3	60 0	450	197. 6	251. 93	78.44 %
Protected personal info	13	42	20 4	40 4	835	255. 92	337. 34	75.86 %
Automated tracking	4	46	21 9	47 6	755	252. 4	314. 92	80.15 %
Free Delivery	14	46	24 3	44 0	710	227. 52	290. 18	78.41 %
Timely delivery	9	46	25 2	54 0	595	223. 28	271. 78	82.16 %
Easy reimbursem ents	19	74	30 6	43 2	520	178. 96	218. 78	81.80 %
Grievance settlement	17	38	28 8	65 6	370	197. 04	263. 19	74.87 %

<u>Graph 2 Perception based tracker for e-shopping</u> <u>experience of customers</u>



As discussed earlier, the higher the variation in the data least is its priority in affecting the targeted variable.

Consumer Satisfaction with online shopping is high. As shown in the descriptive statistics, coefficient of variation for 11 variables is between 75% to 82%. With overall satisfaction of consumers being decent, they are most satisfied by grievance settlement policy along with the services provided by seller to notify customer in case the product is out of stock.

While frequently cited by consumers as a must-have, free or discounted shipping is actually less important in driving overall satisfaction than those factors stated above, particularly ease of check-out and variety of brands and products offered. The factors that drive satisfaction and are highly important but currently have low satisfaction are – a clear and easy to understand returns policy and ease of making returns and exchanges – should be areas of focus for retailers looking to increase their overall customer satisfaction.

### **Online Versus Conventional methods of shopping**

As part of our study, we devised ten variables on the likert scale of (1-5) where 1 being the least contributor and 5 being the most.

We have used perception based tracker to test if the variable affects the overall customer satisfaction while doing online shopping.

	Scale			Descriptive Statistics				
Variables	St.Di s	Di s	Ne u	Ag r	Str. Ag r	Mean	Std. Dev	C.V
24X7 access	8	30	195	52 8	750	302.2	325.4	93%
Effortless	9	38	246	55 6	605	290.8	280.3	104 %
Flexibility	7	32	222	62 8	580	293.8	295.6	99%
Time Saving	11	38	246	38 8	805	297.6	323.2	92%
Multiple modes of payment	8	28	219	52 8	715	299.6	312.3	96%
Fun & Stress free	16	32	258	42 8	725	291.8	296.2	99%
Participation	10	50	180	47 2	785	299.4	326.3	92%
Transportatio n	24	48	237	36 4	760	286.6	299.4	96%
Quality	12	40	291	60 0	455	279.6	256.2	109 %
Effective Supply Mechanism	15	42	258	48 0	640	287	272.4	105 %
Timely Delivery	16	46	261	45 6	650	285.8	270.4	106 %
Discounts & Sales	15	42	213	63 2	525	285.4	280.7	102 %
Defective products	11	48	300	38 4	695	287.6	278.1	103 %
Used products	38	56	294	36 8	570	265.2	223.4	119 %
Duplicate Products	21	40	288	41 6	645	282	262.9	107 %
Personal Info	26	68	234	58 4	430	268.4	237.6	113 %

# Table 3 Perception based tracker for customer loyalty while doing e-shopping

### Graph 3 Perception based tracker for customer loyalty while doing e-shopping



As analyzed, participation of fellow friends and family, 24X7 access, time saving process, no hassle of travelling across distances are the factors that attract customers to do online shopping.

Without much difference in creating variation in the responses, multiple modes of payment, fun & stress free shopping experience along with availability of discounts and sales is what consumers love most about e-shopping.

Consumers are least affected by fear of getting used products or losing their personal information to anyone which is good heads up for e-tailers.

As we see from our study, we are in agreement to the past researches that say that shipping and delivery are key components in the online shopping experience. Online shoppers expect a variety of delivery options to be available, with more than half expecting both economy ground and ground, and just under half a 2-3 day air option. When looking at what shipping option they choose most often, online shoppers select the most economical option two-thirds of the time, and the fastest option only 2% of the time.

### Inferential Statistics for factors affecting conventional shopping over online shopping

The null hypothesis is stated as that the given factors do not have any effect on the choice of an individual to prefer online shopping over conventional shopping. H<sub>0</sub>: Individuals are unbiased to prefer online shopping over conventional shopping

 $H_a$ : Individuals are biased to prefer online shopping over conventional shopping pertaining to demographical and other social factors

In the given table we study the prevalence rate of individuals doing online shopping over conventional shopping with respect to different factors.

The study shows that males (62%) tend to prefer to shop online as compared to females (38%). P-value for this variable is less than 0.05; hence we reject the null hypothesis and conclude that gender plays an important role in deciding that method of shopping – online or conventional. The results can be generalized for a large set of population.

The study shows that Education of an individual doesn't affect the method of shopping as p-value for running a chi-square test is greater than 0.05.

The results show that monthly income of an individual plays a significant role in choice of method of shopping P-value for this variable is less than 0.05; hence we reject the null hypothesis and conclude that monthly income plays an important role in deciding that method of shopping – online or conventional. The results can be generalized for a large set of population

Choice of website to do online shopping affect the overall choice as p-value is greater than 0.05.

78.2% of individuals believe that online shopping is a better method of purchasing products as it provides 24X7 accesses, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

72.6% of individuals believe that online shopping is an effortless method over conventional shopping, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

75.9% of individuals believe that online shopping is a flexible method over conventional shopping, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

71.6% of individuals believe that online shopping is a timesaving method over conventional shopping, p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

78.2% of individuals believe that availability of multiple modes of payment while online shopping is a driving factor to shop online, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

70.3% of individuals believe that online shopping is a fun and stress free method to shop online, but p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

66% of individuals believe that online shopping is better as it involves no transportation cost, but p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

67% of individuals believe that products purchased online are procured through trusted suppliers, but p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

68.3% of individuals believe that there is effective supply chain mechanism while online shopping is a driving factor to shop online, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

56% of individuals believe that online shopping leads to timely delivery of products, p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

72.7% of individuals believe that online shopping is a preferred method of shopping because of availability of large number of discounts and sales, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

67.6% of individuals believe that there might be chance of receiving defective products while shopping online, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of

population as p-value for likelihood ratio test is greater than 0.05.

58.4% of individuals believe that one might receive used products while shopping online, but p-value for same is greater than 0.05. Hence, we accept the null hypothesis that it would not affect the choice of an individual. The results can't be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05

56% of individuals believe there might be chance of receiving duplicate products while shopping online, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

66% of individuals believe that there might be chance losing personal information while using debit/credit cards as mode of payments for shopping online,, p-value for same remains to be less than 0.05. Hence, we reject the null hypothesis that it would not affect the choice of an individual. The results can be generalized for a larger set of population as p-value for likelihood ratio test is greater than 0.05.

### <u>Table 4 Inferential Statistics for factors affecting</u> <u>conventional shopping over online shopping</u>

Factors Affecting Online Shopping	N (%)	Chi Sq.	Likelihood Ratio
Gender			
Male	62%	$\chi^2 = 12.152$	L.R = 12.019
Female	38%	P = 0.000	P = 0.001
<b>Education</b>		and the second	
Diploma	5.0%		
Inter/12 <sup>th</sup>	13.5%		
P.hD	2.0%	$\chi^2 = 7.039$	L.R = 7.410
Post Graduate	22.4%	P = 0.317	P = 0.285
Professional	2.6%		1200
SSC/10 <sup>th</sup>	1.0%		3624
Undergraduate	53.5%		
Monthly Income	and the second second	and the	
Less than Rs. 1,00,000	41.6%	a sur	
Rs. 1,00,000 – Rs.	22.8%	$\chi^2 = 20.575$	L.R = 20.252
2,00,000	19.1%	P = 0.000	P = 0.000
Rs. 2,00,000 – Rs.	16.5%		
3,00,000			
Rs. 3,00,000 and above			
Websites that you			
would recommend	48.5%		
Amazon	2.0%	$\chi^2 = 6.408$	L.R = 6.850
Ebay	28.7%	P = 0.171	P = 0.144
Flipkart	11.9%		
Snapdeal	8.9%		
Other			
Purchasing online is			
more convenient, as it			
has 24/7 access	1.7%	_	
Strongly Disagree	3.6%	$\chi^2 = 10.047$	L.R = 9.512
Disagree	15.5%	P = 0.040	P = 0.049
Neutral	38.3%		
Agree	40.9%		
Strongly Agree			

Effortless shopping is			
possible through online			
shopping	2.0%		
Strongly Disagree	3.0%	$\chi^2 = 22.287$	L.R = 18.947
Disagree	22.4%	P = 0.000	P = 0.001
Neutral	40.9%		
Agree	31.7%		
Strongly Agree			
Facilitates flexibility in			
online shopping			
Strongly Disagree	1.3%	_	
Disagree	2.3%	$\chi^2 = 19.843$	L.R = 15.219
Neutral	20.5%	P = 0.001	P = 0.004
Agree	43.9%		
Strongly Agree	32.0%		
Time saving shopping			
experience provided			
Strongly Disagree	2.3%		
Disagree	5.3%	$\chi^2 = 5.558$	L.R = 5.143
Neutral	20.8%	P = 0.235	P = 0.273
Agree	26.1%		
Strongly Agree	45.5%		
Availability of multiple			
modes of payment			
Strongly Disagree	1.0%		
Disagree	2.0%	$\chi^2 = 30.175$	L.R = 23.946
Neutral	18.8%	P = 0.000	P = 0.000
Agree	38.6%		
Strongly Agree	39.6%	Sec.	
Online shopping is fun			
and stress free	3.6%	Q	
Strongly Disagree	4.3%	$\chi^2 = 5.878$	L.R = 5.731
Disagree	21.8%	P = 0.208	P = 0.220
Neutral	28.7%		
Agree	41.6%	and the second se	
Strongly Agree	1	di la	
Smooth participation of	the star	10	
family and friends	1 S. 2	1	
without any cost	2.3%		
Strongly Disagree	4.3%	$\chi^2 = 18.497$	L.R = 38.251
Disagree	16.2%	P = 0.001	P = 0.000
Neutral	32.3%		
Agree	44.9%		
Strongly Agree			
Online shopping	States.		
requires no	1000 C		
transportation cost	6.3%		
Strongly Disagree	6.9%	$\chi^2 = 2.702$	L.R = 2.736
Disagree	20.8%	$\tilde{P} = 0.609$	P = 0.603
Neutral	23.4%		
Agree	42.6%		
Strongly Agree			
Quality products are			
procured through			
various trusted	3.0%		
suppliers	4.3%	$\chi^2 = 6.103$	L.R = 5.554
Strongly Disagree	25.7%	$\dot{P} = 0.192$	P = 0.235
Disagree	42.6%		
Neutral	24.4%		
Agree			
Strongly Agree			
Online stores have			
effective supply			
mechanism	4.3%		
Strongly Discourse	4.00/	$x^2 - 12.470$	I D = 12.047

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Disagree	23 / 1%	P = 0.000	P = 0.017
Neutral	23.4%	I = 0.009	1 = 0.017
Agree	37.3%		
Strongly Agree	57.570		
Timely delivery convices			
neridad by online store			
Strongly Diagona	4 20/		
	4.5%	? 7.601	LD C 095
Disagree	5.0%	$\chi^2 = 7.001$	L.K = 0.985
Neutrai	24.8%	P = 0.107	P = 0.137
Agree	29.4%		
Strongly Agree	36.6%		
Offers special discounts			
and sales to customers	<b>2</b> 0.04		
Strongly Disagree	3.0%	2 10 50 5	
Disagree	4.3%	$\chi^2 = 12.686$	L.R = 10.844
Neutral	20.1%	P = 0.013	P = 0.028
Agree	44.6%		
Strongly Agree	28.1%		
Defective products may			
be a great concern in		100	
online shopping	1.3%	and the second second	
Strongly Disagree	4.3%	$\chi^2 = 33.288$	L.R = 26.947
Disagree	26.7%	P = 0.000	P = 0.000
Neutral	26.7%		Chan.
Agree	40.9%		State of the second
Strongly Agree			351
There may be chance of			
receiving used products			
in online shopping	9.2%		
Strongly Disagree	6.3%	$\chi^2 = 7.811$	L.R = 7.259
Disagree	26.1%	P = 0.099	P = 0.123
Neutral	26.1%		
Agree	32.3%		
Strongly Agree			
There may be risk of			
getting duplicate			
products	3.3%		
Strongly Disagree	4.0%	$\chi^2 = 26.546$	L.R = 21.489
Disagree	26.7%	P = 0.000	P = 0.000
Neutral	28.7%		
Agree	37.3%		100
Strongly Agree			3/24
There may be risk of	8		100
sharing debit/credit	1000	820	
card information to	1000	230.00	
others by website	5.3%	6 65°°°	
Strongly Disagree	7.6%	$\gamma^2 = 14.991$	L.R = 13.220
Disagree	21.1%	P = 0.005	P = 0.010
Neutral	41.9%	1 0.000	1 0.010
Agree	24.1%		
Strongly Agree	211170		
5401619 116100		1	

### CONCLUSION

Online shopping or e-shopping as we may call it is one of the glorious inventions of  $21^{st}$  century which lets people get their hands laid on anything and everything from the comfort of their homes. No travel hassles, no dealing with over enthusiastic sales persons at the counter – that's what e-shopping offers us.

But online shopping is not all about roses. There are different challenges that one has to face while shopping online.

The consumers are least satisfied by the information given of the product followed by reviews. Indian e-commerce websites need to work on betterment of information of products followed by improvement in time needed to deliver the products.

Most of the consumers today feel safe while sharing personal information followed by satisfaction derived from having variety of products in terms of colors, sizes and prices of the product.

For retailers looking to increase customer satisfaction, it is important to look not only at how satisfied users are with various aspects of the online shopping experience, but also how important these factors are. To online shoppers, the ease of making returns/exchanges is above average in importance but falls short in terms of satisfaction. It is crucial for retailers to continue to maintain high levels of satisfaction on these elements – ease of check-out, variety of brands and products offered, and the ability to create an account to store purchase history and personal information.

Making a choice between selling online through an e-Commerce store, and selling in a traditional bricks-and-mortar location can be incredibly difficult. Online shopping trend is growing at an exponential rate but there are still majority of people who prefer to shop directly from the offline stores.

A lenient and clear returns policy is likely to lead to recommendations and repeat business from online shoppers. Almost half said they would be likely to shop more often with a retailer or recommend a retailer to a friend if the retailer had a lenient and easy-to-understand return policy. More than onethird said they would drop another retailer with a less easy returns policy. Clearly, good returns policies are a great way to increase customer loyalty.

In addition to having a good returns policy, it is important for retailers to provide a good returns experience. Online shoppers who have made returns prefer the inclusion of a return label in their original package or access to an easy-toprint label. An automatic refund is also very important in ensuring a good returns experience.

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