CHAPTER – 6
SUMMARY FINDINGS & SUGGESTIONS

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Like a voyager, who after finishing his voyage, reaches to destination and glances back to see the distance that he has covered for identifying the important landmarks he came across. This chapter shows the study of important aspects and summing up of the key observations is presented in this chapter.

Online shopping is the buzz, the sensation in the current scenario. The Internet has made a new generation of consumers who like to shop online. Getting anything by a click of the mouse right from fashion accessories to jewellery, apparel, electronic items, crockery, home appliances, personal care products, and more has led to the popularity of the 'online shopping mall' phenomenon. It is the easiest and fastest way of shopping. At an online shopping mall, one can catch a glimpse of new product releases, combo deals, packages, discount offers, seasonal products, etc. and accordingly grab the best deal. Time is not the constraint; one can shop anytime - the facility is available round the clock. Besides saving our time of visiting an offline store and staying away from the hassles involved, one can gain an additional advantage, i.e., saving a lot on the money factor.

However, internet shopping is not without risks. Customers perceive it to be risky and hesitate to shop online. It implies such customers even do not have trust on internet merchants and internet shopping. Those customers who shop online also feel that there are perceived risks associated with internet shopping. We can say customers have now become aware about term internet shopping, however there are more people who still prefer shopping in stores then online. Through this study, whether trust matters or not in internet shopping and risk perception of internet shopping in selected cities of Gujarat is studied and the important findings of the study are presented below:

**6.1 Major findings of buying behavior of Internet Shoppers:**
- 26.7% of the respondents shop according to the need while 56.7% of the respondents never shop online
41.5% of the respondents under the age group of 20-29 shop online while only 2.3% of the respondents under the age group of 15-19 shop online.

41.5% of respondents under service profession shop online while 0.8% (i.e. 1) respondent who is housewife shop online.

77.7% of the respondents who shop online are male and 22.3% of the respondents are female.

51.5% of the respondents who shop online are post graduates while only 5.4% of them are SSC or below qualification.

46.9% of respondents who shop online fall in the income group of 20,000 to 40,000 monthly income while only 8% of respondents fall in the income group of 80,000 to 100,000.

64.6% of respondents who shop online are married while only 35.4% of respondents are single.

51.5% of the respondents who shop online live in joint family while 48.5% of the respondents live in nuclear family.

61.5% of the respondents use search engines (like google, etc.), while only 3.8% of the respondents prefer Blogs and 10% of the respondents use product catalogue as sources to gather information about various products online.

63.8% of the respondents prefer cash on delivery while only 6.9% of the respondents prefer to use net banking as a payment mode in internet shopping.

33.8% of the respondents has given 1st preferred rank in buying electronic goods through internet shopping, 32.3% of the respondents have given 2nd rank to airline reservation/railway ticket booking online and 18.5% of the
respondents have given 3rd rank to buying of apparels online. This shows that electronic items, air or rail tickets and apparels are the most frequently bought products online

6.2 Major findings of customer’s preference towards Internet Shopping

- The research shows systematic association between Age and Convenience, Offers/Discounted prices, No need to deal with sales people, Known or famous brand name and Ease of product return and money refund.

- The research shows a systematic association between Profession and Offers/Discounted prices, Can find products that are not available in the stores, No need to deal with sales people and Ease of product return and money refund

- The research shows a systematic association between Gender and Assurance of on-time delivery

- The research shows systematic association between Qualification and Convenience Can find products that are not available in the stores and Ease of product return and money refund

- The research is not showing systematic association between Monthly Income and Customer preference towards internet shopping. This means that preference for internet shopping is same among all monthly-income groups.

- The research is showing a systematic association between Marital Status and Ease of comparison, Offers/Discounted prices, No need to deal with sales people and Ease of product return and money refund
The research is not showing any systematic association between Family Type and Customer preference towards internet shopping. This means that preference for internet shopping is same among joint family and nuclear family.

Result of Factor analysis reveals certain broad dimensions for preference of internet shopping which includes factor 1 experimental uniqueness, factor 2 customer service and factor 3 convenience. Factor 1 Experimental Uniqueness contained four attributes explained 24.898% of variance in the data, with the Eigen value of 2.490 and reliability of 74%. The attributes associated with this factor dealt with Inclination towards trying something new, Can find products that are not available in the stores, No need to deal with sales people, and Known or famous brand name. Factor 2 Customer Service accounted for 17.917% variance in the data with Eigen value 1.792 and reliability of 70.20%. This factor loaded with Ease of comparison, Offers/Discounted prices, Assurance of on-time delivery, and Ease of product return and money refund. Factor 3 Convenience loaded with two attributes. This factor accounted for 12.734% of the variance, with an Eigen value of 1.273 and reliability of 78%. These attributes were Convenience and Ease of finding products.

6.3 Major findings of customer’s perception about risk in Internet Shopping.

The research is showing systematic association between Age and No possibility for "touch, feel or see" actual product to assess quality, Suffering from backache problem due to long online shopping hours, Fear of misuse of credit card, Doubt about the performance of the product or brand as expected, Fear of experiencing unnecessary tension due to shopping online, Worry that friends would think that I am trying to show off
by purchasing online and Uncomfortable feeling on thought of purchasing online

➢ The research is showing systematic association between Profession and Fear of on time delivery after payment, Doubt about the performance of the product or brand as expected and Fear that the delivered products would not match those described on the Website

➢ The research shows systematic association between Gender and Suffering from backache problem due to long online shopping hours and Uncomfortable feeling on thought of purchasing online

➢ The research shows systematic association between Qualification and Doubt about the performance of the product or brand as expected, Fear of personal information being sold or rented without consent, Fear of choosing poor product/service, Worry that friends would think that I am trying to show off by purchasing online and Bodily discomfort due to poor fitting while purchasing apparels

➢ The research is showing systematic association between Monthly Income and Doubt about the performance of the product or brand as expected, Fear of personal information being sold or rented without consent, Fear of choosing poor product/service, Worry that friends would think that I am trying to show off by purchasing online and Bodily discomfort due to poor fitting while purchasing apparels

➢ The research shows systematic association between Marital Status and Fear of misuse of credit card, Fear of on time delivery after payment, Doubt about the performance of the product or brand as expected, Fear of choosing poor product/service and Uncomfortable feeling on thought of purchasing online
The research is showing systematic association between Family Type and Fear of misuse of credit card.

Result of Factor analysis reveals certain broad dimensions for customer’s perception about risk in internet shopping which shows five factors. **Factor 1 Perceived Time Loss and Functional Risk** contained four attributes explained 24.836% of variance in the data, with the eigenvalue of 3.477 and reliability of 74%. The attributes associated with this factor dealt with Fear of on time delivery after payment, Fear that the delivered products would not match those described on the Website, Fear of choosing poor product/service and Bodily discomfort due to poor fitting while purchasing apparels. **Factor 2 Perceived Risk of Performance and Privacy Risk** accounted for 12.314% variance in the data with eigenvalue 1.724 and reliability of 70.20%. This factor loaded with No possibility for "touch, feel or see" actual product to assess quality, Doubt about the performance of the product or brand as expected and Fear of personal information being sold or rented without consent. **Factor 3 Perceived Psychological Risk** loaded with four attributes. This factor accounted for 9.301% of the variance, with an eigenvalue of 1.302 and reliability of 78%. These attributes were Worry that friends would think that I am trying to show off by purchasing online, and Uncomfortable feeling on thought of purchasing online. **Factor 4 Perceived Physical Risk** contained five attributes that referred interpersonal relationship. This factor explained 8.477% of variance with an eigenvalue of 1.187 and reliability of 82%. These attributes were suffering from backache problem due to long online shopping hours and Fear of developing eyestrain problem. **Factor 5 Perceived Social Risk** consists of only one variable i.e., Fear of social isolation and losing social contacts and it explains 7.268% of variance with an eigenvalue of 1.018.
6.4 Major findings regarding Trust Respondents have on Online merchants/Internet Shopping

- The research shows systematic association between Age and I am never overcharged by Internet merchants during sales transactions, If there is any problem with my transaction Internet merchants will go out of their way to help me, Internet merchants always keep promises and commitments, I feel that Internet merchants are likely to care for my welfare and Internet merchants act sincere in their dealings.

- The research shows systematic association between Profession and If there is any problem with my transaction Internet merchants will go out of their way to help me, Internet merchants always keep promises and commitments, I feel that Internet merchants are likely to care for my welfare and Internet merchants act sincere in their dealings.

- The research shows systematic association between Gender and If there is any problem with my transaction Internet merchants will go out of their way to help me, Internet merchants always keep promises and commitments, I feel that Internet merchants are likely to care for my welfare and Internet merchants act sincere in their dealings.

- The research does not show any systematic association between Qualification and Trust in Internet shopping.

- The research shows systematic association between Monthly Income and Internet merchants have sufficient expertise and resources to do business on the Internet.

- The research shows systematic association between Marital Status and I am never overcharged by Internet merchants during sales transactions, If
there is any problem with my transaction, Internet merchants will go out of their way to help me, Internet merchants always keep promises and commitments, I feel that Internet merchants are likely to care for my welfare and Internet merchants act sincere in their dealings

- The research does not show any systematic association between Family Type and Trust in internet shopping

- Result of Factor analysis reveals two factors for measuring trust respondents have on online merchants/internet shopping. **Factor 1 Initial Trust** measures the variables I am never overcharged by Internet merchants during sales transactions, If there is any problem with my transaction internet merchants will go out of their way to help me, Internet merchants always keep promises and commitments, I feel that Internet merchants are likely to care for my welfare and Internet merchants act sincere in their dealings have loading of 0.634, 0.612, 0.816, 0.683, and 0.780 on factor 1. This suggests that factor 1 is a combination of these five attributes explained 35.620% of variance in the data with the eigen value of 2.850 and reliability of 74%. **Factor 2 Perceived Reputation** accounted for 17.078% variance in the data with eigen value 1.366 and reliability of 70.20%. This factor loaded with Most Internet merchants have a good reputation, In general I cannot rely on Internet vendors to keep the promises that they make and Internet merchants have sufficient expertise and resources to do business on the Internet have a loading of 0.599, 0.632, and 0.701 respectively.

6.5 **Major findings regarding reasons for reluctance to internet shopping**

- The research shows systematic association between Age and I am worried about giving out my credit card number, I don't have a credit card,
I don't like providing personal information and I don't know but I am uncomfortable about purchasing through Internet

➤ The research shows systematic association between Profession and I am worried about giving out my credit card number, I don't have a credit card, I don't like providing personal information and I don't know but I am uncomfortable about purchasing through Internet

➤ The research shows systematic association between Gender and I am worried about giving out my credit card number, I don't like providing personal information and I don't know but I am uncomfortable about purchasing through Internet

➤ The research shows systematic association between Qualification and I don't know but I am uncomfortable about purchasing through Internet

➤ The research shows systematic association between Monthly Income and I don't have a credit card

➤ The research shows systematic association between Marital Status and I am worried about giving out my credit card number, I don't have a credit card and I don't like providing personal information.

➤ The research shows systematic association between Family Type and I am worried about giving out my credit card number
6.6 Conclusion

In conclusion, having access to online shopping has truly revolutionized and influenced our society as a whole. This use of technology has opened new doors and opportunities that enable for a more convenient lifestyle today. Factor analysis results reveal that Experimental Uniqueness, Customer Service and Convenience tend to be three significant dimensions as to why customers prefer internet shopping. Electronic goods and Airline or Railway ticket reservation tend to be the most sought after products bought online. Online shopping is a different experience and one can make the shopping creative over the internet as one gets used to it. There can be a lot of apprehensions about online shopping when one gets in to it for the first time. As people experience more and more of it, those apprehensions get disappeared slowly.

The internet has become a major resource in modern business, thus internet shopping has gained significance not only from the entrepreneur's but also from the customer's point of view. For the entrepreneur, internet shopping generates new business opportunities and for the customer, it makes comparative shopping possible. In turn, exposure to innovative online services and opportunities has brought about lasting changes for professionals and families as well. In all likelihood, these changes will probably intensify as the internet increasingly influences our way of life. As such, because of its experimental uniqueness, online shopping will probably increase to the point that it could easily be the principal purchasing tool of the future for most families.

In Nutshell, Online shopping has come to stay but it is not a threat to traditional shopping because many consumers still value some of its features like quality of customer service, the experience of trying and buying products, how products are displayed and so on. However, we can say that most of the respondents are aware about internet shopping but not shopping online as they enjoy going out for shopping and they don’t like providing personal information. Moreover, Factor analysis reveals that customers perceive Time-loss and Functional risk, Risk of
Performance & Privacy, Psychological risk, Physical risk and Social risk in doing internet shopping. Initial level of trust of customers matter a lot in influencing internet shopping which depends upon perceived reputation of internet merchants.

It is also important for all of us to understand how to shop online safely and wisely. This research study has helped in understanding how many people are buying products and services through online shopping, what is their buying behavior, whether they are placing trust in internet shopping and what is their perception about risk in internet shopping. This research study has given me a precise knowledge about buying behavior of internet shoppers, preferences towards internet shopping, risk perception and reasons for not shopping online.

6.7 Suggestions
Suggestions for building trust:

The question of trust is more important in internet shopping that in off-line trade. This is because the cultivation of trust is particularly important when uncertainty and risk are inherent and contracts and warranties are often absent. This makes shopping on the Internet inherently risky from the viewpoint of security. Because of the importance of trust in internet shopping, initial trust in Internet vendors is a major factor influencing the growth of e-commerce. In the light of above discussion, here are some suggestions for building trust towards online shopping websites/internet merchant in the form of trust-building strategies:
Suggestions for shopping safely online:

There’s every reason in the world to shop online. The bargains are there. The selection is mind-boggling. The shopping is secure. Shipping is fast. Shopping has never been so easier or more convenient for consumers. However, use of phishing attacks and sites with malware is increasing at an alarming rate. While somewhat alarming, these stats should not keep people from shopping online. One simply need some common sense and practical advice. Here are some suitable precautions or suggestions to customers regarding how to shop safely online. Follow these basic guidelines and shop online safe with confidence.
1. Use Familiar Websites

Start at a trusted site (for example flipcart.com, myntra, etc.) rather than shopping with a search engine. Search results can be arranged to guide lost people, especially when they drift past the first few pages of links. If people know the site, chances are it’s less likely you being cheated. Beware of misspellings or sites using a different top-level domain (.net instead of .com, for example)—those are the oldest tricks in the book. Yes, the sales on these sites might look attractive, but that’s how they trick people into giving up their info.

2. Look for the Lock

Never ever buy anything online using credit card from a site that doesn't have SSL (secure sockets layer) encryption installed—at the very least. People will know if the site has SSL because the URL for the site will start with HTTPS:// (instead of just HTTP://). An icon of a locked padlock will appear, typically in the status bar at the bottom of web browser, or right next to the URL in the address bar. It depends on browser. Never, ever give anyone credit card information over email.

3. Don't Tell All

No online shopping store needs social security number or your internet banking password or birthday to do business. However, if crooks get them, combined with your credit card number for purchases, they can do a lot of damage. The more they know, the easier it is to steal your identity. When possible, refuse giving up the least amount of information.
4. Check Statements

Don’t wait for bill to come at the end of the month. Go online regularly during the holiday season and look at electronic statements for credit card, debit card, and checking accounts. Make sure there are no fraudulent charges, even originating from sites like PayPal. (After all, there’s more than one way to get money.) If one sees something wrong, pick up the phone to address the matter quickly. In the case of credit cards, bill should be paid only once you know your charges are accurate. One has 30 days to notify the bank or card issuer of problems, however; after that, people might be liable for the charges anyway.

5. Use Strong Passwords

Make sure to utilize uncrackable passwords, but it’s never more important than when banking and shopping online. Tips for creating a unique password can come in handy during a time of year when shopping around probably means creating new accounts on all sorts of e-commerce sites.

6. Think Mobile

Usually adults will use their mobile devices to do comparison shopping before making a purchase. There’s no real need to be any more nervous about shopping on a mobile device than online. The trick is to use apps provided directly by the retailers, like Amazon, etc. Use the apps to find what you want and then make the purchase directly, without going to the store or the website.
7. Avoid Public Terminals

It’s a bad idea to use a public computer to make purchases. However, if people do, just remember to log out every time using a public terminal, even if you were just checking email.

8. Privatize Your Wi-Fi

If one decides to go out with the laptop to shop, use a Wi-Fi connection and only use the wireless if you access the Web over a virtual private network (VPN) connection.

9. Inoculate Your PC

Online frauds don't just happen waiting for people to give them data; sometimes they give a little something extra to help things along. In that case, people need to protect against malware with regular updates to anti-virus program.

6.8 Implications

This study has both practical and theoretical value. It provides increased insight into the buying behavior of internet shoppers, dimensions of customer preference towards internet shopping, perception of customers about risks involved in internet shopping and understanding of how trust matters in internet shopping. Moreover, this research has also helped in analyzing reasons of customers for not shopping online. By providing more refined understanding of these things, it makes useful contribution not only to the IS research, but to the overall body of marketing, trust, perceived risk and diffusion research. This study takes into account perceived risk as well as trust in internet shopping which has been missing in much research to-date as most of the studies have focused on either
trust or perceived risk independently, however in this research trust as well as perceived risk both have been taken into consideration. It builds on conceptualizations of trust as well as perceived risk accepted by researchers and applied a validated measurement instrument that has previously been used by a trust as well as perceived risk researcher in another country and increases our knowledge of the factors that measure perceived risk and predict the online consumer’s trust response.

Certain 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. This research may raise the interests in consumer’s perceived risk about online shopping and motivate managers to take into account consumer’s concern when make e-commerce strategies. Perceived risk can be used as overall factor to explain the risk perception and risk deduction strategy used by consumers. Because outcomes of an exchange are uncertain, consumers desire to reduce their risk in purchasing. The dimensions of perceived risk developed in this research can be provided to managers when they design their e-commerce strategies to satisfy the consumer’s risk reduction need.

For measuring consumer’s perceived risk in online shopping, this research has helped in finding out five factors as dimensions of the consumer’s perceived risk in Gujarat’s (India’s) Internet shopping context. The factor one is time-loss and functional risk, factor 2 is risk of performance & privacy, factor 3 is psychological risk, factor 4 is physical risk and factor 5 is social risk. Results suggest that time-loss and functional risk is the major type of risk consumers perceive in online shopping context. Time-loss and Functional risk measures the amount of time lost due to late delivery, exchange , technological difficulty ( slow web site server) along with the chances of the item failing to meet the performance requirements originally intended of the purchase.
From a managerial standpoint, identifying consumer risks is important and how to reduce these risks is of greater importance. Five dimensions of consumer perceived risk were identified having significant impact on online shopping. Performance and functional risks can be minimized by designing websites effectively to offer experiential value by reducing impersonal nature of Internet shopping through virtual characters called avatars. Time related concerns are reduced by providing effective logistic solutions. Privacy risks can be minimized by addressing security issues. Psychological risks can be reduced by building consumer trust. Physical risks can be reduced by helping customers to follow proper protocol while shopping online. Social risks can be minimized by increasing word-of-mouth communication and building reputation of internet merchants.

Secondly, this research highlights experimental uniqueness which refers to fun or novelty in shopping online and identifies that as a major factor why customers prefer internet shopping. However, findings reveal that most of the respondents are still aware about internet shopping but not shopping online as they enjoy going out for shopping and they don't like providing personal information. Research suggests that Initial trust is necessary which depends upon perceived reputation of the internet merchants for influencing internet shopping. As per this research, customers involved in internet shopping place at least some amount of trust in internet shopping which helps in reducing their perceived risk. Hence, e-marketing managers should pay close attention to the reliability, credibility, and trustworthiness of their websites. They must provide credible information and always keep promises.

Overall, this research draws attention to consumer's perception of risk and trust in Internet shopping and provides the specifications about the dimensions of Gujarat’s (India’s) consumer’s preserved risk and trust in the online context. It may motivate managers to take into account consumer’s concern and provide
more chances for managers to use these findings for their managerial practice in an e-commerce market environment

6.9 Future Research

Chi square analysis reveals systematic association and Factor analysis helps in identifying the underlying factors. An appealing study could also be which helps in determining how much variable is significant. Future research should concentrate on performing Multiple Regression analysis which will help in finding out how much variable is significant. It will also help in determining the relationships between variables.