



## Online Shopping is an Influencing Parameter of Consumer's Buying Behaviour - A Concise Preview

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### Abstract

*As the use of the World Wide Web continues to grow, so too does the number of people shopping online. However, it has become increasingly difficult for marketers to understand what customers need in order to sell online. Understanding the consumer's attitude towards online shopping, improving the factors that make consumers want to shop online, and working on those factors will help marketers stay ahead of the competition. Online shopping has taken the world by storm and is fast becoming an integral part of our daily lives. With the widespread access to the internet and the increasing use of e-commerce by traders, online shopping has grown exponentially in the last few years. The majority of online shoppers are young people. The purpose of this review is to analyse the impact of online shopping and to identify the factors that influence the online shopping behaviour of the consumer.*

**Keywords:** Online shopping, E-commerce, Internet, Consumer Behaviour, Customer Satisfaction.

### 1. Introduction

Consumer behaviour is the analysis of how individuals, groups or organizations choose, purchase, use and dispose of ideas, products, and services to meet their needs and desires. It is the study of the behaviour of consumers in the marketplace and the motivations behind that behaviour. Today, people live in the digital world. Before, the internet was used as a source of information sharing. But now, life is almost impossible without the internet. All of this is part of the World Wide Web. Business, social interaction and shopping are all connected to the internet [1]. The changing lifestyle of individuals has changed the way they do things from traditional to digital ways in which shopping is shifting to online shopping. The globalization of trade and commerce has led to the development of multi-channel commerce and the growth of online shopping worldwide. Online shopping is when you buy something directly from the seller without any middleman. It can also be called the activity of purchasing and selling goods online [2,4]. When

you shop online, you have access to a wide selection of products. You can also compare the deals of other intermediaries to your own and choose the best deal for you. Online shopping behaviour refers to the way consumers look for, choose, buy, use and sell goods and services online. Over the years, online shopping has become increasingly popular due to its convenience and ease of doing business from the convenience of your home or workplace. Over the last ten years, there has been a huge shift in the way customers shop [3]. Although they continue to shop from a physical store, the customers or buyers find it very convenient to shop online. Shopping online saves crucial time for modern people, as they are often too busy or unwilling to spend a lot of time on it. Online shopping sites offer a wide range of products, depending on the level of people. Consumers can get all the information they need about a product with the help of the existing users who have already used it. If someone wants to purchase a product, they no longer have to ask their friends and family, as there are many product reviews on the web that give their opinion on the

product [5]. Online shopping sites offer a wide range of products, both high-end and low-end, keeping in mind the consumer base.

### 1.1 Objective of the Preview

- To analyse consumer behaviour in the field of online shopping
- To determine the extent of customer's satisfaction on online purchasing
- To assess how customers approach or react to online shopping platforms
- To investigate the impact of online shopping platforms on consumers, especially on young people

## 2. Research Methodology

The data used in the research comes from secondary sources. Secondary sources include Research papers, journal articles, magazine articles, and websites. Secondary sources are those that have already been collected by someone for a specific purpose

### 2.1 Key Factors Influencing Consumers Buying Behaviour

Figure 1 shows the Consumer behaviour is affected by a variety of elements [6]. The top five elements that influence consumer behaviour are:

#### 1. Psychological Factors:

Human psychology plays an important role in consumer behaviour. It's hard to quantify, but psychological factors are influential enough to affect a consumer's decision-making process. Some important psychological factors are:



Figure 1 Psychological Factors

- **Learning:** After purchasing a product, you usually want to know more about it. Experience also contributes to learning over time. Learning is reliant on knowledge and skill. Knowledge is acquired by experience, but skills can be learned via practice.
- **Beliefs and Attitudes:** The buying decision is also influenced by the consumer's attitudes and beliefs. On the basis of these attitudes, the consumer behaves in a certain way toward a product. These attitudes play an important role in shaping the brand image of a product. That's why marketers spend a lot of time trying to understand a consumer's attitude to design their marketing campaigns.
- **Perception:** Our perception is formed when we collect information about a product and analyse it to create a relevant picture of that product. Every time we see an ad, review, customer feedback, or promotion about a product, we create an image of that product. Because of this, our perception plays a significant part in our buying decisions.
- **Motivation:** When a person is motivated to do something, it often affects their buying behaviour. Everyone has different needs. Social needs, Basic needs, Security needs, Esteem needs, Self-actualization needs, etc. Out of all these needs, Basic needs and Security needs take the top spot. These are what drive a consumer to purchase products and services.

#### 2. Economic Factors:

Consumer spending patterns are heavily influenced by the economic conditions of a country or market. When a country's economy is strong, it means that there is more money in the market and consumers have more money to spend. On the other hand, when the economy is weak, it means that the market is struggling, and consumers have less money to spend. Some of the most important economic factors are:

- **Liquid Assets:** Liquid assets are those assets that can be easily converted into cash. Examples of liquid assets include Cash, Bank balance, securities. When a consumer has more



liquid assets, they are more likely to spend more on luxury goods.

- **Consumer Credit:** When consumers are given easy credit to buy goods, it encourages them to spend more. Sellers are providing consumers with easy credit options such as credit cards, easy payments, bank loans, and hire purchase, among others. When consumers have more credit, they are more likely to buy comfort and luxury items.
  - **Savings:** A consumer is very dependent on how much money they want to save from their income. If they want to save more money, they will spend less money on shopping. On the other hand, if they want to save even more money, then they will spend most of their income on buying products.
  - **Family Income:** Family income refers to the total income earned by all family members. When there are more people earning in a family, there's more money available for spending on essentials and luxury items. Higher family income means that more people in a family are able to afford to spend more.
3. **Social Factors:** People are social creatures, and their buying behaviour is influenced by the society or people around them. Human beings try to emulate others and develop a need to be accepted socially. Therefore, their buying behaviour is affected by the people around them. These factors are known as social factors, and some of the social factors are:
- **Reference Group:** A reference group is a social group with which a person identifies and interacts. In general, everyone in the reference group has similar buying habits and influences one another.
  - **Family:** Family is one of the most important factors in influencing a person's buying behaviour. A person's preferences are formed in childhood by observing their family's purchases of certain products, and they continue to purchase the same products throughout their life.

4. **Cultural Factors:** A community is a set of beliefs and practices that are shared by a group of people. Cultural factors include behaviours that are strongly influenced by the culture of a community, subculture and social class.

5. **Personal Factors:** Personal factors play a role in consumer buying behaviour. Personal factors vary from person to person, resulting in different perceptions and consumer behaviours [7]. Some examples of personal factors include:

- **Age:** Buying decisions will vary depending on age group. Older people will have very different buying habits compared to younger people.
- **Lifestyle:** Lifestyle is a mind-set and a way of staying in the society. Buying behaviour is heavily influenced by a consumer's lifestyle. A healthy person would spend more on healthier food alternatives.
- **Occupation:** The type of job a consumer has an impact on their buying behaviour. People tend to buy products that are relevant to their job. For instance, a high-ranking corporate executive would spend on formalwear, while a creative designer would spend on casualwear.

### 3. Psychological Influence of Online Shopping On Consumer's Buying Behaviour

In our fast-paced world, online shopping is an essential part of our daily lives. It has changed the way we shop for products and services, allowing us to access a wide range of products, compare prices and even have our purchases delivered to our door. However, underneath the surface, there are many psychological factors that shape our decisions in the vast world of e-commerce. Let's explore the complex web of those psychological factors and how they influence our decisions in the virtual aisle and at the checkout counter. One of the main reasons for online shopping is convenience. Shopping online has revolutionized the way we interact with retail, allowing us to shop anywhere, anytime, without the restrictions of physical stores. The convenience of browsing hundreds of products and making purchases in minutes' feeds into our need for immediate gratification. No longer do we have to go to the store, fight with the crowds, and wait for

the store to open. Instead, all we have to do is click on a few buttons on our devices and engage in retail therapy. This convenience alone is one of the main reasons why online shopping is growing and becoming more popular.

**INFLUENCES ON AND OF CONSUMER BEHAVIOR**



**Figure 2 Psychological Factor Influencing Online Shopping Behaviour**  
*Source: University of Southern California*

Another important psychological factor that influences online shopping behaviour shown in Figure 2 is the sheer number of products available. Some online shopping platforms offer a wide variety of products to suit every taste and preferences. The online marketplace removes the physical restrictions of traditional brick and mortar stores and allows for a wider range of items to be displayed and presented to consumers. However, this sheer number of products can also result in decision paralysis [8]. This is when consumers find it difficult to make a purchase because they are afraid to make the wrong decision. When they are presented with endless options, they can feel overwhelmed, unsure and hesitant to make a purchase. This is where effective filters, personalized recommendations and a smooth user experience come in. Helping consumers navigate the huge online marketplace can help them overcome decision paralysis and improve their shopping experience. Social media and its impact on our lives has changed the way we find and interact with products. The importance of social proof

cannot be overstated when it comes to online shopping. Social proof is where people are influenced by the actions and beliefs of others. A positive review, rating, or testimonial from a fellow consumer can act as a social cue that confirms the quality and worth of a product. Reading and relying on others' experiences can help build trust and confidence in an online shopping experience. E-commerce platforms that use social proof effectively can use this psychological factor to build trust in consumers and influence their purchasing decisions. Another psychological trigger that e-commerce platforms use to drive consumer behaviour is the scarcity principle. With limited time offers, flash sales, and countdown timers, consumers feel a sense of urgency. FOMO (Fear of Missing Out) is the fear of missing out on a good deal or unique opportunity. The fear of missing out would drive us to make impulse purchases even if we didn't plan to buy that particular item. By using the power of scarcity to drive consumer behaviour, online retailers create exclusivity and excitement. This creates a sense of urgency that drives consumers to act fast and take advantage of the opportunity before it passes. Our natural desire to acquire valuable resources and experiences drives our online shopping behaviour. Personalization has become one of the most important trends in online shopping. e-commerce platforms use data-driven analytics to personalise the shopping experience based on your preferences and requirements. Online retailers can provide personalized product recommendations and targeted ads based on your past purchases, browsing behaviour, and demographic data. This personalisation meets our need for relevance and individuality [9]. It makes us feel as consumers that we are being understood and catered for. When consumers feel like their needs are being understood and fulfilled by an online platform.

**Most used online shopping site now-a-days:**

Flipkart, Amazon, JioMart, Snapdeal, Meesho, Myntra etc. are the most popularly used online shopping sites by the customers.

## 4. Obstacles Faced by Consumers in Online Shopping

### 4.1 Product Quality Issues

One of the biggest issues that customers face when shopping online is the quality of products. When you buy online, you don't always know what you're getting. Reviews aren't always 100% accurate, and research doesn't always provide 100% confidence in the quality of a product. Most of the time, faulty products are sold online by fake sellers who deliberately try to deceive customers to increase their sales.

### 4.2 Search Function Not Working Properly

We are sure you will agree with us that one of the biggest problems with online shopping is the poor search function. Sometimes it takes us hours to find what we are looking for, and sometimes it returns a bunch of irrelevant results. In any case, it becomes boring and frustrating. When you shop online, you expect to find exactly what you are looking for at a good price. You don't expect to spend hours searching for it!

### 4.3 Extra Hidden Charges

Payment processing fees, delivery fees, tax fees, shipping fees, and handling fees are some of the most common surcharges that consumers face when shopping online. Many sellers include these fees on top of the price of their products. These additional fees can be the deciding factor between a good deal and a bad deal.

### 4.4 Delay in Delivery

This is one of the most common issues that people face when placing an online order. Sometimes the shipping company's delivery takes longer than expected. For example, if you order express shipping, the shipping companies usually take longer than expected to deliver your goods.

### 4.5 Refund Policy

One of the biggest issues that consumers face when shopping online is when they attempt to return their purchased items after paying for them. Many online retailers refuse to reimburse the payment or refund the money, even when the customer requests a refund. There are many reasons why customers return their purchased items and request a refund,

including dissatisfaction with the product(s), damaged items during shipping, incorrect size of the product ordered, etc.

### 4.6 Payment Failure

There are several reasons for a payment failure. A website crash is one of them. Another reason could be that your card number is invalid. Make sure that your credit card details entered by the customer are correct. If they are, then make sure that you have enough money in your account. If not, try to change your payment methods.

### 4.7 Service Issue

Customer support is one of the biggest problems that customers face when buying their products/services online. It can be because they don't have enough time or because they feel like they don't have a voice. Sometimes they have problems with payment gateway, billing, shipping address, etc. If any of these issues come up, the customer gets angry and leaves the website.

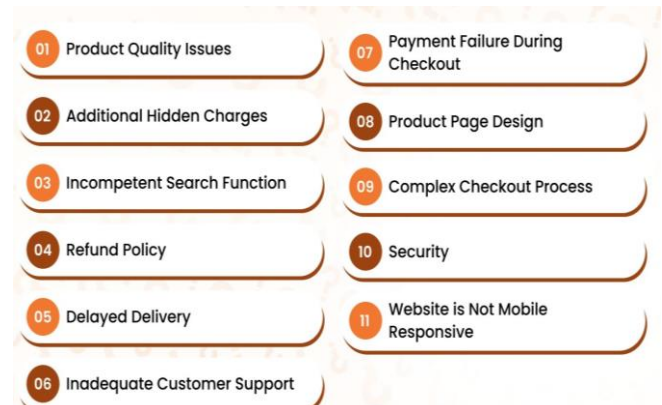


Figure 3 Obstacles of Online Shopping

Source: Dolphin Web Solutions.com

### 4.8 Lack of Product Information

Sometimes a product doesn't even have a full description. If there aren't enough product details such as features, description, product benefits and images on your website, visitors will be easily confused. They'll likely leave your site and go to another one where they can find clearer information. That's why it's important to have the right product details on your website. Clear information will help you stand out to potential buyers and make them more likely to buy your product.



#### 4.9 Security Issue

When it comes to running an online business, security is always a top concern. When customers shop online, they often wonder if their personal information will be secure while being transmitted over the Internet. If a hacker gets their hands on their credit card or bank details, the customers are not secured.

#### Conclusion

As online stores provide a variety of products and services to consumers, they can compare product prices from different websites and find products at lower prices. Some websites, such as Ebay, provide consumers with an auction or best deal. The Internet has changed the environment in which consumers shop through social media platforms. The increasing popularity of social media platforms, such as Facebook, twitter, Instagram, WhatsApp, and YouTube, allow consumers to communicate with ease. Social media changes the way consumers behave and their decision making. Social media has been found to influence the way consumers interact with sellers, which influences consumers' behavior, awareness, and attitudes. The usage of social media is increasing day by day as the internet usage is increasing. Consumers not only from developed countries but also from developing countries are becoming accustomed to different social media platforms. Online buying or online marketing is becoming difficult for marketers. Building relationships with customers through social media and how these channels are managed is a crucial part of a brand's success. to consumer behavior and market trends were deemed valuable for the research objective.

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