CHAPTER – 3

SURVEY OF EXISTING LITERATURE
For the survey of existing literature, the research papers published in Journals, Reference books, Magazine, Internet, Government report etc. were referred as the basis for understanding as well as for exploring possible research gaps as the starting point. The observation and findings presented in this section are based on this literature review.

**Minjoon Jun, Zhilin Yang, Daesoo Kim** (2003) conducted a research study on “Customers’ Perceptions of online retailing service quality and their satisfaction”. The specific objectives of this research were to (1) Identify key underlying dimensions of online retailing service quality as perceived by online customers; (2) Assess the relationships between the service quality dimensions identified earlier and the online customers’ perceptions of overall service quality; (3) Examine the relationships between the service quality dimensions and the online customers’ overall satisfaction; and (4) Measure the relationship between online customers’ perceived overall service quality and their level of satisfaction.

This exploratory study revealed some important findings about online service quality. First, the study identified six key online retailing service quality dimensions as perceived by online customers: reliable/prompt responses, access, ease of use, attentiveness, security, and credibility. Second, of the six, three dimensions, notably reliable/prompt responses, attentiveness, and ease of use, had significant impacts on both customers’ perceived overall service quality and their satisfaction. Third, the access dimension had a significant effect on overall service quality, but not on satisfaction. Finally, this study discovered a significantly positive relationship between overall service quality and satisfaction.¹

**Gurvinder S Shergill, Zhaobin Chen** (2005) conducted a research study on “Web-Based Shopping: Consumers’ attitudes towards online shopping in New Zealand”. This paper is part of larger study, and focuses on factors which online New Zealand buyers keep in mind while shopping online. It also investigates how
different types of online buyers perceive websites differently. The specific objectives of this research are (a) To identify key factors influencing New Zealanders’ online shopping purchase behaviour; and (b) To identify whether different categories of online New Zealand buyers; e.g., trial buyers, occasional buyers, frequent buyers and regular buyers; perceive website factors and website elements differently, and whether these perceptions affect buying behavior in different ways.

This research found that website design, website reliability/fulfilment, website customer service and website security/privacy are the four dominant factors which influence consumer perceptions of online purchasing. The four types of online New Zealand buyers; i.e., trial, occasional, frequent and regular online buyers; perceived the four website factors differently. These buyers have different evaluations of website design and website reliability/fulfilment but similar evaluations of website security/privacy issues, which implies that security/privacy issues are important to most online buyers. ²

 Alan Hirst, Marie Ashwin (2009) studied “Cross Cultural Differences between Online Shoppers in London and Bangkok”. This study evaluates the attitudes of online shoppers living in London and Bangkok and the key variables influencing their behaviour. The aim of the research is to carry out cross border research and investigate consumers’ attitudes towards intentions to shop online. The study focuses on the extended TAM framework to identify key characteristics of online shoppers living in London and Bangkok, in order to seek new insights into their behavioural patterns. Research objectives include 1) To explore the individual characteristics of Internet users living in London and Bangkok and assess differences based on demographic and usage behaviour. 2) Investigate perceived barriers to online shopping in London and Bangkok. 3) Investigate online purchasing behaviour in London and Bangkok 4) Evaluate the overall reaction to Internet shopping in London and Bangkok.
The findings suggest that the respondents generally show positive attitudes towards shopping online. Those who have already done so and are aware of some of the negative features are not put off. The implication for online retailers is that they should focus on making the experience more accommodating and more user-friendly, as the positive features of online shopping (‘convenience’, ‘usefulness’, ‘ease of use’, and ‘efficiency’) appear to be more important than the negative features (‘lack of security’, ‘privacy of information’ and ‘online fraud’).³

**Narges Delafrooz, Laily Hj. Paim, Ali Khatibi** (2009) conducted a research study on “Developing an Instrument for measurement of attitude toward Online Shopping”. The aim of this study was to develop an instrument for investigating and understanding consumer’s online shopping orientations and factors that influence attitude toward online shopping and online shopping intention. The reliability of data and scale was tested by computing Cronbach’s Alpha.

Major findings of this include eight components, referring to online shopping orientation and online shopping perceived benefits, were found to explain 97 % of the variability in consumer’s online shopping orientation. They were subsequently labeled: utilitarian online shopping orientation, hedonic online shopping orientation, fun, convenience, customer service, homepage, wider selection and price. Alpha values were 0.874 for online shopping orientation, 0.921 for perceived benefits, and 0.853 for attitude. These alpha values exceed the 0.80 recommended acceptable inter-items reliability threshold, indicating a high correlation among the variables comprising the set, and accordingly, that individual items (or sets of items) should produce results consistent with the overall instrument. In light of this, it can be concluded that this instrument offers to the research community a tool that may be used in conducting future research related to online shopping behavior and proposes a framework for enhancing our understanding of consumers’ attitudes toward online shopping. In line with many e-marketing researches concerning the factors contributing to consumer satisfaction of online shopping experiences, this paper reports that utilitarian
online shopping orientation, hedonic online shopping orientation, fun, convenience, customer service, homepage, wider selection and price are dominant factors which influence consumer’s attitude toward online shopping.\textsuperscript{4}

**Tonita Perea y Monsuwe, Benedict G.C. Dellaert, Ko de Ruyter** (2004) conducted a study on “What drives consumers to shop online? A Literature Review”. The basic objective of this paper is to propose a framework to increase researchers’ understanding of consumers’ attitudes toward online shopping in US & Europe and their intention to shop on the Internet. The framework uses the constructs of the Technology Acceptance Model (TAM) as a basis, extended by exogenous factors and applies it to the online shopping context. The review shows that attitudes 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.\textsuperscript{5}

**Alexandru M. Degeratu, Arvind Rangaswamy, Jianan Wu** (2001) studied “Consumer Choice Behavior in Online and Traditional Supermarkets: The Effects of Brand Name, Price, and other Search Attributes”. Basic objectives of this study include (1) Are brand names more valuable online or in traditional supermarkets? (2) Does the increasing availability of comparative price information online make consumers more price-sensitive? These and related questions are addressed by first conceptualizing how different store environments (online and traditional stores) can differentially affect consumer choices.

The hypotheses and the empirical results from choice models indicated that: (1) Brand names become more important online in some categories but not in others depending on the extent of information available to consumers – brand names are more valuable when information on fewer attributes is available online, (2) Sensory search attributes, particularly visual cues about the product (e.g., paper towel design), have lower impact on choices online, and factual information (i.e.,
non-sensory attributes, such as the fat content of margarine) have higher impact on choices online. 

(3) Price sensitivity is higher online, but this is due to online promotions being stronger signals of price discounts. The combined effect of price and promotion on choice is weaker online than offline. 

Su-Chao Chang and Chi-Min Chou (2010) conducted a study on “Factors affecting user’s online shopping behavior: Integrating the constraint-based and dedication-based relationship perspectives”. This study aims to examine the relationship between the antecedents and consequences of both dedication-based and constraint-based factors on information systems post adoption using online shopping as an example. The results indicated that the antecedents of constraint-based influences - the effectiveness of online shopping websites (perceived operational competence and communication) and the perceptions of online shoppers’ closeness in the relationship (customer relationship investment and perceived cohesion) - have indirect positive effects on online shoppers' continuance intention toward online shopping websites, as mediated by their trust in the online shopping website and their perceptions of the switching cost. The data also showed that constraint-based influences have a more significant effect than dedication-based influences (satisfaction and perceived usefulness) on the continuance intention toward online shopping websites.

Vaggelis Saprikis, Adamantia Chouliara, Maro Vlachopoulos (2010) studied “Perceptions towards Online Shopping: Analyzing the Greek University Students’ Attitude”. The basic objective of this paper is to examine the perceptions of Greek university students’ adopters and non-adopters of online shopping in terms of demographic profile, expectations of online stores, advantages and problems related to online purchases. Moreover, the reasons for using or avoiding online shopping, as well as, the types of preferred products were studied.
The study provides interesting insights on the online consumer behaviour, as the results showed significant differences between the two groups of respondents. Generally, adopters had higher expectations from online shopping on issues relating to privacy policy and risk. However, much greatly significant difference was identified between adopters and non-adopters regarding their particular perceptions on advantages and problems of online shopping. Findings of this research could help firms better understand their particular needs and consequently, analogous marketing policies could be applied, as the better understanding of online consumer behaviour, the more advantageous a firm could be on the boundless market of online shopping.⁸

**Dong Shen, Craig A. Kelley, Joseph Richards, Claudia Bridges** (2006) conducted a study on “Online Shopping Behavior: Key Dimensions and Research Synthesis”. Basic objectives include (a) To propose four dimensions of the online shopping channel which includes informativeness, convenience, customer service, and experiential uniqueness based on the literature review and expert judgments, (b) To discuss these key dimensions in the context of the established traditional channel literature; and (c) To discuss the relationships between the traditional channel behavior and online shopping behavior. This research helped investigators to compare and contrast the developments in online shopping literature and the more established traditional shopping channel literature.⁹

**YE Naiyi** (2004) studied “Dimensions of Consumer’s Perceived Risk in Online shopping”. A structure model with seven factors of consumer’s perceived risk in online shopping is developed in this paper. The results have the descriptive power about Chinese consumers’ perceived risk in Internet shopping and provide framework for managerial use in China’s e-commerce market environment. Although the primary purpose of this research was to substantiate electronic commerce theory, some managerial implications both for e-commerce researchers and managers can be derived from the resulting research work.
Firstly, the research draws attention to consumer’s perception of risk in Internet shopping. Some researches focused on the consumer’s intentions to buy through retailer’s web site, but failed to identify the consumer’s perceived risk in online shopping. This research may raise the interests in consumer’s perceived risk about online shopping and motivate managers take account into consumer’s concern when make e-commerce strategies.10

**Yao Chuan Tsai and Jong Chao Yeh** (2010) conducted a study on “Perceived risk of information security and privacy in online shopping: A study of environmentally sustainable products”. The basic objective of this study was to explore website characteristics related to perceived risk of information security and purchase intention. The study revealed that website characteristics positively influence perceived risk of information security and privacy and further, have an impact on purchase intention. This study showed that perceived risk of information security and privacy on a website is strongly related to purchase intention. Website management must therefore be strengthened - first, by upgrading the network security of e-commerce technology, and second, by developing e-commerce security management systems. Moreover, a website platform should be constructed to improve awareness of consumer information security and to ensure a secure environment for online shopping. Finally, it is important to strengthen integrity management in order to enable consumers to securely buy goods online.11

**Yung-Shen Yen** (2011) “How does perceived risks complement switching costs in e-commerce?” Switching costs and perceived risks affect both, but in different ways. This study examines these two well known, often contradicting variables in an integrated frame work and asks: Can perceived risks complement switching costs to give rises to new customer loyalty strategies for e-commerce enterprises? That is, do these two negative forces positively reinforce each other’s effects in some manner? This study investigates 516 online consumers in Taiwan to help answer this question.
The findings of this study reveal that perceived risks associate negatively with customer loyalty, whereas switching costs associate positively with customer loyalty. In addition, perceived risks and switching costs complement each other to influence customer loyalty from acquisition to retention. The reduction of perceived risk is the force working at the customer acquisition phase for the provider, whereas the increment of switching cost works at the customer retention phase against the competition. The primary contributions of the study are the conceptual formulation of a new e-commerce concept, the customer comfort zone, based on the commonality of perceived risks and switching costs in e-commerce, to explain how these two forces complement each other to achieve a life cycle effect on customer loyalty; and its empirical validation. The findings of this study aim to contribute to e-commerce strategies concerning customer acquisition and retention.12

Marcel Gommans, Krish S. Krishnan, & Katrin B. Scheffold (2001) conducted a study on “From Brand Loyalty to E-Loyalty: A Conceptual Framework” The basic aim of this paper is to integrate previous research in the field of brand loyalty to present a conceptual framework of "e-loyalty" and its underlying drivers. Based on the conceptual framework of drivers of e-loyalty presented in this paper, several important future research questions arise. First, there is the need to move from practitioner oriented descriptive research to a more theoretically based model of e-loyalty. Another dimension of research deals with the measurement issues in e-loyalty. Due to the easy availability of a multitude of behavioral measures of e-loyalty (such as the repeat visit rate to websites, the amount of time spent by an individual at a website, etc.), there has been a preoccupation with the use of site visit statistics as a surrogate for brand loyalty. However, as has been suggested in framework, it is important to go beyond just the behavioral dimension of loyalty and also consider the attitudinal and behavioral intent dimensions. 13
Erik Brynjolfsson, Michael D. Smith, Yu (Jeffrey) Hu (2003) studied “Consumer Surplus in the Digital Economy: Estimating the Value of Increased Product Variety at Online Booksellers.” This paper applies and extends existing welfare estimation techniques to measure the consumer welfare gain from the increased product variety made available through electronic markets. The basic aim of this study is to present a framework and empirical estimates that quantify the economic impact of increased product variety made available through electronic markets. While efficiency gains from increased competition significantly enhance consumer surplus, for instance, by leading to lower average selling prices, present research shows that increased product variety made available through electronic markets can be a significantly larger source of consumer surplus gains. One reason for increased product variety on the Internet is the ability of online retailers to catalog, recommend, and provide a large number of products for sale.

Findings indicate that the increased product variety of online bookstores enhanced consumer welfare by $731 million to $1.03 billion in the year 2000, which is between 7 and 10 times as large as the consumer welfare gain from increased competition and lower prices in this market. There may also be large welfare gains in other SKU-intensive consumer goods such as music, movies, consumer electronics, and computer software and hardware.\textsuperscript{14}

Thompson S.H. Teo, Pien Wang and Chang Hong Leong (2004) studied “Understanding online shopping behaviour using a transaction cost economics approach.” Basic aim of this study is the development and empirical testing of a consumer choice model based on transaction cost economics to examine consumer online buying behaviour.

The results show that behavioural uncertainty and asset specificity are positively related to transaction cost whilst convenience and economic utility are negatively related to transaction cost among US consumers and those in China.
Dependability is negatively related to transaction cost among US consumers but not consumers in China. Transaction cost is positively related to willingness to buy online among US consumers and those in China. US consumers perceive less product uncertainty, behavioural uncertainty, asset specificity, dependability, as well as more convenience and economic utility than consumers in China.15

Mohammed T. Nuseir, Nitin Arora, Morad M. A. Al-Masri, and Mazhar Gharaibeh (2010) conducted a study on “Evidence of Online Shopping: A Consumer Perspective” The basic purpose of this study is to analyze factors that are likely to influence consumer decision-making during their online shopping period.

Major findings include: Lack of high quality E-promotion will restrict consumer’s decision to purchase through internet and will not motivate a consumer to follow the purchase decision process from top to bottom. E-pricing has not reached to the perceived value of consumer and creates hurdles in the consumer purchase decision through internet. Online communities such as discussion forums and message boards, have become commonplace. Product review forums, one type of community, provide platforms for consumers to publicize their personal evaluations of product performance. It’s like an electronic word-of-mouth.16

Christy MK Cheung, Gloria WW Chan, Moez Limayem (2005) studied “A Critical Review of Online Consumer Behavior: Empirical Research” this study attempts to provide an exhaustive review of prior theoretical literature and to provide an integrative model of online consumer behavior. The objectives of this study are : (1) to provide a systematic and exhaustive review of online consumer behavior research, (2) to identify important constructs that are specific to the context of online purchasing, (3) to propose an integrated framework that enhances our understanding of the underlying driving factors of online consumer behavior, and (4) to provide directions for future research in this area. This
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.\(^\text{17}\)

**Huang Jen-Hung, Yang Yi-Chun** (2010) conducted a study on “Gender differences in adolescents’ online shopping Motivations” This study was to investigate gender differences in adolescents’ online shopping motivations based on utilitarian and hedonic motivations. Utilitarian motivations consist of convenience, choice, availability of information, lack of sociality, and cost saving, whereas, hedonic motivations comprise adventure, sociality, fashion, value and authority.

Results indicated that male adolescents hold significantly more positive attitudes toward online shopping on utilitarian motivations (for example, convenience, lack of sociality and cost saving) than the female adolescents whereas, female counterparts put more emphasis on hedonic motivations (for example, adventure, sociality, fashion and value) on internet consumption. It suggests that, gender differences really exist in online shopping. These results suggest that, online marketers may work on producing some topics related to hedonic factors when targeting female adolescents, and stressing the functional benefits when targeting male adolescents. These findings enable internet marketers to conduct effective demographic segmentation.\(^\text{18}\)

**Abhinav Srivastava, Amlan Kundu, Shamik Sural, Arun K. Majumdar** (2008) studied “Credit Card Fraud Detection Using Hidden Markov Model” The basic aim of this study was to model the sequence of operations in credit card transaction processing using a Hidden Markov Model (HMM) and show how it can be used for the detection of frauds. An HMM is initially trained with the normal behavior of a cardholder. If an incoming credit card transaction is not accepted by the trained HMM with sufficiently high probability, it is considered to be fraudulent. At the same time, it was ensured that genuine transactions are not rejected.
In this study, an application of HMM in credit card fraud detection is proposed. The different steps in credit card transaction processing are represented as the underlying stochastic process of an HMM. Ranges of transaction amount as the observation symbols are used, whereas the types of item have been considered to be states of the HMM. Researchers have suggested a method for finding the spending profile of cardholders, as well as application of this knowledge in deciding the value of observation symbols and initial estimate of the model parameters. It has also been explained how the HMM can detect whether an incoming transaction is fraudulent or not. Experimental results show the performance and effectiveness of our system and demonstrate the usefulness of learning the spending profile of the cardholders. Comparative studies reveal that the Accuracy of the system is close to 80 percent over a wide variation in the input data. The system is also scalable for handling large volumes of transactions.19

Mark Griffiths, Monica Whitty (2010) studied “Online behavioural tracking in Internet gambling research: Ethical and methodological issues” The basic aim of this study was to examine the actual and real-time behaviour engaged in by gamblers. After examining why the online medium is a good place to conduct research with online gamblers, the paper examines the (i) methodological issues in online gambling research, (ii) behavioural tracking tools in online gambling, (iii) the ethics of online data collection by the gambling industry, (iv) ethical issues in online behavioural tracking research, and (v) implications of online behavioural tracking for problem gambling screening criteria.

This paper has attempted to highlight the basic methodological issues, and (more importantly) ethical issues concerning behavioural tracking as a new methodological tool for social scientists, along with a specific example of how the behavioural tracking technologies may provide important insights into future research into online gambling and problem gambling screening. On the very specific issue of online problem gambling detection, it is suggested that if
problem gambling can be identified online without the use of diagnostic gambling screens, then this may have implications for the development of new problem gambling screening instruments in the future. No longer will screening instruments rely on the many consequences of problem gambling, but may be based on the actual behaviours that problem gamblers engage in while gambling rather than the negative psychosocial consequences that arise from the behaviour.\textsuperscript{20}

\textbf{Chanaka Jayawardhena, Len Tiu Wright, Charles Dennis,} (2007) conducted a study on “Consumer's Online: Intentions, Orientations and Segmentation” This paper examines the purchase intentions of online retail consumers, segmented by their purchase orientation. An e-mail/web survey was addressed to a consumer panel concerning their online shopping experiences and motivations.

This study examined purchase orientations and purchase intention of online shopping consumers. It is empirically shown that consumer purchase orientations have no significant effect on their propensity to shop online. This contradicts the pervasive view that Internet consumers are principally motivated by convenience. It was found that aspects that do have a significant effect on purchase intention are prior purchase and gender. It was shown that consumers can be clustered into five distinct purchase orientations, and be labelled: 1) active shoppers’, 2) price sensitives, 3) discerning shoppers, 4) brand loyals and 5) convenience oriented. These findings are largely consistent with literature in the traditional offline world, which postulates that consumers may be segmented into distinct groups. Moreover, some of these findings add weight to the literature in consumer behaviour in Internet purchases and at the same time offer new insights.

These findings indicate that consumer purchase orientations in both the traditional world and on the Internet are largely similar. Therefore, both academics and businesses are advised to treat the Internet as an extension to
existing traditional activities brought about by advances in technology, i.e. the multi-channel approach. The paper adds to the understanding of the purchase orientations of different clusters of e-consumers.\(^{21}\)

**Wen-Chin Tsao, Hung-Ru Chang** (2010) studied “Exploring the impact of personality traits on online shopping behavior” The purpose of this article is mainly to investigate the impacts of personality traits of e-shoppers on their purchase behavior. A structural equation model is developed to test the causal effects between those constructs.

This study used the big five personality traits as its antecedents to explore their impact on hedonic and utilitarian purchase motivation and the effect of purchase intention on subsequent purchases. The data in this research show that (1) hedonic purchase motivation is positively influenced by three of the big five traits: neuroticism, extraversion, and openness to experience. That is to say that people who are more neurotic, more extroversion, or more open to experience incline to seek out fun, excitement, and enjoyment during online shopping. (2) when consumers have higher degrees of neuroticism, agreeableness, or openness to experience, they tend to be utility-motivated to shop.\(^{22}\)

**Tibert Verhagen, Willemijn van Dolen** (2009) studied “Online purchase intentions: A multi-channel store image perspective” The basic aim is to assess the impact of the overall impression of the offline and online store on consumers’ online purchase intention. Findings suggested that Impressions of both an offline and online store can influence consumer online purchase intentions.

Adoption of a multi-channel store image perspective verified the role of online store image as positive determinant of online purchase intentions and provided evidence for the direct and indirect role of offline store impressions. Online store service did not have a significant effect on online purchase intentions. This might be explained by the fact that CDs are relatively low risk products, implying that
service support is not likely to be needed. The results also indicated that the influence of offline store image on online purchase intentions could be direct as well as indirect. Offline store merchandise was the strongest direct determinant of online purchase intentions in our results, suggesting that consumers see the bricks-and-clicks format as an integrated system. Store atmosphere and layout might not directly affect purchase behavior but result in avoidance behavior when rated poor: a post hoc PLS analysis confirmed the possible effects of store atmosphere and store layout.

Pradeep Korgaonkar, Ronnie Silverblatt, Tulay Girard (2006) studied “Online retailing, product classifications, and consumer preferences” The basic aim was to investigate if consumer online patronage is influenced by product category and online store type. This research study first tests whether consumer online shopping preference differ based on the product type irrespective of online retail store type. Second, the interaction effects of online retail store type and product category on preference for shopping online are also tested. Third, hypotheses testing leads to a discussion to identify what attributes consumers think are important to them when purchasing goods from the prestigious department store e-tailers, discount store e-tailers, and pure plays. The study is a part of ongoing and programmatic efforts to study how different types of products, different types of e-tailers, in different settings and study samples affect patronage.

This study finds that consumer preference to shop online significantly differ based on the product type. Consumer preference to shop online for search products was the highest among the four product categories. Preference to shop online for experience-1 products was significantly higher than experience-2 products and credence products. However, there was not a significant difference in preference between experience-2 and credence products. Consumer preference to shop online is the highest for search products because consumers can easily obtain the product attribute information. The implication from this finding is that e-tailers should increase the amount of relevant product attribute
information for experience-2 and credence products. In addition, by providing third party reviews about products and satisfaction ratings with e-tailers, online retailers can reduce consumer risk perceptions toward e-tailers.\textsuperscript{24}

**Christy M. K. Cheung, Matthew K. O. Lee** (2001) conducted a study on “Trust in Internet Shopping: Instrument Development and Validation through Classical and Modern Approaches” In this paper, a theoretical model is proposed for investigating the nature of trust in the specific context of Internet shopping. In this model, consumers trust in Internet shopping is affected by propensity to trust and two groups of antecedent factors, namely, .trustworthiness of Internet vendors. and external environment. Trust, in turn, reduces consumer’s perceived risk in Internet shopping. As an important step towards the rigorous testing of the model, the necessary measurement instrument has been developed with its reliability and validity empirically tested. The psychometric properties of the measurement instrument have been investigated using both a classical approach (based on Cronbach’s alpha and exploratory factor analysis) and a contemporary approach (based on structural equation modeling techniques), as a way of methods triangulation for validating instrument properties. The resulting instrument represents a rigorously developed and validated instrument for the measurement of various important trust related constructs.\textsuperscript{25}

**Sreedhar Rao Madhavaram, Debra A. Laverie** (2004) studied “Exploring Impulse Purchasing on the Internet” This paper explores the concept of impulse purchasing behavior online. The purpose of this paper is to: (1) review and analyze extant research, and to broaden the concept of impulse buying in order to comprehensively account for impulse purchases over the Internet as well as in traditional retail stores; (2) identify specific unresolved issues that have relevance to the broadened conceptualization of impulse buying; (3) present exploratory research findings on consumers’ descriptions of their impulse buying behavior online; and, (4) discuss conceptual implications and direction for future research.
Findings indicate that almost all of the respondents who made impulse purchases on the Internet, browsed the Internet for both informational and recreational purposes. The impulse purchases of the respondents included products such as CDs, clothing, cosmetics, DVDs, shoes, books, toys, car air filter, computer, computer hardware, amplifiers, golf equipment, life jacket, wet suit, printer, and so on.  

**Ian Michael** (2006) conducted a study on "Motivators for Australian Consumers to Search and Shop Online" This paper investigates the factors that motivate Australian consumers to use the Internet to search and shop for products and services.

The study found that there were six motivating factors that drew consumers to search and shop online for products and services. These factors include: convenience, saving time, cheaper prices along with the ability to compare prices, good place to shop for specialty and hard-to-access products, higher level of consumer control, and the ease of comparing products and services. The ‘convenience’ factor was cited as the main reason by all twenty interviewees, for using the Internet to search and shop for products.

**Kyootai Lee, Kailash Joshi**, (2007) studied "An empirical investigation of customer satisfaction with technology mediated service encounters in the context of online shopping" This paper develops and tests a model of customer satisfaction with technology mediated service encounters The model overarches variables that can influence customer satisfaction in technology mediated service encounters. An empirical analysis identified the relative importance of different factors in online service encounters for customer satisfaction. In the order of importance, these factors were: delivery performance, time saved, website functional properties, internet familiarity, and price saved. Some other factors that were not found to be significant included: website aesthetic properties, risk, customer support, and product variety.
Choon Ling Sia, Kai H. Lim, Kwok Leung, Matthew K. O. Lee, Wayne Wei Huang, Izak Benbasat (2009) studied “Web strategies to promote internet shopping: Is cultural-customization needed?” Basic aim was to take into account the cultural characteristics of prospective customers to increase trust, given that different trust-building web strategies have different cost implications. In this study, focus was on two theoretically grounded practical web strategies of customer endorsement, which evokes unit grouping, and portal affiliation and compared them across two research sites: Australia (individualistic culture) and Hong Kong (collectivistic culture).

The results of the laboratory experiment were conducted on the website of an online bookstore revealed that the impact of peer customer endorsements on trust perceptions was stronger for subjects in Hong Kong than Australia and that portal (Yahoo) affiliation was effective only in the Australian site. A follow-up study was conducted as a conceptual replication and provided additional insights on the effects of customer endorsement versus firm affiliation on trust-building. Together, these findings highlight the need to consider cultural differences when identifying the mix of web strategies to employ in Internet store websites.

Beverly Kracher, Cynthia L. Corritore, Susan Wiedenbeck (2005) studied “A foundation for understanding online trust in electronic commerce” This paper provides an overview of the existing trust literature from the fields of philosophy, psychology, sociology, management, and marketing. This paper begins by showing that the importance of trust in the offline world is duplicated in the online environment of e-commerce. It proceeds to survey offline trust research. Following the review of offline trust research, this paper briefly discusses online trust research in e-commerce. Lastly, topics for future research in online trust in e-commerce are proposed.

Syed Shah Alam, Norjaya Mohd Yasin (2010) studied “What factors influence online brand trust: Evidence from online tickets buyers in Malaysia” This study
examines online brand trust and its influencing factors in the specific context of online air ticket buyers in Malaysia.

According to the findings of the study, security/privacy, word-of-mouth, online experience, quality information and brand reputation appear to have a significant and positive relationship with online brand trust. The study confirmed that word-of-mouth has a significant effect on level of brand trust. The relationship is a positive one which means the more word-of-mouth communications the brand has, the higher the level of brand trust the consumer has. The results are similar to those in the literature and word-of-mouth does indeed prove to be a powerful marketing tool. The study also shows that perceived security/privacy has a significant effect on online brand trust. It is evident that security and privacy have to be vital components of effective commercial Web sites. The findings of the study show that, perceived risk has no direct and significant effect on online brand trust. 31

Jiming Wu, De Liu (2007) studied “The effects of trust and enjoyment on intention to play online games” The basic aim is to investigate the impact of trust and enjoyment on behavioral intention as well as on behavioral attitude. The purpose of this study is to develop and empirically test a theoretical model of the determinants of intention to play online games. The proposed theoretical model integrates trust and enjoyment into the theory of reasoned action (TRA). To adapt TRA to the online gaming context, it is extended with two important constructs: trust and enjoyment.

The current study shows that attitude toward playing online games, online gaming enjoyment, and subjective norms have an impact on intention to play online games. Online gaming enjoyment is the strongest predictor of intention to play. Both trust in online game websites and online gaming enjoyment greatly affect attitude toward playing online games. Again, in predicting attitude toward playing online games, online gaming enjoyment plays a more important role than
trust in online game websites. It is also found that trust in online game websites does not have a direct effect on intention to play but it does have an indirect effect through attitude toward playing online games.\textsuperscript{32}

**Dr. Suresh A. M., Shashikala R.** (2011) studied “Identifying Factors of consumer Perceived Risk towards Online Shopping in India” This paper attempts to investigate the factors influencing customer perceived risk of online shopping in Indian context.

Reliability coefficient for the scale was satisfactory and factor analysis generated 6 major factors: Monetary, Performance, Time, Source, Social, and Psychological. Monetary and performance risks have highest mean scores and social and psychological risks being the lowest. Further T test confirmed that all of these factors had significant impact.\textsuperscript{33}

**Regina Connolly** (2007) studied “The Influence of Technical Skill on Consumer Trust in On-Line Shopping in Ireland” In this study, a previously validated trust measurement instrument was applied in order to investigate the existence and importance of specific factors that are thought to predict the generation of consumer trust in internet shopping in Ireland. The degree to which consumers’ level of technical skill influences their perception of these factors and thus shapes their trust response was also examined. The results provide a refined understanding of the predictors and moderators of trust in an electronic purchase environment and thus make a valuable contribution not only to information systems research but also to the overall body of marketing, trust, and diffusion research.

The first objective of this research is to examine the antecedents of trusting in on-line shopping (such as perceptions of vendor trustworthiness). A second objective is to examine whether patterns of trust behaviour exhibited by people working in the information and communications technology (ICT) industry are
different from those of their peers who, though business and computer literate, are working in non-ICT-specific jobs. The factor analysis results indicated a strong association between certain items and constructs other than had been indicated in the original measurement instrument. The results show that respondents with highly technical backgrounds differ from those with non-technical backgrounds in terms of the factors that influence their trust in on-line shopping.\textsuperscript{34}

\textbf{Matthew K. O. Lee and Efraim Turban} 2001 conducted a study on “A Trust Model for Consumer Internet Shopping” This paper describes a theoretical model for investigating the four main antecedent influences on consumer trust in Internet shopping, a major form of business-to-consumer e-commerce: trustworthiness of the Internet merchant, trustworthiness of the Internet as a shopping medium, infrastructural (contextual) factors (e.g., security, third-party certification), and other factors (e.g., company size, demographic variables). The findings indicate that merchant integrity is a major positive determinant of consumer trust in Internet shopping, and that its effect is moderated by the individual consumer’s trust propensity.\textsuperscript{35}

\textbf{Hans van der Heijden, Tibert Verhagen, Marcel Creemers} (2003) conducted a study on “Understanding online purchase intentions: contributions from technology and trust perspectives” The research objective of this paper is to explore the factors that influence online purchase intentions in consumer markets.

The result of this research suggests that perceived risk and perceived ease-of-use are antecedents of attitude towards online purchasing. The effect of perceived risk was strongly negative in both cases, and the effect of perceived ease-of-use was positive in one case. The data did not support a positive effect from trust in the online store and from the perceived usefulness of the website. Trust in store appears to be indirectly related to a positive attitude through its direct negative effect of perceived risk.\textsuperscript{36}
Ankur Kumar Rastogi (2009) studied “Online Shopping: A Modern Approach of Buying” Research paper gave insights into theoretical perspective of online buying. It stated that Online Shopping in India is in its growing stages. However, more and more people are gaining confidence about purchasing products online. Online shopping is an easy and comfortable way of shopping for a large range of products. There are innumerable advantages of online shopping. You save a lot of time which you normally need to personally go to the retail shop and buy the products which you want. Initially, the customer base for online shopping activities was the rich class with a lot of purchasing capacity. However, now, with the passage of time, more and more people are going to prefer to make purchases online, thus getting a massive change in the online shopping trends. Online shopping allows people with a broad range of products in different categories. It also gives a chance to compare the same product with the others and also shows the best deal. In addition the transportation is also easy and additionally some websites also offer free shipping to other countries. Once an item is purchased we can easily know the current status and location of the item before it reaches us.37

Huan-Ming Chuang, Chwei-Jen Fan (2011) studied “The mediating role of trust in the relationship between e-retailer quality and customer intention of online shopping” The basic objective of this study was to explore the role of trust in the relationship between e-retailer quality and customer’s intention to shop online.

Results showed that trust played a critical mediating role between e-retailer quality and customer intention to shop online. Both system quality and service quality positively affected trust of e-retailer directly, and indirectly affected customer intention of online shopping. A high quality operation can only arise from a system that promotes quality processes at all times in all transaction activities. As a proxy, the web system quality enhances the feeling that customers associate with these activities. When designing a retailer web site,
system response time, ease of navigation, reliability, and the quality of the layout of the interface are credibility factors that can present the competence and expertise of the online store, and this in turn leads to the building of trust. However, information quality revealed non-significant impact neither on trust perception of participants nor on their intention to shop online.  

Julia B. Edwards, Alan C. McKinnon and Sharon L. Cullinane (2009) conducted a study on “Comparative analysis of the carbon footprints of conventional and online retailing” The purpose of this paper is to focus on the carbon intensity of “last mile” deliveries (i.e. deliveries of goods from local depots to the home) and personal shopping trips.

Overall, the research suggests that, while neither home delivery nor conventional shopping has an absolute CO2 advantage, on average, the home delivery operation is likely to generate less CO2 than the typical shopping trip. Nevertheless, CO2 emissions per item for intensive/infrequent shopping trips by bus could match online shopping/home delivery. The number of items purchased per shopping trip, the choice of travel mode and the willingness to combine shopping with other activities and to group purchases into as few shopping trips or online transactions as possible are shown to be critical factors. Online retailers and home delivery companies could also apply measures (e.g. maximising drop densities and increasing the use of electric vehicles) to enhance the CO2 efficiency of their logistical operations and gain a clearer environmental advantage. The paper offers insights into the carbon footprints of conventional and online retailing from a “last mile” perspective.

Muhammad Sabbir Rahman, Md. Mahmudul Haque, Mohammad Bariul Karim Khan (2011) studied “The Influence of Privacy, Trust towards Online Social Network: An Exploratory Study on Bangladeshi Customers Perception” The purpose of this study is to investigate the influence of privacy, trust towards
user’s perception of online social network in Bangladesh. The other purpose is to empirically test the hypothesized relationship of the research framework.

The results of the statistical analysis reflected that most of the online social network user’s in Bangladesh especially in Dhaka city are highly concerned about trust factor followed by privacy factor. However in choosing any online social network like Facebook, Myspace etc always influence by the level of trust and privacy of that particular online social network. This study contributes to the literature by formulating and validating privacy and trust issue to predict user’s perception of using online social network. This will provides useful information for both domestic and international online social network developers.\textsuperscript{40}

H. Rezaei Dolatabadi, H. Ebrahimi (2010) studied “Factors Influencing Iranian Consumers’ Trust in Internet Shopping” This study examines consumers’ perceptions of the Internet merchant, general perceptions of privacy and security of the Web, perceptions of the risks and benefits of online shopping in the Iran, and how these perceptions affect Iranian consumers’ trust in Internet shopping. It also examined the effect of individual characteristics on consumers’ decision to buy online and the factors that predict trust in online shopping.

The results show that the perceived risks have the strongest predictive value in terms of the formation of Iranian consumers’ trust in online shopping. Similarly, perceived security protection and perceived reputation are also important predictors of Iranian consumer trust in internet shopping. Propensity to trust have a moderating effect on the relationship between trust in Internet shopping and the respondents’ perceptions of the antecedents to trust. The findings of this research are of potential benefit to online vendors of all types who seek to engender consumer trust in their web sites.\textsuperscript{41}

Abdul Naveed Tariq, Badr Eddaoudi (2009) conducted a study on “Assessing the impact of trust and security factors on consumers’ willingness for online
shopping among the urban Moroccans.” This study attempts to examine the customers’ willingness to shop online by taking into account demographic factors as well as trust and security-related factors. A logistics regression analysis was demonstrated and the findings indicate that the customers’ willingness to shop online is explained by age, trust, security, awareness and piracy factors. The findings of the study also indicates that majority of the respondents intend to shop online. The research outcomes are undoubtedly useful for both the government and online vendors for better understanding online shoppers. The study also facilitates policy-makers to set and develop a better online shopping infrastructure with the technological competitive advantage for both online vendors and consumers.42

Sunanda Sangran, Judy A. Siguaw, Chong Guan (2009) studied “A Comparative Study of Motivational Differences for Online Shopping” In this study, motives to purchase in an electronic environment in the context of two countries are studied. Two data sets of 538 respondents (304 in Singapore and 279 in China) were collected. Respondents from the two countries, Singapore and China, were asked to express motivations and satisfaction on 17 items, enabling direct comparison between the two samples.

Findings indicate that female buyers display significantly higher motives for the following items compared to male buyers: (1) More likely to shop on security-enhanced online stores, (2) more influenced by opinions from fellow online shoppers in their purchase decisions, (3) more likely to make purchases on more interactive websites, (4) more likely to shop online to pass the time, to relax, and to forget their daily cares and (5) more likely to use online to get away from the stress of interaction. On the other hand, male buyers display significantly higher motives for the following items: (1) Shop online because of the reliable information they can obtain from online stores, (2) find online shopping more enjoyable than women, (3) serve as an influence on the online purchases of others, (4) feel a sense of belonging when making purchases from the same
online store as their friends, (5) identify with people with similar interest when shopping online, (6) enjoy knowing people while shopping online, and (7) acquire a sense of fulfillment from their online shopping experience.\textsuperscript{43}

\textbf{Joseph Alba, John Lynch, Barton Weitz, Chris Janiszewski, Richard Lutz, Alan Sawyer and Stacy Wood} (1997) studied "Interactive Home Shopping: Consumer, Retailer, and Manufacturer Incentives to Participate in Electronic Marketplaces" The authors examine the implications of electronic shopping for consumers, retailers, and manufacturers. They assume that near-term technological developments will offer consumers unparalleled opportunities to locate and compare product offerings. They examine these advantages as a function of typical consumer goals and the types of products and services being sought and offer conclusions regarding consumer incentives and disincentives to purchase through interactive home shopping vis-à-vis traditional retail formats. The authors discuss implications for industry structure as they pertain to competition among retailers, competition among manufacturers, and retailer-manufacturer relationships.\textsuperscript{44}

\textbf{Patrick Butler, Joe Peppard} (1998) studied "Consumer purchasing on the Internet: Processes and prospects" This paper gives theoretical insights into internet shopping. It states much of the business transacted over the Internet today is in the business-to-business sphere. Outside of specialized niche areas like information technology and other information-based products, business-to-consumers commerce is relatively undeveloped. One principle that holds true in the marketspace is that before cyber-marketers can effectively respond to consumer demand, they must understand consumer behaviour. Internet marketers should revisit traditional models of consumer behaviour, examine their underlying assumptions, and explore their validity in the new Internet context. A standard model of the consumer buying behaviour processes is applied to purchasing situations on the Internet, with a view to comparing traditional marketplace transactions with the emerging virtual marketspace.
Understanding consumer behaviour in Internet purchasing remains the marketing management imperative.\textsuperscript{45}

\textbf{Dholakia, U.M. and Rego, L.L} (1998) studied “What makes commercial web pages popular: An empirical study of online shopping” There are two main objectives of the paper. First, in a systematic and statistically rigorous manner, authors attempt to descriptively document the types and nature of marketing information on commercial home-pages, with a view to identifying the major objectives of contemporary commercial Web sites that pre-dominate the Web. Using Resnik and Stern’s “information content” paradigm, authors evaluate the informativeness of commercial home pages. Second, authors attempt to empirically examine various important factors of commercial home-pages that lead to increased visits, or hit-rates. The identification of hit-rate determinants is likely to be of great value, both to Web page designers and to the many small and large firms seeking to establish their presence on the Web.\textsuperscript{46}

\textbf{John Eighmey} (1997) conducted a study on “Profiling user responses to commercial websites" This study describes a method of examining user perceptions of commercial web sites on the World Wide Web. It explains the rationale and approach of the method and presents results from a pilot study and a field application. The results of both studies show how user perceptions are revealing of the strengths and weaknesses of commercial web sites as a means of providing consumers with information about companies and their products.\textsuperscript{47}

\textbf{Marios Koufaris, Ajit Kambil, Priscilla Ann LaBarbera} (2001) studied “Consumer Behavior in Web-Based Commerce: An Empirical Study” Electronic commerce challenges companies to design electronic systems and interactions that retain customers and increase sales. The basic objective of this study to examine the impact of consumer experience and attitudes on intention to return and unplanned purchases on-line. It also examines how certain consumer and Web site factors influence the on-line consumer experience. The study finds that
perceived control and shopping enjoyment can increase the intention of new Web customers to return, but seemingly do not influence repeat customers to return. It also finds that a Web store that utilizes value-added search mechanisms and presents a positively challenging experience can increase customers' shopping enjoyment. Further, the more often customers return to a Web store, the more their shopping enjoyment is determined by their product involvement. Customers with low need specificity (i.e., who do not know what they are looking for) are more likely to use value-added search mechanisms. Finally, neither perceived control nor shopping enjoyment has any significant impact on unplanned purchases. \textsuperscript{48}

**Gaps in Previous Studies/Research**

The survey of literature reveals that majority of the research in this area has been conducted in foreign countries and that there is an urgent need to undertake a systematic study of risk perceptions in internet shopping in India with special reference to Gujarat to understand whether e-trust matters or not and what are the risk perceptions in internet shopping. Perusal of the previous relevant studies and researches revealed the following gaps:

(a) Few kinds of researches have been done and most of the studies have mainly concentrated on trust and risk independently. There have been hardly any studies which take into account perceived risk and trust in internet shopping.

(b) Prior research have been done in foreign context and on detailed search, the researchers have not found any substantial literature available in the Indian context delving on risk perceptions and trust in internet shopping.

(c) Most of the studies conducted so far focus on analyzing perceived risk in foreign countries. Moreover, in this study a decision to go further that is
analyzing buying behavior of internet shoppers, their preference for internet shopping, in what product categories people intend to spend more and their reasons for reluctance to internet shopping has been studied.

(d) Previous investigations were mainly conducted in the big and metropolitan cities. The people of Gujarat state have differing risk perceptions regarding the use of internet shopping. So their buying behavior and reasons may be different from those of metropolitan residents. Under this context, there exists a need to study risk perceptions in internet shopping in the state of Gujarat.
References:


20 Mark Griffiths, Monica Whitty, (2010) “Online behavioural tracking in Internet gambling research: Ethical and methodological issues”, International Journal of Internet Research Ethics, Volume 3


Sunanda Sangran, Judy A. Siguaw, Chong Guan, (2009) “A Comparative Study of Motivational Differences for Online Shopping”, The Data Base for Advances in Information Systems, Volume 40, Number 4


