### CHAPTER 3: RESEARCH FRAMEWORK AND DEVELOPMENT OF HYPOTHESES

<table>
<thead>
<tr>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Introduction</td>
</tr>
<tr>
<td>3.2 Young Consumers</td>
</tr>
<tr>
<td>3.3 Online Consumer Behaviour Models</td>
</tr>
<tr>
<td>3.4 Proposed Research Model</td>
</tr>
<tr>
<td>3.5 Demographics</td>
</tr>
<tr>
<td>3.6 Summary of the Chapter</td>
</tr>
</tbody>
</table>
CHAPTER 3: RESEARCH FRAMEWORK AND DEVELOPMENT OF HYPOTHESES

3.1 Introduction

Online consumer behaviour has been one of the most researched topics in the field of e-commerce (Ahmad et al., 2016; Ahmad and Khan, 2015; Chen, 2009). Online consumers have been found to be different from the offline consumers who are free to touch and feel the products (Ahmad and Khan, 2015; Chen, 2009). Researchers from various disciplines (marketing, information systems, and psychology) have explored the online consumer behaviour (Ahmad and Khan, 2015; Chen 2009; Zhou et al, 2007; Pavlou, 2006; Cheung, Chan and Limayem, 2005; Koufaris, 2002). The behaviour of the consumers towards a product and service changes with the passage of time as the perceptions keep on changing with experience of last purchase (Yu, Wu, Chiao and Tai, 2005). Different motivational factors have been considered by different researchers to explain the online buyer behaviour (Ahmad and Khan, 2015).

For a website, the kind of information and enjoyment it provides to the users has been found to be determining factors in assessing the websites (Aghekyan-Simonian, Forsythe, Kwon, and Chattaraman, 2012; Dennis et al., 2009; Kim, Fiore and Lee, 2007; Richard, 2005; Ducoffe, 1996). Users browse websites for gaining desired information along with enjoyment (Katerattanakul, 2002). Attitude of the Internet users towards online shopping have a positive relationship with the intention of the users to actually purchase products and services over the virtual market (Kim and Park 2005; Watchravesringkan and Shim, 2003; Shim, Eastlick, Lotz and Warrington, 2001).

The number of online buyers has increased sharply along with the e-commerce sales which have also increased manifold (Ahmad and Khan, 2015). Due to the proliferation of Internet, and phenomenal growth in number of users and online shopping, the study of online buyer behaviour has garnered the attention of the researchers world-wide (Ahmad and Khan, 2015; Dennis et al., 2009; Harris and
Dennis, 2008). Majority of the studies focusing on online consumer behaviour are either consumer oriented or delve into the technological aspects (Dennis et al., 2009). In a large number of researches on the online shopping acceptance, only the perspective of technology acceptance has been considered using the factors of TAM to predict the acceptance of online buying (Ahmad et al., 2016; Ahmad and Khan, 2015; Ha and Stoel, 2009). But the research findings fail to conclusively determine the factors which influence the attitude of the Internet users propelling them to buy online (Ha and Stoel, 2009). Various researchers have suggested that there are other factors like trust and hedonism which play a vital role in influencing the Internet users to accept online shopping (Ha and Stoel, 2009; Bruner and Kumar, 2005; Dahlberg, Mallat, and Oorni, 2003).

However, there also exists some element of confusion among the researchers worldwide. They are now forced to pick and choose factors from a wide variety of consumer behaviour models (Michael et al., 2015). No doubt, the web-quality and service quality scales have played a vital role in explaining the online consumer behaviour but these scales have also been criticized by researchers on grounds of being deficient in several respects including neglecting measurement of the hedonic factor in the online environment (Ahmad et al., 2016; To and Sung, 2015; Scarpi, Pizzi, and Visentin, 2014; Scarpi, 2012; Bauer et al, 2006). To fill the gap, various researchers have tried to address the confusion by attempting to develop more comprehensive online consumer behaviour models that account for factors that are likely to influence the buyer behaviour in the virtual medium.

3.2 Young Consumers

Researchers have found differences in the pattern of use of Internet and web-shopping between patrons belonging to the younger and older generation (Ahmad et al., 2016; Sahney et al., 2013; Punj, 2011; Ha and Stoel, 2009). Young consumers who belong to the generation Y and generation X are those who have always been connected to the Internet and Internet is integral part of their lifestyle (Punj, 2011). This generation has seen a lot of development and advancement in the field of technology, Internet and social networks (Park and Gursoy, 2012). The younger generation has been found to be more attracted towards using technology (Internet) to search, compare and evaluate products and services before they actually purchase it (Monsuwe et al., 2004;
Wood, 2002). Young consumers now a days are more educated and are found to be more inclined towards Internet and technology which makes them diverse in nature (Hood, 2012). Young adults between the age of 16 and 35 are synonymous to new technology and the World Wide Web (Gupta, Handa and Gupta 2008). Researchers have also suggested that college going young students are more prone to Internet and online shopping (Ahmad et al., 2016; Ha and Stoel, 2009). Internet has evolved as an integral part of the daily routine of young people all over the world for performing different kinds of activities (communicating, searching, comparing etc.) over the Internet (Ahmad et al., 2016; Ahmad and Khan, 2015; Ha and Stoel., 2009; Gupta et al., 2008; Monsuwe et al., 2004). Online platform has been found to be a medium for youth and young Internet users who are known to adopt online shopping (Sahney et al., 2013). Older generation avoid shopping over the Internet and prefer brick and mortar outlets because they perceive that they need skills to do online shopping effectively (Monsuwe et al., 2004; Racthford, Talukdar and Lee, 2001). Rainie and Horrigan (2005) in their study have suggested that although younger generation is Internet savvy, they use it more for communication and other creative activities. Older consumers who are less innovative and less risk takers do not trust the online platform for shopping and transacting, thus, they are less attracted towards the online shopping idea in comparison to the young consumers (Sahney et al., 2013). Young buyers are the one who describe maximum utilitarian and hedonic benefits of online shopping (Dholakia and Uusitalo, 2002).

The present study also focusses on the young consumers who get an early exposure of Internet and technology in the light of the fact that around fifty percent of the population in India is around 25 years of age (Heslop, 2014). And also seventy five percent of the Internet users in India fall under the age band of 15-24 years (Ahmad and Khan, 2017; Ahmad et al., 2016). Younger generation depends on the technology and Internet as a source of information, communication as well as entertainment (Nadeem et al., 2015). They have grown up with computers and have almost mastered the machines. These digital natives are the new entrants in the work force with a positive attitude towards transacting over the Internet, They exhibit a unique buying behaviour which makes them an important group for the marketers to tap and for the researcher to study (Ahmad and Khan, 2015; Nadeem et al., 2015; Bolton,
3.3 Online Consumer Behaviour Models

3.3.1 Technology Acceptance Model (TAM) extension and antecedents

Ha and Stoel (2009) in their study extended the technology acceptance model (fig 3.1) by incorporating factors like Internet shopping quality, hedonism and trust to better explain the Internet shopping behaviour. The study findings suggest that the Internet shopping quality influences the usefulness, trust and hedonism which further determine the attitude of the consumers towards online shopping.

![Figure 3.1: TAM extension Model](source: Ha and Stoel (2009))

The results also signify that attitude of the consumers towards e-shopping is not affected by the perceived ease of use factor. The e-marketers must keep in mind that online consumers are not merely Internet users who care about trust and information, they do have service and experiential needs (Ha and Stoel, 2009).

3.3.2 Effect of Trust Beliefs on Consumers’ Online Intentions

The congruity theory provides the foundation to study the behavioural intentions of the consumers with respect to product, brand and store perceptions (Meyers-Levy, Louie and Curren 1994; Becerra and Korgaonkar, 2011). Becerra and Korgaonkar
(2011) in their study on the congruity theory have addressed the gap in the literature by studying the factors such as vendor trust, brand trust and product trust and their influence on the purchase intentions of the consumers (fig 3.2). The results of the study suggests that it is the brand trust which directly determines the online purchase intention of the consumers.

**Figure 3.2: Brand Trust and Purchase Intention**

![Diagram of Brand Trust and Purchase Intention](image)

*Source: Becerra and Korgaonkar (2011)*

The brand trust beliefs of the consumers increase the trust on products and services, Whereas, the influence of the vendor trust on the buying intentions of the consumers greatly varies with the trust over the brand. The e-retailers need to build the brand trust of the consumers which will ultimately improve the trust beliefs of the consumers towards the retailers.

**3.3.3 Conceptual Model Depicting Impact of Website Quality on Customer Loyalty and Purchase Intention**

Website quality has been proposed to be an important factor which directly affects the customer satisfaction which further leads to intention to buy (Ahmad et al., 2016; Chen and Cheng, 2009; Bai, Law and Wen, 2008). Hsu, Chang and Chen (2012) to
further understand the relationships between website quality and other factors that directly or indirectly affect the purchase intention of the online buyers examined hedonism and perceived flow as mediating factors affecting the relationships among website quality, satisfaction and purchase intention (Fig 3.3). They based their study on the S-O-R paradigm proposed by Eroglu et al. (2001).

**Figure 3.3: SOR Model**

![SOR Model Diagram](image)

*Source: Hsu et al. (2012)*

The study findings confirmed the importance of website quality which directly or indirectly affects the consumers’ perceived playfulness and perceived flow, and thus, influence the satisfaction and the online purchase intention of the consumers. The study results finds that it is the service quality which is more important in influencing the behavioural intentions of the e-shoppers.

3.3.4 Role of Value Perception, E-Satisfaction and E-Trust in Formation of E-Loyalty

Researchers have found that loyalty plays an important role in bringing more revenues to the e-retailers (Reichheld and Schefter, 2000). A mere five percent increase in the loyal customers can bring a surge in the profitability by up to 85 percent (Li, Aham-Anyanwu, Tevrizci and Luo, 2015). Researchers have suggested that e-loyalty is more
dependent on the service quality offered by the e-retailers (Valvi, and West, 2013; Kim, Jin and Swinney, 2009; Cristobal, Flavián and Guinaliu, 2007).

**Figure 3.4: EtailQ, Value perception and E-Loyalty**

Li et al (2015) have introduced the eTailQ scale as a service quality scale along with value perception to measure the e-loyalty (fig 3.4). In their study they found that value perception plays the most important role in determining the e-loyalty. It is followed by website design, reliability and privacy. They have suggested that the e-retailers to attract more consumers to repurchase must focus on developing the value dimension of the products and services and the privacy.

### 3.4 Proposed Research Model

Taking cue from the various recent developments in the online consumer behaviour a research framework has been proposed. The researcher in order to explore the factors determining online consumer behaviour of the youth in India have integrated different models related to the field and developed a model explaining the online buyer behaviour to gain a deeper insights with respect to e-shopping. The proposed research model is illustrated in Figure 3.5.
3.4.1 Repurchase Intention

The concept of loyalty or repurchase behaviour in the online context has been given an extensive examination by both the academicians and the marketers in the recent years (Larsen, 2015; Chaffey, 2012). The repurchase intention which has also been used under the heading of e-loyalty (Lee, Eze and Ndubisi, 2011; Jiang and Rosenblom, 2005) is the approval of the buyers to revisit a website and buy products and services from that e-retailer (Cyr, Head and Larios, 2010; Chiu, Lin, Sun and Hsu, 2009; Lin and Wang, 2006; Cyr, Head and Larios, 2005; Srinivasan et al., 2002). These consumers have been found to be frequent buyers and are resistant to the offers provided by the competitors (Lee et al., 2011; Jiang and Rosenblom, 2005). They have also been found to spread positive word of mouth which helps in bringing new buyers to the e-retailers (Li et al., 2015). This commitment of the consumers towards the online sellers helps in acquiring new consumers without spending any money, thus, they bring a huge profits for the e-retailer (Kim et al., 2009; Jiang and Rosenblom, 2005). It has also been found that loyal consumers stays with the e-retailers even if some things go wrong, they are even ready to pay more to their favourite sellers (Kim et al., 2009; Lin and Wang, 2006; Zeithaml et al., 2000). The
repurchase behaviour of the consumers is actually a helping hand from the consumers to the e-retailers as it enables them in gaining a better understanding of buyers towards their websites (Valvi and Fragkos, 2012). The online retailers and marketers understand the importance of loyal consumers and they identify and recognizes their faithful consumers and take all the pains to satisfy their needs so that they continue to have a mutually beneficial relationship with them (Li et al., 2015). Re-purchase intention or loyalty has been recognized as a vital factor in the Internet shopping context by the marketers as well as the academicians (Li et al., 2015; Kim et al., 2009; Park and Kim, 2003; Yang and Peterson, 2004). The researchers have suggested different models but there still exists the need for a comprehensive model which can help the marketers better understand their consumers and identify issues to be addressed that can help in retaining consumers (Larsen, 2015; Valvi and Fragkos 2012). Repurchase behaviour of the consumers highly depends on the reputation of the e-retailers which helps in delivering a feel of satisfaction to the buyers (Jin, Park and Kim, 2008). Researchers have come up with different factors like e-satisfaction, e-trust, privacy, value perception, hedonism, website quality etc. which determines the repurchase behaviour of the online buyers (Li et al, 2015; Hsu et al., 2012; Becerra and Korgaonkar 2011; Kim et al., 2009; Anderson and Srinivasan, 2003). Several researchers have come up with a notion that e-satisfaction is the most important factor which helps in determining the repurchase behavioural intentions of the consumers (Li et al., 2015; Valvi and West, 2013; Chen and Kao, 2010; Yang and Tsai, 2007; Reynolds and Simintiras, 2006; Anderson and Srinivasan, 2003; Petrick and Backman, 2002; Cronin, Brady and Hult, 2000). Thus, the following hypothesis is proposed:

**H1:** Re-purchase Intention is positively influenced by online customer satisfaction.

### 3.4.2 E-Satisfaction

Customer satisfaction is actually the holistic attitude towards a retailer based on the products and services offered to the consumers (Deng, Lu, Wei and Zhang, 2010). It has been defined as “the summary psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with a consumer’s prior feelings about the consumers’ experience” (Anderson and Srinivasan, 2003; Oliver, 1996). E-satisfaction is the level of gratification a consumer attains while transacting with the
e-retailer (Constantin, 2013). Van La (2005) in their study suggested that e-satisfaction is beyond what the consumers perceive about the product and services. E-satisfaction has been found to be a vital factor which determines the purchase and repurchase intention of the consumers in both online and brick and mortar retail shops (Li et al., 2015). Along with motivating e-shoppers to repurchase, e-satisfaction helps in building a long term relationship with the existing buyers (Hsu et al., 2012; Kim 2010; Lin et al. 2005; Evanschitzky et al., 2004; Bhattacherjee 2001). In the recent times, satisfaction has emerged as a vital factor and thus has attained augmented attention of the marketers in the business to consumer online platforms (Hsu et al., 2012; Cheung and Lee 2005; Evanschitzky, Iyer, Hesse and Ahlert, 2004). It has been found to be a success indicator of the e-retailers (Hsu, Wang and Chih, 2013; Lee and Shim, 2006; Zviran and Erlich, 2003). Various factors of service quality along with value perceptions and hedonism help in determining the e-satisfaction which further builds e-loyalty (Li et al., 2015; Hsu et al., 2013; Lu, Chang and Yu, 2013; Hsu et al., 2012; Deng et al., 2010; Kim et al., 2009).

3.4.3 Hedonism and E-Satisfaction

Online shoppers generally act on the spur of the moment; they are either goal oriented and look for the utilitarian aspects of the product or services or they are motivated by their interest and the entertainment offered while shopping (Scarpi, 2012). When consumers enjoy their shopping experience, they are totally engaged in shopping where they even lose track of time (Chen, Wigand, and Nilan, 1999). The fun and liking of the consumers experienced while shopping has emerged as a variable which plays a vital role in determining the consumer purchasing behaviour (Ahmad et al., 2016; Scarpi et al., 2014; Scarpi, 2012; Chiu et al., 2009; Bauer et al., 2006). Consumers like the fun part of the shopping experience and are more interested in shopping in an environment where they enjoy and are easily enthralled by the surroundings (Wang, Michaels and Jei, 2011). Earlier marketers focussed only the utilitarian aspects of the e-commerce and were criticised by researchers to lack the hedonism aspect (Ahmad et al., 2016; Scarpi, 2102; Kim et al., 2009; Bauer et al., 2006). Marketers who were earlier concerned with the utilitarian aspects of the shopping environment have realised the importance of enjoyment in shopping environment and thus have started providing improved hedonic values (Varnali and
Toker, 2009; Pihlström and Brush, 2008; Pura, 2005). In addition to the utilitarian benefits of the online shopping, the researchers have also suggested the incorporation of hedonic aspects which has been found to be an important factor in the customer online repurchase intention (Chiu et al., 2009; Jeong, Fiore, Niehm and Lorenz, 2009; Cyr et al., 2007; Koufaris 2002).

Hedonism is a situation experienced by the consumers influenced mainly by external factors offered by the retailers, which may change with time (Liu, Guo and Lee, 2011). It has been found to portray a dominant role in providing favourable outcomes for the e-retailers such as formation of positive attitude of the consumers towards the online shops (Oh, Fiorito, Cho and Hofacker, 2008; Ahn et al., 2007; Huang, 2003), satisfaction (Li et al., 2015; Hsu et al., 2013; Hsu et al, 2012; Liu et al., 2011; Lin et al., 2005) and purchase and re-purchase behaviour (Ahmad et al., 2016; Scarpi et al., 2014; Chiu et al., 2009; Cyr et al, 2007; Bauer et al., 2006; Koufaris, 2002). Thus, the following hypothesis was proposed:

**H2:** E-Satisfaction is positively influenced by hedonism.

### 3.4.4 Perceived Usefulness and E-Satisfaction

Perceived usefulness is the degree a consumer believes that their job performance will certainly boost up with the use of a new system or technology (Davis, 1989). In the online shopping context it has been defined as the degree to which a buyer believes that their online shopping experience will escalate along with easy access to relevant information using the new system and technology offered by the retailer’s website (Dash and Saji, 2008; Chen, Gillenson and Sherrell, 2002). In other words the virtual market perceived usefulness is the buyers’ belief that their shopping efficiency and effectiveness, including search, comparison and ordering of products and services will surge up if they shop over the virtual stores (Celik, 2011; Zhou, Dai and Zhang, 2007). It signifies the utilitarian advantage of the technology in the context of e-commerce, where the online shoppers perceives the usefulness of the websites to accomplish their shopping goals (Srinivasan, 2015). And the perceptions of the consumers towards the new technology or system posits an important role determining the buyer behaviour towards the e-retailer (Ahmad and Khan, 2015; Hanafizadeh, Behboudi, Khoshksaray, & Shirkhani Tabar, 2014). Perceived
usefulness, a factor from the robust TAM model, has been found to play a significant role in determining the purchase intention behaviour of the consumers in the online shopping context (Ahmad and Khan, 2015; Dash and Saji, 2008; Venkatesh et al., 2003; Koufaris, 2002; Davis et al., 1989).

Perceived usefulness of the TAM helps in determining a consumer’s attitude towards the e-retailers, which further leads to the purchase and re-purchase intention of the consumers (Davis, 1989). The perceived usefulness factor of the TAM has been used by different researchers to explain the user’s acceptance of technology in various spheres (Ahmad and Khan, 2015; Hanafizadeh et al., 2014; Liu et al., 2010; Ha and Stoel, 2009; Dash and Saji, 2008; Bruner and Kumar, 2005; Chen and Tan, 2004; Adamson and Shine, 2003). Marketers gauge the usefulness of their websites as a competitive advantage which also helps them in attracting and satisfying more buyers (Lin, Chiu and Tsai, 2008; Yang and Tsai, 2007). The usefulness of the e-retailers web portals signifies a positive relation with the online shoppers’ satisfaction i.e. the more the consumers finds the websites usable more satisfied they are and vice versa (Li et al., 2015; Liaw and Huang, 2013; Cyr, 2008; Yang and Tsai, 2007; Zhou et al., 2007; Flavián, Guinalíu and Gurrea, 2006; Van La, 2005). Thus, the following hypothesis was proposed:

H3: Satisfaction is positively influenced by perceived usefulness.

3.4.5 Price and E-Satisfaction

In the world of technology, buyers get a lot of promotional deals from the e-retailers which makes the online consumers ‘smart shoppers’ by enabling them to compare the prices offered by different sellers. Smart buyers/shoppers are those, who plan about the purchase they want to make and they use their skills to acquire the products and services they need at the lowest available price (Audrain-Pontevia, N’Goala and Poncin, 2013).

In fact, possibility of price comparison and the likelihood of getting products and services at a very low price over the Internet in comparison to the physical market is one of the cliché benefits of the online shopping (Scarpi, 2012; Grewal et al., 2010). Price plays an important role in determining the perceptions of the consumers with respect to the products and services offered to them by the retailers (Ahmad and
Khan, 2015; Hung et al., 2010; Mattila and O’Neill, 2003). Price has been found to be an important factor which determines the purchase intention of the consumers. It also plays a vital role in determining the retailer from where they purchase the products or services (Malik et al., 2012; Peng and Wang, 2006). The price comparing facility over the Internet acts as a stimulus to build the consumers self-concept by giving them a feeling of satisfaction, a feeling of pride and happiness with the deal they have made (Audrain-Pontevia et al., 2013; Gelbrich, 2011). This in turn is used as an indicator in assessing the products and services and in building positive or negative attitude towards the retailers (Ashworth and McShane, 2012; Jani and Han, 2011; Han and Ryu, 2009). Consumers all over the world want products and services which are of good quality but are available at a reasonable price which is easily afforded by them. They are happy and satisfied with those sellers and are loyal to them (Malik et al., 2012; Peng and Wang, 2006).

Consumers normally associate price with the quality of the products and services and it may either lead to satisfaction or dissatisfaction (Malik et al., 2012; Herrmann, Xia, Monroe & Huber, 2007; Jiang and Rosenbloom, 2005). Researchers have studied the factor price and its impact on the satisfaction and loyalty and have suggested that price consciousness has a negative effect on the purchase and repurchase intention (Li et al, 2015; Xia, 2010; Peng and Wang, 2006; Keaveney 1995). Price along with other factors like service quality, website design and timely delivery of products and services which satisfies the consumers, make them loyal to the e-retailers (Audrain-Pontevia et al., 2013; Malik et al., 2012; Lymperopoulos and Chaniotakis, 2008; Anand, 2007; Ming, 2003; Wang and Huarng, 2002). Thus, the following hypothesis was proposed:

**H4:** Satisfaction is positively influenced by price.

### 3.4.6 Privacy/Security and Satisfaction

The surge in the number of Internet users world-wide has brought up new challenges related to ethics, reliability and trust for the marketers and academic researchers (Roman and Cuestas, 2008). Online consumers find the virtual market to be more risky in comparison to the physical market where they can easily touch and feel the products (Ahmad et al., 2016; Ahmad and Khan, 2015). Researchers have suggested
that the shoppers find the online environment confusing and leads them to do things wrong (Utz et al., 2009; Noort et al., 2008). To make the consumers transact online, the e-retailers must build trust in the minds of the consumers (Ang and Lee, 2000). Privacy/security acts as an important factor which the marketers need to address so that they can win the trust of the consumers and gain a competitive advantage over their competitors (Monsuwe et al., 2004). It acts like a grease which helps the e-commerce advance forward by increasing the number of online shopping and online shoppers (Wang and Emurian, 2005; Lee and Turban, 2001; Goodwin, 1996).

Consumers are more concerned with the privacy and security features while they shop online; this concern of the consumers sometimes stops them from shopping over the Internet and avoid doing any kind of financial transactions (Ahmad and Khan, 2017; Ahmad et al, 2016; Limbu et al., 2011). The reliability of the e-retailers helps in motivating the Internet users to shop online. Thus, the e-marketers need to consider the factor and develop themselves in a new way to build a relation of trust with the consumers which will bring them more loyal consumers (Ahmad and Khan, 2015; Sahney et al., 2013). Marketers must win the trust of consumers in the online environment where the consumers share personal and financial data (Ahmad and Khan, 2015). The transactional security and privacy plays a significant role in building trust of consumers to motivate them to shop online (Ahmad and Khan, 2016; Sahney et al., 2013; Shareef et al., 2013; Kumar and Dange, 2012; Chen, Hsu and Lin, 2010; Xie, Teo and Wan, 2006; Trocchia and Janda, 2003).

For the point of view of marketers, it is important to satisfy consumers and maintain relationship with them to make them loyal towards their web stores (Adam et al., 2008; Forsythe et al., 2006; Koufaris and Hampton-Sosa, 2004). The risk of personal data abuse in the online shopping have emerged as a vital factor hampering the online shopping (Ahmad et al., 2016). Researchers have found privacy and security to play a significant effect on the satisfaction, purchase intention and re-purchase intention of the consumers towards online shopping (Ahmad et al., 2016; Hsu, Hung, and Tang, 2012; Udo, Bagchi and Kirs, 2010; Ho and Lee, 2007; Yang and Tsai, 2007; Collier and Bienstock, 2006; Van La, 2005; Ranganathan and Ganapathy, 2002; Yoo and Donthu, 2001). Thus, the following hypothesis was proposed:

**H5:** Satisfaction is positively influenced by privacy/security.
3.4.7 Customer Support Service Quality and Satisfaction

Customer support service refers to the prompt services offered by the retailers to help out the consumers when they face any kind of problem (Di Fatta et al., 2016). In other words, it is the willingness of the marketers to communicate and deal with the complaints and requests of consumers regarding the products and services (Li et al., 2015; Kim et al., 2009; Wolfinbarger and Gilly, 2003). Consumers presume the e-retailers to communicate and provide solutions when the consumers have any queries (Kim et al., 2009; Liao and Cheung, 2002). The prompt services provided by the sellers help in escalating the perceived convenience and also decreases the uncertainty from the minds of consumers related to products and services (Kim et al., 2009; Van La, 2005; Gummerus, Liljander, Pura and Van Riel, 2004; Konradt, Wandke, Balazs and Christophersen, 2003; Wagner and Rydstrom, 2001). Consumer service has immersed as a vital factor determining the behaviour of the consumers in the virtual world (Ahmad et al., 2016). While transacting over a web-store, consumers expect certain facilities like easy transactions and quick responses to the queries, both pre-purchase and post-purchase, in return from the retailers they shop with. A good consumer service and support offered by the marketers brings a positivity in the attitude of the consumers towards the e-retailers (Yang and Tsai, 2007). It is inferred that consumers are more satisfied with the sellers who care for their consumers and provide them prompt services (Ahmad et al., 2016; Li et al., 2015). Janda and Ybarra (2005) in their study have suggested that the consumers even if having an unfavourable attitude towards online shopping develop a positive attitude towards the retailers if they are provided with services which make them feel like they are in a physical outlet.

Customer service along with other factors plays an important role in building consumer trust in the e-retailing (Ladhari, 2010). Researchers have studied the customer service support factor under different nomenclatures like responsiveness, providing personalized service, human touch and sensations and have found that it plays a significant role in the online shopping context (Ahmad et al, 2016; Di Fatta et al., 2016; Li et al., 2015; Khare, Khare and Singh, 2012; Khare and Rakesh, 2011; Bauer et al. 2006; Cao et al., 2005; Parasuraman et al., 2005; Wolfinbarger and Gilly, 2003; Zeithaml et al., 2002). The closer is the online shopping experience to the brick
and mortar shopping, the more the shoppers have been found to be satisfied (Janda and Ybarra, 2005). Thus, the following hypothesis was proposed:

**H6**: Satisfaction is positively influenced by customer support service quality.

### 3.4.8 Logistics and Satisfaction

Consumers have been found to be more concerned with the online retailers in comparison to brick and mortar sellers in terms of delivery of products and services and find it more risky (Xing et al., 2010; Kim et al., 2009). Wolfinbarger and Gilly (2003) suggested that while transacting over the Internet, consumers not only look for products and services offered by the e-retailers but also ventures for the logistics offered to them. In the online shopping context, the buyers and sellers are not having face-to-interactions and also the consumers are not able to touch and feel the products, thus, the marketers must provide assurance to the consumers with the timely delivery of the right products and services to the buyers (Kim et al., 2009). While shopping online consumers have a fear of not receiving the right product, they are also concerned with the damaging of products in the course of delivery (Ahmad et al., 2016; Xing et al., 2010; Kim et al., 2009; Bauer et al., 2006; Wolfinbarger and Gilly, 2003). Consumers were found to be most dissatisfied with the online shoppers in terms of return and replacement policies and the logistics offered by the e-retailers (Comegys and Brennan, 2003). To gain a competitive advantage over their competitors, e-retailers must provide the consumers the same products as described over their websites and also deliver the right product to the consumers without any delay i.e. the right time (Ahmad et al., 2016; Li et al., 2015). Logistics plays a significant role in determining the satisfaction of the consumers (Limbu et al., 2011).

Logistics has emerged as a vital factor which determines satisfaction and purchase intention of the consumers. Yang and Fang (2004) suggested that the upholding of promises regarding service and delivering right products and services leads to e-satisfaction. Researchers have established logistics factor as an important factor in the online shopping platform (Ahmad et al., 2016; Xing et al., 2011; Kim et al., 2009; Song and Zinkhan, 2003; Zeithaml, 2002). It has also been studied under different headings like reliability, successful delivery of products, stock and timely delivery,
truthfulness etc. (Ahmad et al., 2016; D Fatta et al., 2016; Li et al., 2015; Lu et al., 2013; Limbu et al., 2011; Kim et al., 2009; Bauer et al., 2006; Wolfinbarger and Gilly, 2003). Thus, the following hypothesis was proposed:

**H7:** Satisfaction is positively influenced by logistics.

### 3.5 Demographics

#### 3.5.1 Gender

The researchers have suggested that males and females vary in their attitudes towards shopping. Females show more positive attitude towards purchasing than males (Ahmad and Khan, 2015; Nadeem et al., 2015). The two genders even vary in their attitude towards gathering and sharing information too (Richard, Chebat, Yang and Putrevu, 2010). They also show different attitudes towards the factors like webquality, online satisfaction, trust and loyalty (Ladhari and Leclerc, 2013). In comparison to males, females have been found to be more relationship oriented (Richard et al., 2010). When it comes to purchasing, males are fast in decision making but females search a lot for the product information before they actually purchase it (Ahmad and Khan, 2015; Nadeem et al., 2015; Kim, Lehto and Morrison, 2007). Marketers find it easy in building trust with males in comparison to females (Riquelme and Román, 2014; Wolin and Korgaonkar, 2003). With the increase in the number of female Internet users, researchers have suggested that the gender gap is lessening and have also found no significant difference between the two gender with respect to intention of shopping over the Internet (Ahmad et al., 2016; Hernández, Jiménez and Martín, 2011; Shin, 2009; Zhang, 2005). In line with the literature on gender differences in the context of online shopping, the following hypotheses were proposed:

**H08a:** Significant differences do not exist between male and female online consumers with respect to hedonism.

**H08b:** Significant differences do not exist between male and female online consumers with respect to perceived usefulness.

**H08c:** Significant differences do not exist between male and female online consumers with respect to Price.
H08d: Significant differences do not exist between male and female online consumers with respect to privacy/security.

H08e: Significant differences do not exist between male and female online consumers with respect to customer support service quality.

H08f: Significant differences do not exist between male and female online consumers with respect to logistics.

H08g: Significant differences do not exist between male and female online consumers with respect to e-satisfaction.

H08h: Significant differences do not exist between male and female online consumers with respect to e-loyalty

3.5.2 Education

Educational level of the consumers plays a vital role in explaining the interest of the consumers towards using Internet for shopping products and services (Sahney et al., 2013; Punj, 2011; Monsuwe et al., 2004; Miyazaki and Fernandez, 2001). Consumers with high educational level have been found to have a greater exposure to Internet and new technologies (Andrews and Bianchi, 2013; Maldifassi and Canessa, 2010). They also do extensive search of information related to the products and services before they actually purchase (Mathwick, Malhotra, and Rigdon 2001). They are fluent with the virtual world and are skilful in using the Internet for easily locating products and services they need and then transact (Punj, 2011). Highly educated consumers have been found to be comfortable in transacting online to buy products and services (Monsuwe et al., 2004; Burke, 2002). Thus, the following hypotheses were proposed:

H09a: Significant differences do not exist among the online consumers in terms of educational qualifications and hedonism.

H09b: Significant differences do not exist among the online consumers in terms of educational qualifications and perceived usefulness.

H09c: Significant differences do not exist among the online consumers in terms of educational qualifications and price.
**H09d:** Significant differences do not exist among the online consumers in terms of educational qualifications and privacy/security.

**H09e:** Significant differences do not exist among the online consumers in terms of educational qualifications and customer support service quality.

**H09f:** Significant differences do not exist among the online consumers in terms of educational qualifications and logistics.

**H09g:** Significant differences do not exist among the online consumers in terms of educational qualifications and e-satisfaction.

**H09h:** Significant differences do not exist among the online consumers in terms of educational qualifications and e-loyalty.

### 3.5.3 Income

Consumers with high income are considered to be active Internet shoppers because high income group households have been found to be positively associated to consumers with higher education and those who own laptops and other devices which facilitate access internet (Monsuwe et al., 2004; Lohse, Bellman and Johnson, 2000). They generally perceive the virtual world less risky in comparison to the consumers of low income group (Lu, Yu, Liu and Yao, 2003). Consumers of high income background are more concerned with the time factor and has a belief that shopping online will save their time. This group of consumers is considered to be the one who takes the maximum benefits of online shopping (Lambrecht, Seim and Skiera, 2007; Ratchford, Lee and Talukdar 2003). Researchers have also suggested that once the consumers are used to online shopping, the income factor loses its significance in determining the consumers’ attitude towards online shopping (Hernández et al., 2011; Al-Somali, Gholami and Clegg, 2009). Thus, the following hypotheses were proposed:

**H10a:** Significant differences do not exist among the online consumers from different income groups with respect to hedonism.

**H10b:** Significant differences do not exist among the online consumers from different income groups with respect to perceived usefulness.
H10c: Significant differences do not exist among the online consumers from different income groups with respect to price.

H10d: Significant differences do not exist among the online consumers from different income groups with respect to privacy/security.

H10e: Significant differences do not exist among the online consumers from different income groups with respect to customer support service quality.

H10f: Significant differences do not exist among the online consumers from different income groups with respect to logistics.

H10g: Significant differences do not exist among the online consumers from different income groups with respect to e-satisfaction.

H10h: Significant differences do not exist among the online consumers from different income groups with respect to e-loyalty.

3.6 Summary of the Chapter

Based on the extant literature and research gap, the researcher in the present study has tried to formulate a conceptual model covering all the vital factors determining the online consumer behaviour. The researcher has identified factors like hedonism, perceived usefulness, price, privacy/security, service quality, logistics and e-satisfaction as the determinants of repurchase intention of the consumers. Hypotheses were formulated on the basis of the extant theory in the context of proposed conceptual model as well as the demographic factors like gender, educational qualification and monthly family income. The detailed methodology followed in the present study to evaluate the interplay of variables of the conceptual model and validate the hypotheses has been discussed in the next chapter.