CHAPTER-II

REVIEW OF RELATED LITERATURE

“A traveler without knowledge is like the bird without wings”.

- Sa’di, Gulistan (1258)

It has been universally acknowledged that no work can be meaningfully conceived and soundly accomplished without critically studying what already exists in relation to it. It is the study of already established knowledge pertaining to the area that enable us to perceive clearly what is already lighted up in that area and what still remained enveloped in darkness. Once we come to know about that what is already researched and what portioned is left out, then we can proceed logically and purposefully. There are very few direct studies available on this subject. Infact, in India, studies has not been conducted related to the topic so far.

A research involves an in depth knowledge of the key factors which are important to the study. Various libraries and institutes in the region were visited. The available related literature in these libraries and institutes was studied which proved to be very useful in getting an insight into the main objectives of the study and in finalizing the methodology.

Internet shopping is still in evolutionary stage in India and very few studies have undertaken research exploring customer acceptance and diffusion of internet shopping in India. Although there has been a dearth of internet shopping related studies in Indian context, theoretical exploration can be based on various international studies carried out in other countries.
The online consumer market place is growing at an exponential rate. At the same time, technology has enhanced the capacity of online companies to collect, store, maintains, transfer and analyze vast amount of data from and about the consumer who visit their web sites. This increase in the collection and use of data has raised public awareness and consumer concern about online privacy. Number of studies has been done in this field some of which are discussed below:

Several past studies revealed the difference of shopping in the traditional shopping channel and online shopping channels. Lusch and Lusch (1987) suggest that in the traditional shopping environment, there are four unique characteristics of services which differentiate services from goods. These characteristics are generally summarized as intangibility, inseparability, heterogeneity and perishability. However, due to the lacks of social presence and product presence in the E-commerce environment (Jahng, Jain and Ramamurthy, 2000), consumers may have different perceptions of the differences between goods and services in the Ecommerce environment, compared with the situation in the traditional shopping environment. Thus, the dimensions of differences between services and goods need to be reexamined in the context of E-commerce. In the traditional shopping environment, services are intangible (Berkowitz et al. 1997; Kotler and Armstrong , 2001; Kotler et al., 1999; Lusch and Lusch, 1987). They cannot be seen, held, touched, felt, heard, tasted or smelled before they are bought (Berkowitz et al. 1997; Kotler and Armstrong, 2001; Kotler et al., 1999). The major problem that intangibility brings to the customer is “the difficulty the customer has in judging the value of the service before it is actually purchased” (Lusch and Lusch, 1987). In contrast, goods are tangible. In the E-commerce environment, goods – as much as services – are perceived to be intangible. This is because consumers cannot touch, taste, feel, hear
and smell goods before they make purchase decisions. In other words, consumers in
the E-commerce environment do not differentiate services from goods based on the
dimension of intangibility. Therefore, it may not be appropriate to use intangibility to
differentiate services and goods in the E-commerce environment. In the traditional
shopping environment, services are typically produced and consumed simultaneously
after they are sold (Kotler et al., 1999; Lusch and Lusch, 1987). That is to say, the
production and consumption of services are inseparable (Lusch and Lusch, 1987). In
the situation that the service is rendered by a person, the provider would be part of the
service (Kotler and Armstrong, 2001; Kotler et al., 1999). At the same time, the
customer is also present when the service is produced (Kotler and Armstrong, 2001;
Kotler et al., 1999). Thus, both the service provider and the customer will affect the
service outcome and the service quality (Kotler and Armstrong, 2001; Kotler et al.,
1999). Goods, however, are first produced, then stored, later sold, and finally
consumed (Kotler and Armstrong, 2001; Kotler et al., 1999; Lusch and Lusch, 1987).
Likewise in the E-commerce environment, the inseparability of production and
consumption distinguishes services from goods. But it also introduces additional
differences between the two that are unique to the E-commerce environment. Firstly,
the inseparability of production and consumption enables consumers to derive
immediate satisfaction from online transactions for services through being involved in
the production and consumption of services. In contrast, consumers’ satisfaction from
goods purchased online is subject to a prolonged delay. For not only is the
consumption of goods separated from the production and thus make it necessary for
goods to be delivered to consumers before consumption, there is also a delay in the
delivery of goods in the E-commerce environment. The delay of delivery in turn
creates the uncertainty about the goods. Consumers may find it is difficult to check
whether the goods ordered are what they want. It is also difficult for consumers to predict the quality of goods since they could not get the goods immediately after their orders. Thus, people tend to be more concerned about risk involved when purchasing goods rather services online. More also fear negative outcomes and potential losses when considering purchasing goods than services. Secondly, the inseparability of production and consumption of services may prompt the perception that online transactions are more complex for services than for goods. This is because the consumer is required to take part in the production and consumption of services without the benefit of social presence, i.e., the presence of seller, in the E-commerce environment. Moreover, the quality of services does indeed depend largely on the consumers themselves. Thus, people tend to have more concerns and expectations of the ease of use when they consider purchasing services rather than goods online. In the traditional shopping environment, services are highly variable in quality as they depend on who provides them as well as when, where and how they are provided (Kotler et al., 1999; Kotler and Armstrong, 2001). In contrast, modern production lines ensure that tangible products are at least consistent in quality, even though that quality can be good or bad (Berkowitz et al., 1997). Thus, the quality of services in the traditional shopping environment is perceived to be inconsistent while the quality of goods, regardless of good or bad, is perceived to be consistent (Berkowitz et al., 1997). Online services, however, are standardized and digitalized. So, their quality does not depend on situational factors such as form, place and time. Thus, it is likely that the quality of services in the E-commerce environment would be perceived as consistent. Goods ordered online, however, may be damaged during the shipment and delivery. So unlike goods in the traditional shopping environment, goods in the E-commerce environment may not be perceived to be consistent in quality. It is
therefore very difficult and inappropriate to differentiate services from goods in the E-commerce environment on the dimension of heterogeneity. In the traditional shopping environment, the inventory of services differs from that of goods (Berkowitz et al., 1997). Services cannot be stored or inventoried because they are intangible (Berkowitz et al. 1997; Kotler and Armstrong, 2001; Kotler et al., 1999; Lusch and Lusch, 1987). If there are not enough employees and resources available to meet the demand for services, customers will leave dissatisfied (Lusch and Lusch, 1987). In the E-commerce environment, although services still cannot be stored and inventoried as in the traditional shopping environment, they are available for purchase at anytime, anywhere, and according to consumers’ individual convenience. Also, consumers do not have to wait in a long queue for the services. On the other hand, some goods such as foods are perceived to be perishable due to the delay of the delivery. It appears therefore very difficult and inappropriate to differentiate services and goods in the E-commerce environment on the dimension of perishability. Some relevant studies are briefly discussed below.

Raymond A. Bauer (1967) introduced the notion of “perceived risk” to consumer behaviour research. He suggested, “Consumer behaviour involves risk in the sense that any action of a consumer will produce consequences that he cannot anticipate with anything approximating certainty, and some of which are likely to be unpleasant.

Bagozzi (1974) in his study reveals that E-shopping behaviour is a complicated decision process. First, consumers make a shopping decision based on their family needs, budget limitations, and other constraints impinging on them. Accordingly, they are likely to minimize transaction costs and maximize compatibility with needs. Second, e-shopping behaviour is a social influence process and it is affected by social
influence (e.g., social norms), vendor and consumer characteristics, and third parties (e.g., competitive offerings)

**Anastasi (1982)** studied on the “Role of Cultural values on online business: An empirical study” and the study found that as the importance of online businesses increases, cultural differences should be considered accordingly in online business. With the issue of cultural differences represented that cultural differences may impact customer behavior, and consumers from different cultural backgrounds may evaluate and perceive the same situations differently for online shopping.

**Sheth (1983)** also suggested that the consumers have two types of motives while shopping, which are functional and non-functional. The functional motives are mostly about the time, shopping place and consumer’s needs, which could be like one-stop shopping to save time, the environmental of shopping place such as free parking place, lower cost of products and available to choose from widely range of products. The non-functional motives are more related with culture or social values, such as the brand name of the store

**Lusch and Lusch (1987)** suggest that in the traditional shopping environment, there are four unique characteristics of services which differentiate services from goods. These characteristics are generally summarized as intangibility, inseparability, heterogeneity and perishability.

**Ellen R. et al (1993)** opined that profession faced ethical conflicts because application of these technologies commonly invades consumer privacy. They examined the ethical dimensions of marketing practice in relation to consumer privacy. The meaning of privacy in a marketing context was explored and specific
marketing threats to consumer privacy were described. After examining current and potential mechanisms to safeguard consumer privacy, the authors concluded that marketers must make an active commitment to ethical behavior in that area if restrictive legislation was to be avoided.

Mehta & Sivadas, (1995) reported that the consumer’s willingness to and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness.

Rowley Jennifer (1996) examined the challenges that shopping and other commercial transaction on the internet pose for the retail industry. These include: - locating the shape, comparison shopping, security especially in relation to financial transactions, the customer base and profile, the nature of the shopping experience, and legal and market-place control and lack of them. It is possible to make money on the Internet without selling, but by using the internet to support other business process. Currently, many retailers are exploring the potential of the Internet, but the market is still in its infacy.

Quelch & Klein (1996) conducted the study on “the internet and international marketing” and revealed that trust is an important factor in determining whether an individual chooses to, or not to, acquire goods or services via the Web.

Shim (1996) conducted the study on “Adolescent Consumer Decision-Making Styles: The Consumer Socialization Process.” The Existing research of the study indicates that there are distinct factors that influence teen decision-making style. In particular, girls were found to be more concerned with novelty and fashion than boys, and girls
also reported that they were more concerned with value-for-money than boys, and that they shopped as a recreational activity, which they found to be enjoyable.

Maigan and Lukas (1997) studied on the consumer perception towards e-shopping. The study found that internet shopping involves more uncertainty and risk than traditional shopping. Consumers’ unwillingness to provide their credit card information over the web has been cited as a major obstacle to online purchases.

Leverick Fiona, et al (1997) examined the various issues associated with IT implementation and its relationship to change in the nature and scope of organizational activity. Three areas in particular were addressed: changes in the nature and scope of marketing activities, changes in the nature and use of marketing information, changes to the role and position of marketing within the organizational framework. It was concluded that IT has up to a point, created new opportunities and led to market changes in the role of marketing, the range of marketing activities performed and the manner in which these were undertaken. In terms of marketing activities, of particular note were the major shift in emphasis from advertising to IT driven direct marketing and the growth of electronic communication, both within and between organizations.

DiMaggio and Louch (1998) show that, particularly for risky transactions, consumers are likely to rely on social ties as a governance mechanism. Such ties are more likely to exist between geographically proximate buyers and sellers, suggesting that there may indeed be a preference for doing business with firms that are already physically present in the local market.
**Wolhandler (1999)** Internet provides a big convenience for shopper as the main reason for the shopping online has been agreed by most of researcher and customers. Due to the feature of Internet, it allows customer to shopping online anytime and anywhere, which means customer can browse and shopping online 24-hours a day, 7 days a week from home or office, which attracts some time-starved shoppers come to Internet for save time to searching products in physical store.

**Singh and Dalal (1999)** in the study entitled “Web Home pages as Advertisements” and the study concluded that: Visitors to a Web site can be classified into two broad categories, low-involvement hedonistic surfers and high-involvement utilitarian searchers - henceforth, surfers and searchers, respectively. Surfers are fun-seekers and explorers who desire entertainment and stimulation; they are likely to land at a Web site, linger for a brief period and then take off for another more attractive site in their path. In contrast, searchers are goal-oriented, looking for specific information, and are likely to spend more time at their preferred sites.

**Swaminathan et.al (1999)** conducted the study entitled “Browsers and buyers in Cyberspace?” And found that consumer characteristics play an important role in the consumer’s decision to shop online. They identify that convenient oriented consumer as the most potential online buyer since they value the convenience of shopping at home as a large motive for purchase.

**Donthu and Garcia (1999)** conducted the study on “Internet Shoppers” and the study found that the online consumer as older; make more money, convenience seeker, innovative, impulsive, variety seeker, less brand and price conscious and with more positive attitude towards advertising and direct marketing.
Kargaonkar, Wolin (1999) explored a study on multivariate analysis of web usage and it was found that gender and age to be significantly correlated to online shopping. In this study it was found that online shoppers are more male and often young. Males were also found to use the internet for downloading and purchasing activities to a greater extent to females.

Ho and Wu (1999) demonstrate positive relationships between online shopping behavior and five categories of factors, which include e-stores’ logistical support, product characteristics, web sites’ technological characteristics, information characteristics, and homepage presentation.

Lohse and Spiller (1999) studied on the online shopping and it was found that online shopping is a result of convenient access to greater amounts of information that enhances customer decision making and increases market penetration for the merchants.

Goodwin (1999) in the study found that to most consumers, the issue of security and privacy over the Internet is the most overwhelming barrier facing the adoption of Electronic Commerce that caused them not to make any purchase on the Internet. Widely publicised security lapses on the Internet, where hackers have accessed personal financial information being sent electronically, have done little to boost consumer confidence in the Internet as a conduit for commerce.

Bellman et al., (1999) conducted a study on “Predicting online buying behavior” and the study indicated that typical online customers have wired lifestyles and have been on the Internet for years, not just a few months .They have a tendency toward a net-oriented lifestyle. Net-oriented people are interested in and make use of Internet
applications. The more experience online consumers have with the Internet, the more money they are likely to spend shopping online.

Mohsen Attaran (1999) opined that "Internet based business opportunities and buyers beware of scams. The online consumer market is growing geometrically. Although online shopping offers convenience and saves times, it has its serious drawback, as well. The Internet is a fabulous tool for shoppers and investors, as well as a fabulous tool for scam artists.

Mackline Ben (1999) examined the top 200 most accessed websites in Australia. The study highlighted that over 90% of the web sites were not adequately informing the consumers of what personal information they are collecting, how it is to be used and what safe guards are in place to secure it. This study also explored some of the privacy and security issues such as cookies; spam, credit card fraud, anonymity and consumer profiling that have emerged with Internet and e-commerce.

Austin et al (1999) framed a set of guidelines that would assist Internet marketers in maintaining ethical marketing practices. Review of some of the Internet sites commonly visited by children provides additional guidelines for Internet marketers. Some of the issues discussed include: the use of kids' clubs to sell products, appropriateness of content and terminology on the Web pages, information gathering/information sharing practices, and marketing practices.

Steven Bellman(1999) in his study on predictors of online buying behaviour and the study found that looking for product information on the internet is the most important predictor towards online buying behaviour
Limayem et al. (2000) studied the impact of different social factors on consumers’ online shopping intentions and behaviour based on the theory of planned behavior. They especially examined and tested the construct “subjective norms” (i.e., social influence). They showed the different effects of social factors on consumer online shopping behaviour and pointed out that “for subjective norms, while media and family influences were significant, friends’ influence did not make a difference.

Caudill et al (2000) opined that Consumer privacy was a public policy issue that had received substantial attention over the last thirty years. The phenomenal growth of the Internet had spawned several new concerns about protecting the privacy of consumers. It examined both historical and conceptual analyses of privacy and discussed domestic and international regulatory and self regulatory approaches to confronting privacy issues on the Internet. It also reviewed ethical theories that apply to consumer privacy and offered specific suggestions for corporate ethical policy and public policy as well as a research agenda.

Basho Kalinda (2000) opined that increase in use of individuals’ personal information raise a new threat to privacy in the electronic marketplace. Information used to create customized advertising campaigns, make decision about which customers to market product to and predict consumers’ future purchase. Current solutions to online privacy fail to give consumers control over how their information is used or compensation for the data they share.

Jahng, Jain and Ramamurthy (2000), consumers may have different perceptions of the differences between goods and services in the Ecommerce environment, compared with the situation in the traditional shopping environment. Thus, the dimensions of
differences between services and goods need to be reexamined in the context of E-commerce.

**Chase and Franson (2000)** in one of their study claimed that internet shopping is no different from any other innovation. It is simply a new/innovative method of purchasing products. Companies with online stores might be very interested to learn how innovative their customers are.

**Vrechopolous et al. (2000)** found that the most highly valued characteristics on a website include quality and the amount information provided for products/services. Discount/promotions, product range, delivery quality and 24 * 7 accessibility are the significant purchase motivators. The study suggests the need for internet retailers to adapt their virtual environments as per consumer requirements. It also advises to provide alternate payment options and more discounts and promotions to tap greater number of customers.

**Bulkely and Carlton (2000)**, the majority of Internet shopping behaviours consist of one-time purchases, which is mainly according to consumer’s different shopping motivations, such as convenience. Therefore, the Ecommerce shopping websites need to improve their services or reduce the cost of products in order to motivating these one-time purchase shoppers to become loyal and regular consumers.

**Krishnamurthy Sandeep (2000)** opined that comprehensive overview of the spam problem and a critical analysis of the solution. This was followed by an analysis of the pernicious impact of spam on the major stakeholder groups:- Consumers, Internet Service Providers, Legitimate Advertisers, E-commerce firms and employers. Next, they analyzed the various proposed responses to spam ranging from laissez faire
arguments to legislative solutions. Then, they focused upon one proposed solution-permission marketing.

**Degeratu, Rangaswamy and Wu (2000)** in their research shows that the internet has become a useful tool for comparison shopping and users often click around various sites to view and compare products, proceed to leave the site altogether, and then, possibly, return days later to purchase a product, or they might buy locally.

**Steinfield and Whitten (2000)** focused on the opportunities for firms to combine their physical presence and e-commerce channels to 1) build trust, 2) meet diverse consumer needs and preferences, 3) exploit natural complementarities between virtual and physical capabilities to enhance value for buyers, and 4) use their greater knowledge of the local community to offer more targeted products and services.

**Goldsmith (2000)** in the study found that online innovators tend to exhibit a higher level of self-confidence. It is likely that these shoppers will believe that they possess a higher level of knowledge about shopping and buying online and will purchase more products on the Internet. He found that innovative online buyers bought more online.

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**Bette Ann et al (2001)** opined that incredible growth of electronic commerce and presents ethical issues that have emerged. Security concerns, spamming, web sites that do not carry an “advertising” label, cyber squatters, online marketing to children, conflict of interest, manufacturers competing with intermediaries online, and
dinosaurs are discussed. The power of internet to spotlight issues was noted as a significant force in providing a kind of self-regulation that supports an ethical e-commerce environment.

Vijayasarathy (2001) conducted the study on “The impact of shopping orientations, product types, and shopping Aids on Attitude and Intention to use online shopping” and the study revealed the integrated web specific factors (online shopping aid) in order to better explain consumer online shopping behavior.

Vasterby and Chabert (2001) studied on E-Marketing and found that the internet can make it easier for companies to have information about their products or services available to their customers or potential customers. A company can satisfy the consumer’s individual need of information at a low cost in comparison to sending out product brochures and online shopping is one of the most rapidly growing forms of shopping, with sales growths rates that outpace buying through traditional retailing.

Shim, Eastlick, Lotz, & Warrington (2001) proposed an “online prepurchase intention model” in order to explain the prediction of online purchase intention and found that consumers’ positive attitudes toward online shopping significantly influenced the use of the Internet for information searching and intentions to shop online.

Lee and Turban (2001) studied on trust in internet shopping and it was found that lack of trust is one of the commonly cited reasons as to why the consumers do not prefer an online purchase and it plays a significant role in facilitating online transactions. This might be because in an online environment the consumers have no
physical interaction with the seller. So website plays an important role to gain customers trust online.

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**Blackwell (2001)** studied the customer investigation on e-shopping and his study revealed that the study of consumer behaviour is a complex and broad subject which encompasses the factor such as demographics, lifestyles, personality, values, culture and family which play a part in consumer behaviour decision making process.

**Kim & Lim, (2001)** conducted the study on online shopping and in his study it has become quite clear that in order to survive and be profitable, online businesses must pursue the fundamentals of good retailing. One of these principles is knowledge about existing and potential customers and their preferences Retailers must pay attention to the target market's perceptions, attitudes, and behaviour rather than the technological characteristics of their websites.

**Childers (2001)** studied on attitude of students for online shopping and it was found that the degree of interactivity that a Web site offers is a strong factor in support of stabilizing this relationship, because experiential shoppers usually find more enjoyment in interactive environments than in pure text environments.
Koivumaki (2001) conducted a study on online shopping and the influence of online shopping on the consumer buying behaviour. The study propounded a positive relationship between the online shopping benefits and the frequency of purchases made.

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Teo (2001) has examined the effect of demographics and motivational variables associated with Internet usage activities. Males are more prone to engage in messaging and downloading activities than females. Also, younger generation is more motivated to engage in messaging and downloading activities compared to the older generation.

Rao T. (2001) opined that concerns on the digital divide and illustrates, through case studies, how the recent developments in the information and communication technology can be gainfully employed in social development and in digital divide. It also addresses the phenomenon of E-Commerce and identifies the efforts made by different industry groups, international organizations and ministries in addressing the concerns relating to E-Commerce and consumer protection.

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interest, manufacturers competing with intermediaries online, and dinosaurs are discussed. The power of internet to spotlight issues was noted as a significant force in providing a kind of self-regulation that supports an ethical e-commerce environment.

Douglas, et al (2001) conducted an empirical study to explore key aspects of consumer response towards shopping on the Internet. The major findings of study were: - convenience was not a major inducement in local Internet shopping, probably because of (its) geographical proximity. For instance "Pricing" was the major motivation behind online shopping. Product variety and product brand name were also important factors. Trust was a major concern for Internet shoppers.

Benedict et al (2001) in his study on perceptions towards online shopping reveals that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.

Tamara Eisenschitz (2002) opined that E-mail law. The distinction was made between regulation of the Internet in general and of e-mail. Five topics were presented: identity and trust, employment, contents administration, record management and security issues. In all of them the important step was to define the issues and the actual regulation then develops from that of non-digital equivalents. The key finding was the need for Education for all levels of users to clarify the issues.

Fareena, et al (2002) investigated the determinants and role of consumer trust in e-business. The study has empirically demonstrated that web site characteristics indeed
significantly affect perceptions of trust in a web site. The study also found that consumer characteristics such as past experience with the Internet and with a particular web site, do significantly affect trust perceptions. The significant finding of the study is that Trust is a mediating variable between web site, consumer characteristics and consumer behaviour intent. The study also contributes to understanding the dimensions of trust. They tested their hypotheses in a large-scale empirical study that estimates this model from 6831 consumers across 25 Web sites and eight industry categories.

Slyke et al. (2002), in their study of gender differences in perceptions of web-based shopping, showed that gender is a significant predictor of an individual’s intention to make purchases over the Web. They also found that men perceived Web shopping more positively than women.

Sami Alsmadi (2002) investigated possible factors that influence consumer attitudes towards online shopping behavior. The study also examined if these attitudes vary by demographic variables. The study based on an empirical research work, and a convenience sample of 453. Frequencies, descriptive statistics, and One-Way ANOVA tests were used in the analysis of data. The study concluded that Jordanian companies need to have a better understanding of electronic shopping behavior, and that special efforts must be made to improve security of electronic transactions.

Harris Lisa, et al (2002) explored the ethics of business-to-business electronic commerce, with a focus on the banking sector. A case study of online foreign exchange developments at an investment bank was used to help illustrate some key moral issues. Important areas identified for further research-included freedom of...
choice, trust and transparency of business-to-business transactions and limits to responsibility with regard to the facilitation of fraud.

Rich (2002) critically examined that we losing trust through technology. The field of marketing has had a history of Individuals and organizations attempting short term gain through less than ethical mean. The advent of the web and other technological advances has placed powerful resources in the hands of practitioner coupled with that power is an acute public awareness of marketing abuses that have adversely hindered subsequent marketing efforts. Marketers need to address basic marketing skills through old-fashioned personal contact and personal relations that probably never will be effectively replaced with modern IT methodology.

Christy M. K. Cheung, Lei Zhu, Timothy Kwong, Gloria W.W. Chan, Moez Limayem, (2002) conducted the study that the topic of online consumer behavior has been examined under various contexts over the years. Although researchers from a variety of business disciplines have made significant progress over the past few years, the scope of these studies is rather broad, the studies appear relatively fragmented and no unifying theoretical model is found in this research area. In view of this, provide an exhaustive review of the literature and propose a research framework with three key building blocks (intention, adoption, and continuance) so as to analyze the online consumer behavior in a systematic way. This proposed framework not only provides us with a cohesive view of online consumer behavior, but also serves as a salient guideline for researchers in this area.

Leitch and Warren (2002) founded Ethics is an important element in all aspects of computing, but proves to be a real problem in the development and delivery of electronic commerce systems. There are many aspects of ethics that can affect
electronic commerce systems, but perhaps the most notable and worrying to both consumers and developers is that of trust. In a world where so much information is transmitted and shared electronically, ethical standards that in general society are applied to this medium, are often ignored or forgotten.

Menon & Kahn (2002) in their study revealed that the Internet represents a sufficiently different retail environment and a different atmosphere which can significantly influence the emotions and motivations of shoppers and thereby affect their buying behaviour.

Pheng and Yuquan (2002) conducted a study and found that a cultural framework is especially useful for understanding people’s conceptions of an organization, the mechanisms that are considered appropriate in controlling and coordinating the activities within it, and the roles and relations of its members. In this way, cultural differences affect consumer’s web behavior and are a good measurement by which to study consumer’s web behaviors or attitudes toward the web in the online marketing area.

Koufaris, (2002) conducted a study on “Applying the Technology acceptance model and flow theory to online consumer behavior” and the study reveals that online shopping behavior has been an important topic in online shopping research areas. The main reason is that most consumers are computer users and the online consumers perform all the functions of a traditional consumer on the computer with commercial web sites.

Akhter (2002) in his study on adoption of online shopping in India and the study indicated that more educated, younger, males, and wealthier people in contrast to less
educated, older, females, and less wealthier are more likely to use the Internet for purchasing.

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Sharma, Gupta and Manhas (2002) in one of the article entitled “Internet marketing: Opportunities and Challenges” found that internet marketing will add a new dimension to the concept of marketing. Due to the concept of internet marketing, there is practically no geographical bar for the company. E-shopping is one such marketing service which is available to the customer uninterrupted 24 hours a day and 7 days a week.

Forsythe (2002) conducted a study on e-shopping and the study showed a positive and highly significant relationship between perceived benefits of Internet shopping and both frequency of shopping and amount spent online. Consumers’ characteristics such as personality nature, online shopping benefits and perceptions have also been found to influence consumers’ online shopping behaviour and online shopping rate.

Burke, R.R. (2002), Trust is a key factor that determines the success of Business to Consumer (B2C) e-commerce transactions. Previous researchers have identified several critical factors that influence trust in the context of online shopping. This
research focuses on available security measures which assure online shoppers’ safety and great sales promotions and online deals which stimulate customers to shop online.

**Abel Stephen (2003)** in his paper represents the findings of research studies that address e-commerce design and associated consumer behaviour. The innovation of e-commerce has affected not only the marketplace through the facilitation of the exchange of goods and services, but also human behaviour in response to the mechanisms of online services.

**Huizingh & Hoekstra, (2003)** had explored the study on the e-shopping and studied many factors that determine why customers return to a store or web-site. The study found that It has been shown that longer lengths of time spent online by consumers increases the likelihood of consumers revisiting a website or becoming customers by buying a product As such, designing a website in such a way as to retain customer attention and satisfaction, increases the likelihood of creating repeat customers.

**Halstead and Becherer (2003)** emphasized in their study that internet marketing is a field which is going to grow and the online auction concept may be defining a totally new and unique distribution alternative. The study found that people shopping on the internet want delivery of their purchase quickly and easily. Speed and convenience are the two driving factors essential for online buying.

**Changchit & Vokurka, (2003)** studied on understanding customer satisfaction factors can increase the probability of attracting new customers and/or retaining existing customers. A study reported that customers expressed that "customer service" was a key factor in their decision to shop at a store or revisit the website.
Chen and Chang (2003) studied on “A descriptive model of online shopping process: some empirical results” and the study focused on the five important factors explaining consumer online purchasing intentions; individual/consumer characteristics, environmental influences, product/service characteristics, medium characteristics and online merchant and intermediary characteristics. They framed the relationship between five factors and three key steps necessary to encourage repeated online shopping.

Smith and Rupp (2003) in the study entitled “Strategic online consumer decision making leveraging the transformational power of the internet” concludes that age factor as determinant for online purchase intentions. They argued that older people who had no frequent interactions with the internet and the computer would not use the internet as a medium for purchases while young adults would.

Shwu-Ing (2003) conducted the study and found that consumers’ benefits perception, comprising convenience, selections freedom, information abundance, homepage design and company name familiarity, had a significant relationship with attitude toward online shopping. Consumers usually compare the perceived benefits between shopping channels.

Ahuja, Gupta & Raman (2003) conducted the study entitled “An Empirical Investigation of Online Consumer Purchasing Behavior” and the study found that 4% of people gave “inability to touch and feel the product” as a reason “for not shopping online”,

Joines et.al (2003) in his study entitled “Exploring motivations for consumer web use and their implications for e-commerce” and found that the internet is considered as a
mass medium that provides the consumer with purchase characteristics as no other medium. They found that ability at any time view and purchase products visualize their needs with products are the characteristics making it convening for the consumer as traditional way of shopping.

Kossecki Pawel, et al (2003) opined that building customers’ trust is essential for internet supplier in acquiring consumers’ loyalty, increasing their satisfaction, encouraging customers to move their spending from traditional to e-market. They analysis the two groups of factors: strictly connected with the process of making transaction (e.g. communication before purchase, the security of payment, the delivery cost, the means of dealing with claims and returns) and not related directly (e.g. law regulations, protection of consumer rights and privacy, technical infrastructure, transfer of external trust).

Beltramini, Richard (2003) opined that increased usage of marketing communications on the Internet had presented a number of significant business ethics issues. And, while regulatory agencies had increased their vigilance in protecting consumers from injury, the uniqueness of business via the Internet had challenged these agencies to respond in evolving ways. This paper provided a brief overview of the application of the FTC's lesser known unfairness doctrine as a potential framework for better understanding emerging privacy and e-commerce issues, and specific examples were provided for illustration.

Luo et. al (2003) empirical tested that customers’ perceived contextual marketing and customer-oriented strategies were associated with site satisfaction and loyalty. Departing from the simple linear association approach, the study also investigated the moderating role of privacy concerns and site design complexity and the mediating
role of perceived site value. It found that the influence of contextual marketing and customer-orientation strategy on site satisfaction was moderated by the perceived complexity of the site design but not by consumer privacy concerns. Data for this study were collected with an intercept survey method in a northeastern state of the United States.

Cheung et al. (2003) in his study entitled “Online consumer behavior: a review and agenda for future research” and suggested the five main factors influencing consumers’ online purchasing intentions and adoptions. They are the consumer’s individual characteristics, the medium’s characteristics, product/service characteristics, environmental influences and merchant and intermediary characteristics. These factors not only have some effects on purchasing intentions and actual purchases, but may also affect the ways consumers interact with the website.

Schlosser, (2003) studied on “online browsing” and found that another kind of consumers is called a “browser”, who is experiential and try to find an entertaining experience rather than information. Once searchers and browsers are satisfied by the experiences they perceive, they may become purchasers.

Wu (2003) conducted the study on “The relationship between consumer characteristics and attitude toward online shopping” and the study identified the consumer characteristics using four areas: consumer demographics, consumer purchasing preference, and consumer benefit perception and consumer lifestyle (See Figure 2.2). Consumers’ characteristics have a significant relationship with the attitude toward online shopping; the attitude toward online shopping has a significant relationship with the online shopping rate
Chiang & Dholakia, (2003) conducted a study on “Factors driving consumer intention to shop online: An empirical investigation” and the researchers found that web offers opportunities for competition in the present marketplace regarding web as the channel of business. The rapid growth of online retailing has created a vibrant market space and competition with all other shopping channels and it has challenged traditional retailers and is reshaping consumers’ shopping habits.

Siabecker R (2003) opined that comparative benefits of using a common law approach to address the issue of cookies, however, should not seem all that stocking. The federal statutes upon which Internet users relied in Double Click were adopted years before the internet began to occupy its increasingly dominant position in Commerce and cultures while status may effectively address existing problems, crafting law to address what does not yet exist represent quite a difficult challenge. And even if legislators were to act quickly on the problems of the day, it may simply be too difficult for legislators to keep pace with the celerity of technological innovation associated with the internet age. In contrast, the malleable nature of the common law seems especially well suited to accommodating technological advances, no matter how swift. Still, it does seem a bit peculiar to apply to cyber-space the some legal principles that centuries ago helped give peasant farmers result for injuries sustained to their livestock.

Shah et al (2004) argued a central factor in how a technology affect a societal concern stems from its institutional origin. The case study of the cookies technology, which allows web sites to maintain surveillance on its visitors, showed the differing influence of universities, firms and Consortia. Each of these institutions acted according to their own norms and process and differentially shaped the cookies
technology. The result suggested societal institutions act in a systematic and predictable fashion in shaping how communication technologies affect fundamental societal concerns.

Rajeev Kamineni (2004) in his study finds that World Wide Web can change human behaviour and human interactions to a very large extent. Web based shopping behaviour is one major example to point out the trends in this direction. This study is of a very exploratory nature and it intends to establish the differences between several web-based shoppers from different parts of the world. Several critical factors associated with online shopping behaviour have been explored. A cross cultural data set has been collected and an illustrative description of the shoppers has been provided. As a final step the cross cultural differences between several shoppers explored.

Constantinides (2004) conducted the study on “Influencing the online consumer’s behavior: the web experience” and found that the factor convenience is considered to be the benefit in the eyes of consumers and a quality derived from purchasing over the internet. It is therefore considered to be the motivator and a benefit to consumers.

Ha & Stoel, (2004) conducted the research on “Internet apparel shopping behaviors: the influence of general innovativeness” and found in their study that purchasers, browsers, and searchers may have different online shopping behaviors toward a website and have different perceptions of relative advantages in online shopping because of the different goals they pursue

Monsuwe, Dellaert and Ruyter (2004) conducted the research on “What drives consumers to shop online? A literature review” and the study found that personal
online consumer characteristics and concluded that in consumer has a vital role for online purchasing behavior.

**Willis (2004)** conducted a research entitled “What impact will E-commerce have on the U.S economy” and the study found that E-commerce has emerged as the fast growing field of global marketing. Many companies continued to enter and expand their presence in E-commerce and consumers have been increased to purchase online.

**Koyuncu & Bhattacharya, (2004)** conducted the study on “The Impacts of Quickness, Price, Payment Risk, and Delivery Issues on On-line Shopping” and the study found that Individuals tend to purchase less through the Internet because the online payment of Internet shopping involves some risk Thirdly, risk to privacy refers to the degree to which a consumer may sacrifice their privacy when they are required to provide confidential information to process an EC transaction.

**Suri Ajneesh et al (2004)** opined that Advertisers are recognizing the internet's potential for helping firms directly communicate with consumers using media rich emails. Though the efficiency of such emails cannot be denied, their effectiveness needs to be assessed. It was argued that components of promotional emails were likely to be evaluated differently by males and females. The results from a survey suggested that women and men differ in their evaluation of information content and the visual presentation used in emails. Compared to men, women were also more concerned about privacy and preferred to use the media to build social contacts. Implications for using promotional emails were discussed. To investigate these research questions, a survey was systematically administered at two university town shopping malls in New York State. On an average it took 15 minutes to complete the
survey and, of the total 124 surveys collected, 119 surveys were complete and used in the analysis.

**Gorling Stefan (2004)** studied and provided number of immoral business-models that have been established as a part of the internet-economy. It discussed how breaking into computers has become a viable business model for corporation and how the internet underground is challenging our views of what a company is. The paper tried to group a number of similar business models such as spyware, viruses, spam etc. under a common term, parasites, and discussed how they are a part of viable business-models rather than merely an annoyance to the computer users.

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**Winn K Jane (2005)** analyzed whether it might be possible to reduce the volume of unwanted software loaded on end users’ computers by applying contract law doctrine more strictly. Unwanted Programs are often bundled with programs that the end user wants, but the dense from contacts. Even thought this makes it difficult for end users to recognize that they are agreeing to have multiple programs installed at once and that some of those programs may be objectionable, US courts are unlike to invalidate those disclosures. This was because in business to consumer online contracting cases
In the US, courts have tended to be very deferential to the intentions of the merchants in designing the contract interfaces.

Wall S. (2005) deconstructed and analyzed spamming behaviour before exploring the boundaries between law and code (technology) as governance in order to inform and stimulate the debate over the embedding of cyber crime prevention policy within the code itself.

Pavlov et al (2005) contributed to understand the unsolicited commercial e-mail (UCE) phenomenon by drawing on scholarly work in areas of marketing and resource ownership and use. Adapting the tragedy of the commons concept to e-mail, study identified a casual structure that drives the direct e-marketing industry. Computer simulations indicate that although filtering may be an effective method to curb UCE arriving at individual inboxes, it is likely to increase the aggregate volume, thereby boosting overall costs. Study also examined other response mechanisms, including self-regulation, government regulation and market mechanisms. They found that, of the various countermeasures, filtering appears to be the best currently available but that none are a satisfactory solution. The analysis advances understanding of the digital commons, the economics of UCE, and provides practical implication for the direct e-marketing industry.

Sorce et al. (2005) in the study of online shopping found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

Kim and Park (2005) conducted the study entitled “A consumer’s shopping extension model: attitude shift toward the online store” and found that online
shopping is to be perceived as convenient of the consumers, the consumer must perceive a certain amount of easiness with accessing the internet and also with carrying out the behavior with shopping online.

Sinha and Uniyal (2005) in the study explored that the Shopping environment refers to the landscape of shopping, changing as it did from the first departmental store to present-day malls to virtual shopping through the Internet. It has been found that shoppers behave differently depending on the type of shopping situations.

So et al. (2005) investigated the influences of promotional offers and product categories on online shopping intentions. Results indicate a direct influence of web-search behavior and webshopping adoption decisions on web-shopping intentions. Promotional offers enhance web shopping intentions.

Shergill and Chen (2005) conducted the study on “Enticing online consumers: an extended technology acceptance perspective and considered in their research on “Web-based shopping: Consumers’ attitudes towards online shopping in New Zealand”. However, they only considered a few aspects of Web site design. For example, they did not consider the issue of Web site content that was out of date.

Brengman, Gueness and Swinyard (2005) studied on “Segmenting Internet Shoppers based in their web usage related lifestyle: across cultural validation” and the study found that the segment online consumers through first identifying the internet usage lifestyle of every consumer, they believe internet experience is highly relevant the identification of the online consumers.

Shi(2005) in his paper explained that 75% of the firms spent significant time in managing cross channel coordination and conflicts, about 18% of the firms shared
information across channels in an effective way, and about half of the firms had taken initiatives in adjusting management performance targets and incentives to encourage cross-channel collaboration.

Richards Sarah (2005) studied on Internet shopping by carrying out a world wide Survey of 1001 adults. The Survey aimed to identify why people do or don't shop online, what they buy and how much they spend, if they have encounter any problems and what proportion of their shopping they intend to do online in the future. This study showed some interesting trend. Over six in ten people with internet access had shopped online over the previous 12 months. Convenience was a large motivating factor for people to shop online than prices. Most people shop once every two to three months, with men being slightly more likely to do so than women. (CDs, tapes and records were the most popular items to be purchased online, followed by DVDs, videos, computer games, books and travel tickets. Fears over the security of websites was the main reason why some people with Internet access choose not to shop online.

Katyal K. (2005) opined that our need to expand intellectual property protection must be reconciled with the existing protections for informational privacy and personal expression. The paper argued, it is imperative that we begin to restore the fragile balance between property rights and privacy protections by creating parity between real place and cyber space. The paper suggested that, both the protection of privacy and intellectual property were in crisis in cyber space, permitting one to erode protections for the other.

Aleja et al (2005) opined on the ethical challenges posed by Internet Commerce, with special emphasis on those involving the content and users of the information. The main ethical issues in e-commerce such as security, privacy, identity and no
refutability of transactions. It proposed measures which both governments and the private sector could adopt to address these issues on different levels. Finally, the paper reflected on the creation of value by leveraging trust and proposed two universal principal to be upheld in internet commerce: online-offline consistency and technology neutrality.

**Evangelos Moustakas et al (2006)** provided a conceptual overview of the process of unsolicited commercial e-mail (UCE), proposed a typology of UCE, and delineated key stakeholders of UCE, their roles and potential responses through a stakeholder analysis. Based on the extant literature, this paper provided a conceptualization of the UCE process, delineating specific types of UCE. It used stakeholder analysis to identify key members in the UCE process and the potential roles to be played by them in combating UCE. This paper proposed a four-way typology of the UCE process, identified key stakeholders, and also mechanisms for tackling UCE. Given the limited empirical research on this topic, this paper was exploratory in nature, integrating concepts from marketing and e-commerce research streams.

**Changi Nam et al (2006)** studied and proposed a model incorporating antecedents, privacy concern, and intent to disclose personal information. To test the proposed model, an online survey was conducted. A Website was created for the Web survey and five thousands of emails requesting participation were sent to Internet users in Korea. E-mailing list was purchased from a research company. There were 395 online participants over a two-week period. After eliminating responses with insincere answers and excessive amounts of missing data, 323 responses were analyzed to test the proposed model. Sixty-eight percent of the respondents were male, almost all in their 20s or 30s.
**Mattsson Jan et al (2006)** presented a framework for treating ethical issues in E-marketing. Study started by recalling some of the ethical problems that confront the marketing profession. On this basis, study argued for more emphasis on basic ethical principles to protect the autonomy, dignity, integrity and vulnerability of human persons and of different stakeholder groups. In order to cope with this need for a decision-making frame study proposed a formal theory of values that can be the basis for a concrete approach to values in e-marketing. Such a formal theory of the value realm (Hartman, 1967) can be used to make an overview of different kinds of ethical challenges firms face when implementing e-marketing and e-advertising. Eighteen value types and nine value levels, study argued, can be used as a frame with the intent to illustrate ethical dilemmas in e-business.

**Ann E. Schlosser et al (2006)** investigated the impact of Web site design investments on consumers’ trusting beliefs and online purchase intentions. Such investments signal the component of trusting beliefs that was most strongly related to online purchase intentions: ability. These effects were strongest when consumers’ goals were to search rather than to browse and when purchases involved risk. The sample consisted of 111 respondents who participated in exchange for $10 and were recruited through an electronic and a printed newsletter distributed to university employees. The sample was 68% female, with a mean age of 37.5 and a mean income of $35,000 to $49,999. Respondents had a median education of four years of college and used the Internet an average of four to six times per week.

**Shuk Ying HO, (2006)** opined that numerous companies were taking advantage of interactive technology to personalize their interactions with users. However, in contrast to the proliferation of personalized web services worldwide, Information
Systems (IS) research on users’ attitudes towards personalized service was minimal. Our research examined how users’ web experience and their perceptions towards personalization influenced their attitudes towards switching to a personalized website. A survey study with 238 subjects was conducted. The findings provided empirical evidence showing that if users had involved interactions with their current site, then personalized services were not attractive enough to motivate them to migrate from one site to another. Users wanted useful personalized services, but at the same time, they were concerned with the manner in which firms used their data for personalization.

Chiung-wen, Hsu (2006) studied and disapproved the common assumptions of research into privacy concerns from an adversarial paradigm, which did not work in the context of the internet. These assumptions usually claimed that internet users who had higher privacy concerns would disclose less information, and that data subjects were always adversarial to data users without considering social contexts. The study surveyed 400 respondents from China, The Netherlands, Taiwan and the USA. It examined not only their privacy concerns, but also their actual practices, in order to identify any similarities between concerns and practices. This study proved that internet users’ privacy concerns did not reflect their privacy practices and showed how social contexts (Web category) influence users’ privacy practices. This study suggested that legislation provided the basic protection, while self-regulation supplied the detailed principles of online privacy.

Liu et al. (2006) focus in his paper on how the decision to introduce the online channel can be strategically used by a store retailer for deterring the entry of a pure e-retailer. The study found that online channels are now widely used by store retailers.
Allred, Smith and Swinyard (2006) in the study entitled “E-shopping lovers and fearful conservatives: a market segmentation analysis” and found that online consumer tends to have the following characteristics: younger, wealthier, better educated having a higher computer literacy and are bigger retail spenders.

Internet and Mobile Association of India (IAMAI, 2006) conducted the study in collaboration with cross tab marketing services, clearly established the dominance of people-to-people (P2P) reference in online shopping space, with 31% respondents finding such sites through word of mouth. As much as 55% visitors to e-commerce sites have adopted internet as a shopping medium, out of which 25% of regular shoppers are in the 18-25 age group, while 46% in the 26-35 age group and 18% in the 35-45 age group.

Oppenheim, C. and Ward, L. (2006) conducted the study on “Evaluation of websites for B2C e-commerce” and the study reveals that the current primary reason that people shop for the internet is the convenience. They found that the previous primary reason for shopping online was price which has now changed to convenience.

Atchariyachanvanich & Okada, (2006). in their study about a preliminary online survey of the factors affecting online shopping in Japan, the consumer behaviour of Japanese online consumers showed that price is the dominant factor in their choice to shop online.

D. Venkaba rao(2006) Determinants of Purchase Behaviour of Online consumers the study found that the Online consumer behaviour is a broad and interesting area of study that can benefit organizations in their efforts to market and sell products online. As consumers’ attitude towards online shopping is a prominent factor affecting actual
buying behaviour, this research attempts to investigate a modest part of that area. The results of study of perceptions of 200 online purchasers in Hyderabad reveal trust, security, Internet speed, and responsiveness significantly affect online purchasers’ behaviour.

**Boudhayan Ganguly, Satya Bhushan Dass (2006)** from IIM Lucknow in his study “website characteristics, Trust and Purchase Intentions in online stores: An empirical study” in Indian context found that there is a strong relationship between the website features and purchase intention.

**Lavin Mariyn (2006)** investigated “What do consumers know and what can they learn”. The research investigated consumes knowledge about tracking cookies and considers the values of the information on those devices appearing in the privacy polices of two major websites. The study found that the majority of the sample believed cookies are used to collect the personally-identifiable information and that, as a result, many regularly reject or delete all cookies on their computers. Sample members also found that the material related to cookies in the two websites increased their understanding of the consumer benefits from such tracking software. The report based on the telephone survey of 2001 adults.

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**Hsiu (2007)** in his study about a research model developed for understanding the influences of website quality dimensions concludes that system quality variables
(website design and interactivity), information quality variables (informativeness and security), and service quality variables (responsiveness, trust, and empathy) are identified as critical variables that have an impact on customer satisfaction.


**Dash and Saji (2007)** conducted the study on "Role of effective Website-Design in online shopping: A large scale empirical study in the Indian Context" and the study found in his empirical that increase in customer trust increases purchase intention towards online shopping.

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**JuxtConsult, (April 2007)**, a Delhi-based online research firm conducted the study on 10,000 households in 31 cities (of population sizes 20,000 plus) revealed some interesting facts about the Internet shopping scenario in India. As per research findings, eBay (excluding online travel websites) is the most preferred site for online shopping followed by Rediff, Google and Yahoo. eBay leads with 34 per cent online shoppers still preferring to visit it the most. Rediff follows at the second spot with 25 per cent online shoppers preferring to visit it.

**M.J.W. Trent (2007)** conducted the research entitled “An exploratory study to identify the concerns that New Zealand consumers have about business-to-consumer e-commerce” and found that that now consumers’ concerns focus on the fact that Internet shopping is a form of shopping – as a result of which they are now only prepared to use the Web sites of “reputable companies”, and they now require to be able to evaluate an item adequately before buying it. And it seems that another result of this is that consumers now expect that the “reputable companies” whose Web sites they visit will – as a matter of course - address to their satisfaction issues such as the privacy of their personal information. While there are some types of products that consumers are prepared to buy on-line (e.g., air travel), there are many about which they are reluctant.

**Terry Nolan et al (2007)** examined the notion of trust as an enabler or restrictor to online engagement. The purpose of the inquiry was to improve knowledge acquisition within small businesses (SMEs) through engagement in an online network. The paper explained the outcomes from a three-year long Action Research (AR) study into
online participation utilizing a purpose built Information and Communication Technology (ICT) based networking tool. The paper found that the overall notion of trust was deconstructed into component conditions, which were shown to represent conflicting priorities for individuals. The paper provided an insight into the complexities of socio-technological engagements in an online environment. The paper shown that the proposed model was context-specific and had not been subjected to testing for replicability within other settings. The model proposed in this paper was of use to Information System (IS) developers, helping to identify the reasons for participation or non-participation in online networks/communities. The paper build upon existing theories, by applying an extended notion of trust incorporating interrelated individual factors, such as risk, interest, power and information utility, to the development of online communities. A total of 16 semi-structured interviews with SME owner managers were conducted.

Petrovic Dejan (2007) explored the most relevant behavioural characteristics of online consumers and examines the ways they find, compare and evaluate product information. Comparison of the newly collected survey data with the existing consumer behaviour theory resulted in detection of a number of issues related to a specific consumer group. The purpose of this report was to translate findings into a set of implementation activities on strategic and technological level. Execution of these recommendations would result in better conversion of visitors into customers and encourage customer loyalty and referrals. The focus group of study were young adults aged between eighteen and thirty-four interested in buying a mobile phone or a related product.
Jonna Jarvelainen (2007) opined that Security and privacy issues had drawn much attention in the electronic commerce research area, and e-vendors had adjusted their online shopping systems to convince customers that vendors and systems were trustworthy. Study concentrated on how consumers choose their purchasing channel when the environment was relatively secure. Was the choice based on preferring conversation with customer service, complexity of product, prior online shopping experience, social influence or perception of system usefulness or ease-of-use? The technology acceptance model, media richness theory and social influence model were combined in a research model tested with a Web survey. Based on the responses of 1,501 customers of a passenger cruise company, prior experience of traditional and online channels and perceived usefulness had a substantial effect on behavioral intention to use the online channel in the future. To get an extensive data set, quantitative survey was chosen as the research method. As the research question concerned online information seekers and the reasons for choosing the online channel in a secure Internet environment, the target population included both customers who had some online shopping experience and those who had not yet made purchases online but used the Internet for seeking product information. Therefore, a Web survey was chosen for the data collection method. This setting omitted those who had not adopted Internet technology yet, as they did not have either means or motive for online shopping, and therefore it would not have been meaningful to include them in the target group. The data were collected between February 1, 2002, and February 11, 2002. The total number of responses was 2,511, of which 2,479 were unique and valid.

Choudhury and Karahanna (2008) opined that Internet has the potential to fundamentally change the structure of marketing channels, but only if consumers
choose to adopt electronic channels. Thus, paper aimed to develop a more nuanced understanding of consumer channel choices. Specifically, it contended that it was important to examine consumers’ intent to adopt electronic channels, not as a monolithic decision, but as a choice they made at each of four stages in the purchase process: requirements determination, vendor selection, purchase, and after-sales service. Innovation diffusion theory suggested that consumers make adoption decisions based on their perceptions of the relative advantage of the innovation. The relative advantage of electronic channels was conceptualized as a multidimensional construct involving a cumulative assessment of the perceived relative merits of channels on three dimensions: convenience, trust, and efficacy of information acquisition. Survey data were collected from faculty and staff at a large university about their intention to use the web for auto insurance transactions. The results provide support for the multidimensional nature of relative advantage, although the emergent factors do not align neatly with the hypothesized dimensions (convenience, trust, and efficacy of information acquisition) or stages. Results of the study support three conclusions. First, the dimensions along which consumers assess relative advantage blend hypothesized dimensions such as trust and convenience with stages of the purchase process. Second, consumers consider the relative advantage of channels at two distinct stages of the purchase process: gathering information and executing the transaction. Third, different dimensions of relative advantage were critical in predicting consumer channel choice at each stage.

**MasterCard worldwide, (December 2008)**, in the survey on 5037 respondents across 10 markets: Australia, China, Hong Kong, India, Japan, Singapore, South Korea, Thailand, UAE and South Africa, revealed that Online shopping in the Asia-Pacific region is accelerating at an annual rate of 23.3 percent to hit US $168.7 billion
by 2011, with the region's new markets such as China and India fuelling this growth. MasterCard Worldwide published its latest Insights Report, “Economic Crisis and Preference for Online Shopping in Asia/Pacific, Middle East and Africa”, which shows that in India the average frequency of online purchases increased to 2.9 in fourth quarter of 2008, up from 2.6 during the same quarter in 2007. The survey showed that the Asia-Pacific region was found to be an active one for online shopping, where 76 percent of respondents said they intend to make a purchase in the next six months. The survey also highlighted the rise of shoppers in the fast-growing markets of China and India. The rising population of upper-middle income urban elites is likely to boost the online shopping markets in China and India underpinned by a paid pace of urbanization, robust economic expansion and rising spending power.

Lee (2008) studied on online consumer and their buying behaviour. The finding of his study illustrates how a high proportion of negative online consumer reviews can elicit a conformity effect, with consumers showing a tendency to conform to the perspective of the negative reviews when the proportion of negative reviews increases.

Pooja Mordani (2008) explored the study on investigation of consumer’s perception towards internet based e-shopping and the study involved an experiment in which the respondents were asked to go through the online shopping process and relate their experiences. The study found that the positive experience with a website plays a vital role in forming consumers trust while shopping online and if consumers trust the website then they will perceive ease of use, perceive enjoyment and perceive the
website to be less risky which would finally culminate into an intention to transact with the website.

Pooja Mann, Nidhi (2008) studied on the role of internet in marketing and her study found that the internet marketing offers a number of advantages hence it must be used with utmost precaution along with other medium of approaching the target customer. Internet marketing is finally evolving in a much more constructive direction.

Sawney (2008) has identified various performance indicators critical to success of online retailing. Some of them include ease of navigation, quick loading times, accurate product/service delivery system, Clear transaction policies, online interactivity between buyer and seller, transaction safety, and transaction privacy.

Kiran et al. (2008) have not only identified the factors affecting online buying behavior in India, they have also explored how online advertisements influence consumers to buy online. The authors have identified product information and reliability as the key contributing factor to internet retailing adoption. Yet another contributing factor is audience attitude towards e-shopping. Various constituent variables include responsiveness of websites for the information, positive outcome of the websites and the influencing power of advertisements. Influence of internet advertisements on e-shopping has emerged as another important determinant of online buying behavior.

Syed Shah Alam, (2008) conducted the study on “Young Consumer online shopping in Malaysia” and the study found that Young consumers are playing an important role in online shopping. The increasing use of Internet by the younger generation in Malaysia provides an emerging prospect for online retailers. If online
retailers know the factors affecting Malaysian young consumers’ buying behaviour, and the associations between these factors and type of online buyers, then they can further develop their marketing strategies to convert potential customers into active ones. Besides that this study also examined that website design, website, reliability, customer service and privacy are the four key factors which influence young consumers’ perceptions of online shopping. However, there is no significant difference among the various races in terms of online shopping behaviour in Malaysia.

**Syed Shah Alam (2008)** in the study revealed that young consumers are playing an important role in online shopping. The increasing use of Internet by the younger generation in Malaysia provides an emerging prospect for online retailers. It was discovered that website design, website reliability, customer service and privacy are the four key factors which influence young consumers’ perceptions of online shopping.

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**Prasad and Aryasri (2009)** have explored the determinants of shop behavior such as convenience, customer service, trust, web store environment and web shopping enjoyment and examine the effect of these factors towards online buying behavior.
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**S. L. Gutpa and Nirupama Gupta (2009)** in their study Online shopping behaviour by Urban Indian youth and study highlights that urban Indian youth is more an online surfer than an online shopper. Only a very small percentage of Indian youth has started appreciating the role of Internet in shopping. It is well equipped for using the Internet as an online surfer but needs time and experience to be an online shopper.

**Vijay, Sai. T. & Balaji, M. S. (May 2009)** in the study revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so.

**Tan et al. (2009)** found that navigation and content are the most sought after factors while designing a web-site. Other important factors include categorization of information, color usage, layout / space usage, graphics usage, establishing website’s identity and presentation of information.

**ACNielsen (2009)** conducted the study on covering 38 markets and over 21,100 respondents across the globe has revealed that more Indians are taking to shopping online. It suggested an upward trend in online shopping across the world.
significant observation of this study was that India beat the global counterparts in number of purchases per month, with a mean of 5.2 purchases against the global average of 4.9. In India, books followed airline reservations closely, with 35% of netizens buying them online. Nearly 24% have bought electronic items and more than 20% have purchased items such as apparel, music and electronic entertainment such as movies, DVDs and games.

Prasad and Aryasri (2009) have explored the determinants of shopping behavior such as convenience, customer service, trust, web store environment and web shopping enjoyment and examine the effect of these factors towards online buying behavior.

Brynjolfsson et al., Overby and Jap (2009) found that in order to leverage the online channel effectively, retailers must recognize that the customers have different value propositions from transacting on store and online channels. Past empirical studies show that the products that are either comparatively rare or have low quality uncertainty sell better in the online channel On the other hand, common products or products with high quality uncertainty sell better on the physical channel. Products with high quality uncertainty sold in the online channel have a price discount whereas those with low quality uncertainty do not have such a discount. The fundamental reason for such behavior is that the customers may find it hard to evaluate products in the Internet channel.

Narges Delafrooz, Laily Hj. Paim and Ali Khatibi (2010) in their study title “Students’ Online Shopping Behaviour: An Empirical Study and the study reveals that consumers have different personalities that affects online shopping and can be classified into two orientations of utilitarian and hedonic. Consumer who have
utilitarian have goal oriented, rational, deliberate, task oriented shopping behaviour whereas hedonic have experiential, fun, fantasy, arousal, excitement, entertaining behaviour. The findings showed that utilitarian orientations had higher effect on attitude towards online shopping and this may be due to the low level of young consumers who have experience in online shopping. Moreover convenience, price and a wider selection influenced consumers’ attitudes towards online shopping.

Ankur Kumar Rastogi (2010) conducted the study on “a study on Indian online consumers and their buying behaviour and the study attempts to analyze the features related to the buying behaviour of online shoppers. Consumer buying behaviour in respect of online shopping was studied using different socio-economic variables. It also provides a support that helps researchers understand the drivers of consumers’ attitude and goal to shop on the Internet, and consumers’ perceptions regarding ease of use and usefulness. Conclusions derived from the analysis can be used as useful guide for market orientation. The outcomes of the study suggest that assessment of consumer buying behaviour can contribute to a better understanding of consumer buying behaviour in respect of online shopping.

Grashaw(2010) in his paper revealed that adopting Internet as an additional channel for offering products is not an easy decision for traditional brick-and-mortar retailers because it faces the challenge of store sales cannibalization.

Lobaugh (2010) conducted the study an executive remarked: “The idea that store-only sales will decrease as multi-channel sales increase, scares me. Our store based costs seem to increase at a constant rate; if that is out of line with our growth, or how customers behave, I’m not sure of the impact. The result will be an imbalance in our investment model.” According to the same report, organizations continue to think that
the purpose of multi-channel retailing is to drive traffic into the store and not away from it. This is because many stakeholders are anxious about rationalizing the prior and substantial investments in real estate needed for the brick and mortar business.

**Zhang et al. (2010)** conducted the study and found that retailers are now realizing the need to have an integrated approach towards store and online channels to exploit the growth potential of multi-channel retail.

**Demery (2010)** reports, the advantage of the online channel is that some customers find it convenient, think that it saves their time, and observe that it is easier to find a particular item in online store.

**Ruchi Nayyar (2010)** in the study of website factors on online shopping buying behaviour and the study found that online shoppers perceive different factors such as website design, fulfillment/reliability, privacy/security and customer service affecting online purchase activity differently.

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**Dr. S.G Gupta (2010)** in the study “impact of changing demographics profile of Indian customers on their internet shopping behaviour and the study concluded that demographic profiles of online users; gender, age and education have significant association to web shopping in the current Indian scenario. However, it won't be very late for these differences to evaporate keeping into account fast changing social habits and growing technological developments.
Archana Shrivastava, Ujwal Lanjewar, (2011) in online buying, the rate of diffusion and adoption of the online buying amongst consumers is still relatively low in India. In view of above problem an empirical study of online buying behavior was undertaken. Based on literature review, four predominant psychographic parameters namely attitude, motivation, personality and trust were studied with respect to online buying. The online buying decision process models based on all the four parameters were designed after statistical analysis. These models were integrated with business intelligence, knowledge management and data mining to design Behavioral Business Intelligence framework with a cohesive view of online buyer behavior.

Dr. Durmaz(2011) in the study entitled “impact of cultural factors on online shopping behaviour and the study found that while buying goods and services, culture, beliefs and traditions take an important position, while the environment, friends and social groups stated 48.6% .In this case the impact of cultural factors means a lot.

Wells et al. (2011) in his study entitled “Online impulse buying: understanding the interplay between consumer impulsiveness and website quality” focused on the direct relationships between the website and online impulse buying. The study found and proposed the model considered the direct influence of website quality on the urge to buy impulsively.

Dahiya Richa(2012) in the study entitled “Impact of demographic factors of consumers on online shopping behaviour: a study of consumers in India” and the study found that On-line shopping is a recent phenomenon in the field of E-Business and is definitely going to be the future of shopping in the world. Most of the companies are running their on-line portals to sell their products/services on-line.
Though online shopping is very common outside India, its growth in Indian Market, which is a large and strategic consumer market, is still not in line with the global market. The potential growth of on-line shopping has triggered the idea of conducting a study on on-line shopping in India. The results of study reveal that on-line shopping in India is significantly affected by various Demographic actors like age, gender, marital status, family size and income. The results of the study could be further used by the researchers and practitioners for conducting future studies in the similar area.

Realizing the importance of E-commerce, companies would like to discover more business opportunities and to bring back more customers. As such, it is very important to understand consumers’ E-commerce adoption behavior and their online shopping behavior. This is believed to be different from their behavior in the traditional shopping environment. Thus, there is a need for the theory of consumer online shopping behaviour.

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