Chapter 2

1. Reasons behind the choice of theories

Selecting theories to support the research question is one of the vital and trivial parts in thesis writing. After reading previous publications and research papers in the field of consumer behaviour and online shopping led researchers some important theories which will be discussed in later paragraphs.

One of them is Consumer buying behaviour process which helps in understanding what influence consumer to purchase online. After studying online shopping the researchers have recognized that consumers start with some kind of need or a problem that arouse some or the other way which needs to be filled and then you move towards information search and finally you purchase. This buying process helps in explaining the steps one follows to reach to actual purchase.
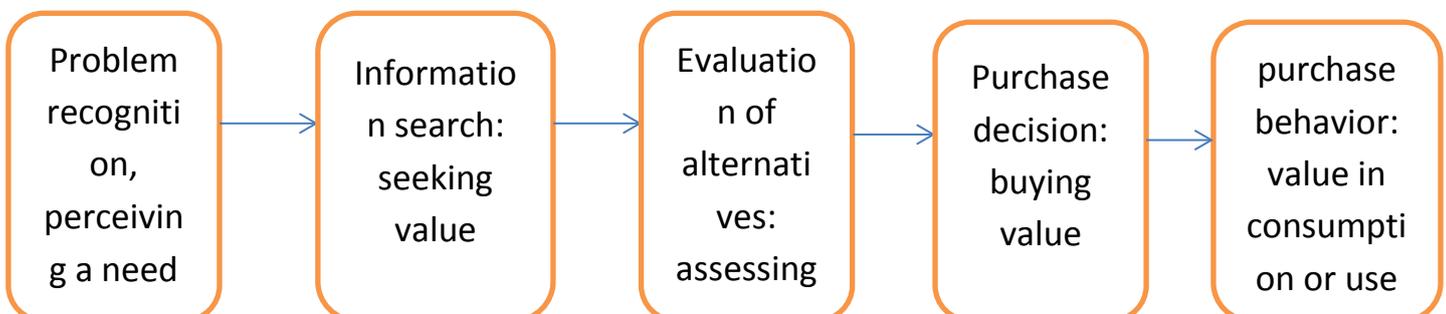
Theory of planned behaviour (TPB) proposed by Icek Ajzen (1988, 1991) as an extension to Theory of Reasoned Action. This is also an important concept as it provides a link between attitudes and behaviour. It helps one to understand how one can change the behaviour of people. This theory will be helpful in understanding how consumer changes their behaviour to shop online than physical store purchases.

Technology acceptance model (TAM) that is developed by (Fred Davis and Richard Bagozzi) (Davis 1989, Bagozzi & Warshaw 1992) is an information system theory that sets out to study the users acceptance towards particular system. Writers have selected this theory as it is commonly used theory while

studying consumer's attitudes towards online shopping. As online shopping is a modern technology and in our research we are going to study different factors that influence consumers attitudes towards online shopping, such as Website Design/ Features, convenience and Security. And TAM will help us understand how consumer form attitudes towards particular system and in our case it is online shopping. Last but not least it is an extension to the theory of Reasoned Action (TRA) (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975.

2.1 Consumer buying behaviour process

In the field of Consumer behaviour research the classical model of consumer buying behaviour is of utmost important. We as persons take actions in purchasing and using products and services and actions are derived by mental and social process. Behavioural science helps us to better understand why we go for a certain product and why not, why we set priories while making decision.

| Problem recognition, perceiving a need | → | Information search: seeking value | → | Evaluation of alternatives: assessing | → | Purchase decision: buying value | → | purchase behavior: value in consumption or use |

Consumer decision process carries five stages, starting with Problem recognition and following Information search, Evaluation of alternatives Purchase decision and finally Post Purchase behaviour. Problem recognition starts with the perception of need and moves towards information search where consumer uses internal and external sources to analyse given information and use that information in the next step of evaluation of alternatives. While evaluating alternatives one assessing values of the products by giving weights. Once you have successfully evaluated alternatives you will move towards purchase decision where you may encounter three possibilities, from whom to buy, when to buy and do not buy. Once you have actually made the purchase

now it comes to Post purchase behaviour, whether you are satisfied or dissatisfied with your purchase, Solomon, bamossy, askegaard and hogg (2006).

2.2 Theories of planned behaviour (TPB):

Theory of planned behaviour proposed by Icek Ajzen (1988, 1991) actually provides a link between attitude and behaviour. Consumer action is guided by three considerations.

. Behavioural Beliefs

. Normative Beliefs

. Control Beliefs

TPB is basically an extension of theory of reason action (TRA) proposed by (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975). As you can see in the below figure and as suggested by Icek Ajzen (1988, 1991) intention serve as a central role to perform a behavior. Icek Ajzen (1988, 1991) also proposed that a given

behaviour is influenced by the certain factors and these factors are assumed to be captured by the intention. In Icek Ajzen (1988, 1991) words these intentions indicate as how one is willing to put the effort in order to perform a given behaviour. As you can see in the below figure attitude towards behaviour and subjective norm are basically the factors that influence intention and as discussed above intention serve as a central role to perform behaviour. On the other side perceived behavioural control actually moves towards the actual behavioural by influencing the intention.

.Behavioural belief: It's about one's belief about the final outcome of particular behaviour, Icek Ajzen (1988, 1991).

. Attitude toward behaviour: It is about personal performance of individual's positive or negative evaluation Icek Ajzen (1988, 1991). It is considered as personal or emotional factor that can affect in a positive or negative manner, Icek Ajzen (1988, 1991).

. Normative belief: It is about individual's particular behaviour that can be influenced by other important actors, Icek Ajzen (1988, 1991). These actors can be your friends, family members, co-workers etc.

. Subjective norm: Its concerns with social normative pressures or other belief that can affect one's behaviour whether a person should perform the behaviour or not, Icek Ajzen (1988, 1991).Subjective influence is basically the social influence factor.

. Perceived behavioural control: An individual's perceived ease or difficulty of performing the particular behaviour, Ajzen, (1988). A person's way of

performing a particular behaviour with some difficult or performing it easily, Ajzen, (1988).

2.3 Technology acceptance model (TAM)

Technology acceptance model (TAM) is an extension to Theory of reasoned action proposed by (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975), TAM is developed by (Fred Davis and Richard Bagozzi (Davis 1989, Bagozzi & Warshaw 1992). TAM is basically information system theory that covers how a user accepts and uses a technology, TAM outlines number of factors that influence a user's decision and at the same time it deals with the how and when users will use it. The model deals with the acceptance of information technology. The external factors that influence users to make a decision are:

- Perceived Usefulness (PU)
- Perceived Ease of Use (PEOU)

In Davis (1989) words Perceived Usefulness (PU) is the "the degree to which a person believes that using a particular system would enhance his or her job performance" and Perceived Ease of Use (PEOU) is the "degree to which a person believes that using a particular system would be free from effort". The main purpose of the TAM is to explain how a user accepts a specific technology.

Figure 5: Technology Acceptance Model (TAM) by (Davis 1989, Bagozzi & Warshaw 1992).
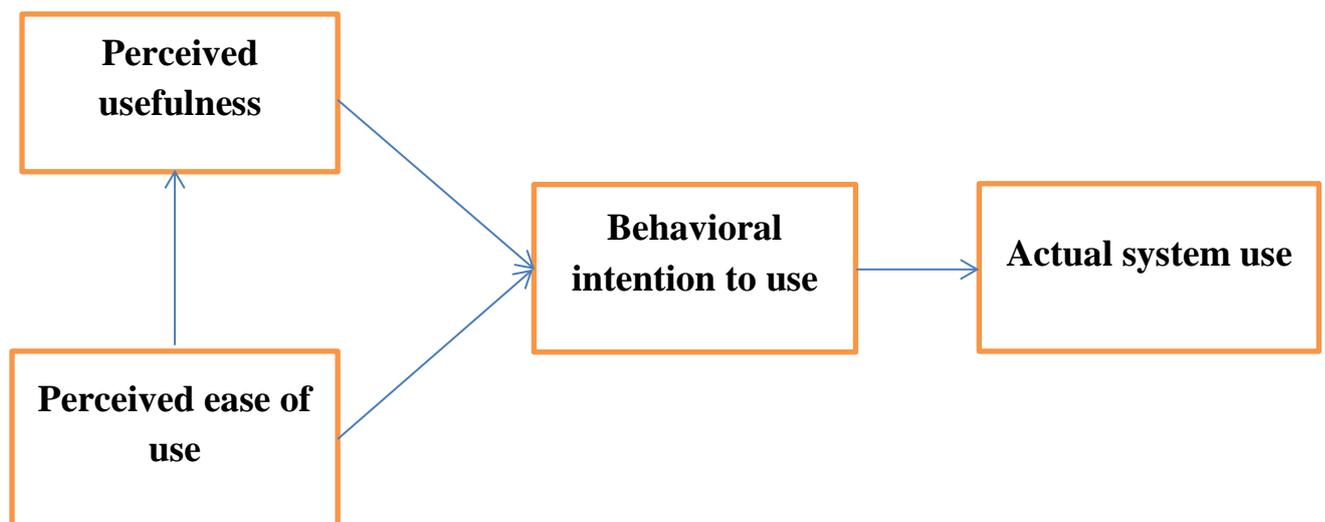
As you can see in the above figure PU and PEOU are the external factors that influence the behaviour intention to use and then finally it moves towards the actual system use, as you can see in the above figure author has explained that user will first consider that if he or she uses the particular system that would be free from effort and that is PEOU factor and then this factor leads to the one's thinking that particular system will increase one's job performance and that is PU factor, and then he or she will move forward to think about creating and intention to use that system and finally the will actually use the system.

2.4. Online shopping

Online shopping is basically a process of selling and buying of goods and services on World Wide Web. As (Forsythe and Shi, 2003) explains" Internet shopping has become the fastest- growing use of the Internet; most online

consumers, however, use information gathered online to make purchases off-line".

As above statement confirms internet activity as growing fast and Guinea has always been on high heels in Internet usage and online Shopping in Africa. According to a report on (ACNielsen Report on Global Consumer Attitudes towards Online Shopping, 2005) shows on the list of top 20 internet purchaser countries Guinea is on number twenty following Kenya and Senegal.

2.5 Types of internet users: Shoppers vs. browsers.

As Forsythe and Shi (2003) mention internet users can be categorized in to two Internet Shoppers and Internet Browsers, Internet shoppers are the people who shop online whereas internet browsers are the people who just browse the internet other than shopping purpose.

2.6 Factors influencing consumer to shop online

Though there are several factors that influence consumers to shop online, but as mentioned above researchers have selected four factors after reading literature in the field on consumer attitudes towards online shopping and these factors are discussed below in the light of previous literature.

2.6.1 Convenience

Convenience factor refers that it is easy to browse or search the information through online is easier than the traditional retail shopping. Through online, consumers can easily search product catalogue but if the consumer look generally for the same product or item in a traditional store manually it is difficult to visit physically and time consuming also. Convenience has always

been a prime factor for consumers to shop online. Darian (1987) mention that online shoppers carry multiple benefits in terms of convenience, such as less time consuming, flexibility, very less physical effort etc. Bhatnagar and Ghose (2004) claims for convenience as one of the most important advantage for online shopping. According to the Robinson, Riley, Rettie and Wilsonz (2007) the major motivation for online purchasing is convince in terms of shop at any time and having bundles of items delivered at door step.

Webcheck's (1999) study shows that convenience factor is one of the biggest advantages of online shopping. Through online purchase consumers can easily compare the price than the traditional purchase. So price comparison is also another convenience factor of online shopping.

2.6.2 Time saving

Time savings is one of most influencing factors of online shopping. Browse or search an online catalogue can save time and patience. People can save time and can reduce effort by shopping online. According to Rohm and Swaminathan's (2004), one possible explanation that online shopping saves time during the purchasing of goods and it can eliminate the traveling time required to go to the traditional store. On the other side, some respondent think that it is also time taken for delivery of goods or services over online shopping.

Unexpectedly time saving is not the motivating factor for the consumers to shop online (Corbett, 2001) because it takes time receiving goods or delivery. But time saving factor can be seen through different dimensions i.e. "person living in Florida can shop at Harod's in London (through the web) in less time than it takes to visit the local Burdines department store" (Alba et al. 1997, p.

41,emphasis added). Morganosky and Cude (2000) have concluded that time saving factor was reported to be primary reason among those consumers who have already experienced the online grocery buying. So the importance of the time saving factor cannot be neglected as motivation behind online purchasing. Additionally Goldsmith and Bridges (2000) emphasize that there is a discrimination between online shopper and non online shoppers, online shoppers are more worried about convenience, time saving and selection whereas non online shoppers are worried about security, privacy and on time delivery. A study by Kamariah and Salwani (2005) shows higher website quality can highly influence customers to shop online.

2.6.3 Website design/features

Website design and online shopping activity is one of the vital influencing factors of online shopping. Website design, website reliability/fulfillment, website customer service and website security/privacy are the most attractive features which influence the perception of the consumer of online buying

Shergill & Chen (2005). Kamariah and Salwani (2005) claims the higher website quality, the higher consumer intends to shop from internet. Web design quality has important impacts on consumer choice of electronic stores, stated by Liang and Lai (2000). Website design one of the important factor motivating consumers for online shopping. Almost 100,000 on-line shopper's surveyed by (Reibstein, 2000) shows that web site design was rated as important factor for online shopping. Another study conducted by Zhang, Dran, Small, and Barcellos (1999, 2000), and Zhang and Dran (2000) indicated that website design features of the website are important and influencing factors that leads consumer's satisfaction and dissatisfaction with a specific website.

A study conducted by Yasmin and Nik (2010) shows a significant relationship between online shopping activity and website features. Website design features can be considered as a motivational factor that can create positive or negative feelings with a website. A study by Li and Zhang (2002), if website is designed with quality features it can guide the customers for successful transactions and attract the customers to revisit the website again. However, worse quality website features can also hamper online shopping. According to Liang and Lai (2000), web design quality or website features has direct impact on user to shop online. Moreover researchers such as Belanger, Hiller and Smith (2002) concluded that a large segment of internet users have serious concerns of security.

2.6.4 Security

Security is another dominant factor which affects consumers to shop online. However many internet users avoid online shopping because of credit card fraud, privacy factors, non delivery risk, post purchase service and so on. But transaction security on the online shopping has received attention. Safe and secured transaction of money and credit card information increases trust and decreases transaction risk. In 1995, UK has introduced Fraud free electronic shopping and later on Europe and Singapore introduced secured electronic transaction (SET). According to Bhatnagar and Ghose (2004) Security is one of the attribute.

Which limits buying on the web as they claim that there is a large segment of internet shoppers who don't like to buy online because of their thinking about the security of their sensitive information.

Cuneyt and Gautam (2004) claims trust in the internet shopping with advanced technology, and frequent online shopping to the internet being secured as a trustworthy shopping channel.

2.6.5 Online shoppers in terms of demography

Online shoppers in terms of demography are another important aspect. I would like to study demography in terms of age, gender, income and education as are there any differences while consumers shop online, differences within the age groups such as does online shopping attracts elder people or younger people. Studies have shown that online shoppers mainly consist of people with Higher education and income and working in middle to senior management or professionals (Kehoe et al., 1998; Hoffman et al., 1996). Locally, a report in the Business Times and an online survey showed that demographically, a typical Net shopper is mainly male, aged between 18 and 40, had attended at least secondary school and belongs to a family with average income of at least $5000. Another study by Miller (1996) claims cyberspace is the domain of young people. Sim and Koi, (2002) state as main discriminating factors appeared to be gender and income. Customer segmentation is important for electronic commerce success; Miller (1996) has focused on demographics to show the profile of Internet users).

2.7 Related literature:

Table 1 .Brief detail Regarding Previous Literature on Online Shopping.

No	Writers	Research Design/ Data Collection and Sample frame.	Sample Size and Response Rate	Conclusion of the Research
1	Shahriar Azizi and Masoud Barry(2012) Measuring e-shopping intention: A Guinean perspective	Descriptive Study, Stratified Sampling	Sample drawn from 120 people households in Tehran	- E-Shopping -- Intention is not affected by perceived benefits. -E-shopping intention has positive impact on attitude towards online shopping in Guinea. - The results showed that Guinean users have not confronted any risky situations while shopping online.
2	Shergill and Chen (2005) Consumers Attitudes towards Online Shopping In New Zealand	Non Probability and convenience sampling.	149 online shoppers selected but only 102 usable questionnaires collected.	-The research found one of the major reasons of not shopping online is security issues. - The study concluded that many online shoppers are less satisfied with website design.

3	Osman, Yin-Fah and Hooi-Choo (2010) Undergraduates and Online Purchasing Behavior	Convenience Sampling	100 Undergraduate students were selected	-Writers have concluded that mostly students buy books, cloths, travel bookings and computer hardware's. - Website quality and purchase perception have significant relationship with online shopping.
4	Sami Alsmadi (2002) Consumer Attitudes Towards Online Shopping In Jordan: Opportunities And Challenges	Convenience Sampling	500 Self administered questionnaire distributed in Ibrid Jordan.	-Security of online users is important factor that stops the willingness of online purchasers. - The study concluded that the higher the incomer the more attitude towards online shopping.
5	Sarigiannidis and Kesidou (2009) Consumer characteristics and their effect on accepting online shopping, in context of different product types.	Descriptive Study	A total of 232 internet users are selected.	-Product involvement positively affects consumers to shop online. - It is concluded that privacy have no effect over consumers intentions towards online shopping