CHAPTER 6: DISCUSSION, IMPLICATIONS AND FUTURE DIRECTIONS

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6.1 DISCUSSION

The researcher in the present study has tried to explore factors determining the e-satisfaction and repurchase intentions of young online consumers in India. The research also focusses on evaluating the relationships among the dependent and independent variables. In this context, researchers have suggested several models and factors that determine the online consumer behaviour. However, as already discussed in Chapter 2, these existing models do not account for all the factors relevant in the context of buyers from emerging economy like India.

For the present study, the researcher started with a 31-item scale comprising eight factors which was subsequently, as already explained in Chapter 4, refined to a 24-item scale representing 6 factors. The scale used in the present study included items on cash on delivery (COD) which has emerged as a vital factor on account of being most preferred method of payment in developing countries like India (Global Connected Commerce, 2016). The researcher included two other factors, namely, price and logistics which significantly influence buyer behaviour in the context of online purchases (Global Connected Commerce, 2016).

After extensive review of extant literature, as highlighted in Chapter 1, research gaps were identified from the point of view of young online consumers in the Indian context. The researcher has attempted to investigate factors that determine the intention of the consumer to repurchase from their favourite e-retailers. The study also delves into demographic factors like educational level, income of the family and gender of the respondents and their interplay with other factors considered in the study.

The researcher has used a mix of online and paper and pencil based research instrument to generate data from target respondents located in six cities viz. Mumbai, Delhi NCR, Kolkata, Bangalore, Chennai and Hyderabad. These cities were selected
as they were among the top in terms of number of Internet users in India (IAMAI, 2014). EFA and SEM have been used to evaluate the factors as also the proposed model.

In the present chapter, the researcher has discussed the empirical findings of the present study in the light of observations made by researchers in extant literature.

6.2 FINAL STUDY MODEL

The EFA resulted in five factors (i.e. hedonism, perceived usefulness, reliability, service quality and e-satisfaction) as the determining factors of repurchase intention in young online buyers. The study results yielded a refined and parsimonious scale suitable for measuring the behaviour of young online consumers in India.

![Figure 6.1: Final Study Model](source: Prepared by researcher)

Further, the final study model (Fig 6.1) was then assessed for validity and reliability and also the relationship between the dependent and independent factors. All the values were found to be within the acceptable range thus confirming the reliability of the scale used.
The model fit indices for both the models (measurement and structural) were found to be within the acceptable range. All the retained hypothesized relationships in the final model were supported in the present study. It is clear from the Figure 6.1 that hedonism, perceived usefulness, privacy/security and service quality contribute to e-satisfaction which furthers results in repurchase intention among the young online consumers. The positive relationship observed between hedonism and e-satisfaction is in line with the findings of the earlier researchers (Ahmad et al., 2016; Li et al., 2015; Scarpi et al., 2014; Hsu et al., 2013; Hsu et al, 2012; Scarpi, 2012; Liu et al., 2011; Chiu et al., 2009; Jeong et al., 2009; Varnali and Toker, 2009; Pihlström and Brush, 2008; Cyr et al., 2007; Bauer et al., 2006; Pura, 2005; Koufaris, 2002).

Perceived usefulness of the website has emerged as a robust factor which helps in determining the behavioural intention of the consumers in the virtual world (Ahmad and Khan, 2015; Dash and Saji, 2008; Venkatesh et al., 2003). The results of the present study also reveal a positive relationship between perceived usefulness of the shopping websites leading to e-satisfaction in young consumers. This finding is similar to that of researchers who observed that the more useful the websites of the e-retailer is, the more the consumers are satisfied with the e-retailer (Ahmad and Khan, 2015; Hanafizadeh et al., 2014; Malik et al., 2012; Liu et al., 2010; Ha and Stoel, 2009; Dash and Saji, 2008; Peng and Wang, 2006; Bruner and Kumar, 2005; Chen and Tan, 2004; Adamson and Shine, 2003).

The e-retailers face a tough challenge while winning the trust of the consumers in terms of privacy and security as it is a major concern of the consumers in the virtual world (Ahmad et al, 2016; Ahmad and Khan, 2015). Several researchers have suggested that the privacy/security factor plays a vital role in satisfying the online consumers (Ahmad and khan, 2017; Ahmad et al., 2016; Hsu et al., 2012; Udo et al., 2010; Ho and Lee, 2007; Yang and Tsai, 2007; Collier and Bienstock, 2006; Van La, 2005; Ranganathan and Ganapathy, 2002; Yoo and Donthu, 2001). In the present study too, privacy/security has been found to play a positive and significant role in determining the e-satisfaction of young online consumers.

Services offered to the consumers in the online market have proved to be of vital importance in determining the behaviour of the consumers when shopping online (Ahmad et al., 2016). Service quality (pre and post purchase) i.e. the kind of solutions
offered by the online marketers with respect to the grievances and the demands of the online shoppers, plays an important role in satisfying the consumers (Li et al., 2015; Kim et al., 2009; Wolfinbarger and Gilly, 2003; Liao and Cheung, 2002). The findings of the present study are in line with several earlier studies which have also found that service quality is determining factor for e-satisfaction (Ahmad et al, 2016; Di Fatta et al., 2016; Li et al., 2015; Khare et al., 2012; Khare and Rakesh, 2011; Bauer et al. 2006; Cao et al., 2005; Janda and Ybarra, 2005; Parasuraman et al., 2005; Wolfinbarger and Gilly, 2003; Zeithaml et al., 2002).

The findings of the present study also indicate that e-satisfaction has a positive impact on the repurchase intention of the young online consumers. The repurchase intention of the online shoppers is nothing but a helping hand to the online retailers leading to enhanced profits (Valvi and Fragkos, 2012; Kim et al., 2009). The study findings are in line with that of earlier researchers who have noted a positive and significant relationship between e-satisfaction and repurchase intention (Li et al., 2015; Valvi and West, 2013; Chen and Kao, 2010; Jin et al., 2008; Yang and Tsai, 2007; Reynolds and Simintiras, 2006; Anderson and Srinivasan, 2003; Petrick and Backman, 2002; Cronin et al., 2000).

Thus, on the basis of the findings of the present study, it can be safely surmised that factors like hedonism, perceived usefulness, privacy/security and service quality help in the formation of e-satisfaction towards the e-retailer. Out of the four factors, perceived usefulness has emerged as the most important factor. Thus is in line with the observations of earlier researchers who found that perceived usefulness is a vital factor in determining the consumer behaviour in the virtual world (Islam, 2012; Chen and Tseng 2012; Chow et al., 2012). Further, the positive e-satisfaction leads to repurchase intention in the consumers from the same e-retailer or website.

6.3 DEMOGRAPHICS

The number of smartphone users in India is increasing at a rapid pace. According to Chopra (2017), around 77 % of the Internet users in India access Internet using mobiles and smartphones. In the present study too, majority of the respondents (67%) indicated mobiles and smartphones as the primary device for accessing the Internet.
There are several online retailers in India but Flipkart has been the top player since its launch in 2007. Around 50% of the respondents said that the most preferred online shopping site was Flipkart, followed by Amazon (30%) and Snapdeal (22%). Table 6.1 provides the list of shopping websites preferred by the young consumers in India. The scenario is similar to the findings of earlier researchers (Kalia, 2015; Reddy and Divekar, 2014; Tripathi and Tripathi, 2014).

<table>
<thead>
<tr>
<th>Name of the Shopping Site</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flipkart</td>
<td>176</td>
</tr>
<tr>
<td>Snapdeal</td>
<td>122</td>
</tr>
<tr>
<td>Amazon</td>
<td>166</td>
</tr>
<tr>
<td>Paytm</td>
<td>32</td>
</tr>
<tr>
<td>Jabong</td>
<td>61</td>
</tr>
<tr>
<td>Others</td>
<td>151</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher

### 6.3.1 Gender

Ladhari and Leclerc (2013) in their study have suggested that male and female consumers differ in their attitudes with respect to factors like webquality, trust, e-satisfaction and e-loyalty which helps in determining the online consumer behaviour. The findings of the present study suggest that the male and female young consumers significantly differ only on the factors privacy/security and e-satisfaction. Insignificant differences exist between them with respect to the other factors viz. hedonism, perceived usefulness, service quality and repurchase intention. Thus, the result signifies that the gender of the consumers have a partial effect on the factors determining the online buyer behaviour of the young consumers. This finding of the present study is in line with the results of the study findings of the earlier researchers which have suggested that the increase in number of the two genders in online shopping lessens the gap of difference between them (Ahmad et al., 2016; Hernández et al., 2011; Shin, 2009; Zhang, 2005).

### 6.3.2 Educational Qualification

Researchers have suggested that the educational qualification of the online consumers has a significant role in determining the behavioural attitude of the consumers (Sahney et al., 2013; Punj, 2011). The study findings of the present study revealed
that the three groups (school, graduates and postgraduates) significantly differed with respect to perceived usefulness and repurchase intention of the consumers. The finding was in line with earlier studies which posited that the higher the educational level the greater is the interest of the consumers towards the online shopping (Andrews and Bianchi, 2013; Punj, 2011; Maldifassi and Canessa, 2010; Monsuwe et al., 2004). The different educational level was found to have no significant difference with respect to the four variables (hedonism, privacy/security, service quality and e-satisfaction). Thus, signifying that the educational level of the consumers have a partial effect on the factors of online consumer behaviour.

6.3.3 Income

High income group consumers are generally considered to be highly educated with easy access to Internet using devices such as laptops, mobiles and smartphones (Monsuwe et al., 2004). They makes maximum utilisation of Internet and frequently indulge in e-shopping (Lambrecht et al., 2007). But in line with the results of the earlier studies, the findings of the present study suggested that the young consumers did not differ significantly with respect to factors such as hedonism, perceived usefulness, privacy/security, service quality, e-satisfaction and repurchase intention. Thus, it can be safely surmised that with more and more consumers getting used to e-shopping, the influence of income on the attitude of consumers towards buying in the virtual markets is declining (Hernández et al., 2011; Al-Somali et al., 2009).

Thus, demographics have the least influence on the online consumer behaviour, especially in the context of young online consumers in India. The study results support the findings of the earlier researchers who have posited that demographic factors have insignificant role in determining the online buyer behaviour (Ahmad et al., 2016; Hernández et al., 2011; Al-Somali et al., 2009; Shin, 2009; Zhang, 2005).

6.4 Theoretical Implications of the Study

The academic contribution of the current research is three-fold. First, the present study is based on a comprehensive model that accounts for important constructs like hedonism, service quality, perceived usefulness price, logistics, privacy/security, e-
satisfaction and repurchase intention. The inclusion of items related hedonism, price, logistics and cash on delivery addressed the existing gap. Secondly, results of the present study demonstrate that hedonism, perceived usefulness, service quality and privacy/security help in formation of e-satisfaction which also has a significant positive relationship with the repurchase intention. Thirdly, the study findings also indicate that the demographics of young Indian consumers have minimal role in their attitudinal behaviour as consumer. The theoretical implications of the present research are listed below:

1. The present study proposes a comprehensive model that accounts for factors that had seldom been studied earlier in the Indian context. These ‘ignored’ factors have a significant bearing on the online consumer behaviour.
2. The study presents a refined and validated a scale to measure the repurchase intention of the young online shoppers in India.
3. The present study provides a much needed update in terms of conceptual, methodological, and empirical approach for understanding the behaviour of young online shoppers in India.
4. The study makes a significant contribution in understanding the role of factors like hedonism, perceived usefulness, privacy/security and service quality and their impact on e-satisfaction and repurchase intention.
5. The researcher has also made a sincere attempt to understand the role of demographic factors like gender, educational qualification, and monthly income on online buyer behaviour of young consumers in India. Thus, this study makes a significant contribution in understanding the otherwise complex relationship between demographic factors and the online buyer behaviour.
6. The refined, validated, parsimonious scale developed in the present study can be of immense help to the researchers exploring the buyer behaviour of young online consumers in India.
7. The results of the present study may be helpful to online marketers in designing better websites which are expected to attract and retain consumers leading to increase in online sales.
The results of the present study are expected to motivate other academicians to carry out further research which may help in a better understanding of the online behaviour of the consumers in India.

6.5 Managerial Implications of the Study

The marketers find it difficult to measure and understand the way consumers interact and behave while shopping and transacting over the Internet. With the ever growing reach of Internet, marketers and academicians world-wide are making attempts at better understanding of online buyers. As the consumers are present over the Internet, be it for purposes like communicating, browsing, shopping and searching, the presence of retailers over the Internet has become necessary (Ahmad and Khan, 2015). Marketers, globally, are craving to find answers to questions related to the behaviour of the consumers towards the Internet as a shopping and transactional medium (Hsieh and Chen, 2011). Understanding these online consumers is not only required for increase in sales of products and services but also essential if the marketers are aiming to satisfy the consumers and make them loyal to their websites. Delivering satisfaction to the consumers is a sure sign of success for the e-retailers; they also gain a competitive advantage over their competitors (Hsu et al., 2013). The marketers aim to ensure that their customers are having access to the products and services according to their need. This act of the marketers of knowing the consumers and providing products and services according to the consumers wants, helps them minimising their costs (Atorough, 2013).

The findings of the present study suggest that hedonism, perceived usefulness, privacy/security and service quality offered by the websites helps in building e-satisfaction which further contributes to repurchase intention in the consumers. Satisfaction plays a vital role in the repurchase intention (Li et al., 2015). The more the consumers are satisfied, the more is the chance that they would revisit and repurchase from the same website. The satisfied consumers help the retailers in many ways viz. spread positive e-word of mouth, become committed to the e-retailers as also remain loyal to the e-retailers. E-satisfaction is considered to be the most important factor in determining the repurchase intention of the consumers (Li et al.,
Thus, the marketers need to pay due attention to delivery of customer satisfaction.

Consumers have a belief that revolves around the idea that shopping over the Internet increases their efficiency and productivity; they easily compare the quality and price of variety of products and services before they actually buy (Celik, 2011; Zhou et al., 2007). The utilitarian advantages of the online shopping are meant to address the online shopping goals of the consumers. Keeping in mind the utilitarian aspect of e-commerce, the marketers must make their websites useful in terms of availability of variety of products and services at a competitive price. The more usable the marketers make their websites, more consumers will be satisfied with the service provider (Li et al., 2015; Cyr, 2008; Flavián et al., 2006).

Hedonism offered by the e-retailers through their websites has also been found to have a significant role in shaping consumer behaviour. It has been observed that consumers lose track of time when they enjoy the shopping (Chen et al., 1999). The findings of the present study also suggest that hedonism plays a vital role in determining the e-satisfaction which further leads to repurchase intention in the online consumers. The marketers should take steps in transforming their websites from hedonic perspective to make the shopping experience full of fun. This fun filled environment is expected to deliver enhanced satisfaction which will further help in turning consumers into loyal patrons.

Privacy/Security offered by the marketers helps the marketers to increase the number of online shoppers and online sales. While shopping over the virtual world, consumers have a concern about the privacy and security of the websites of the e-retailers. The concern of the privacy/security has emerged as an impediment for the online shoppers to transact online (Ahmad and Khan, 2017). While transacting over the virtual world, consumers need to provide several personal and financial details and the marketers need to address the concern of the consumer about the privacy and security of their details. The study findings also suggest that the marketers need to win the trust of the consumers related to privacy and security of the personal and financial details provided by the consumers.
When consumers purchase products or services, they expect the retailer to provide information on their queries and or grievances. The prompt addressing of these by the retailer play a significant role in customer satisfaction. It can also be inferred that promptness in services offered can even transform a consumer with negative attitude into a one loyal to that website (Janda and Ybarra, 2005). With the growing importance being attached to the service quality being offered by the e-retailers, it is imperative for marketers to proactively offer superior services both pre and post sales. In this context, online retailers wishing to do business in India need to offer cash on delivery (COD) option as it has emerged one of the most popular modes of payment.

Thus, from a managerial perspective, the findings of the present study strongly indicate that perceived usefulness, hedonism, privacy/security and service quality play a major role in satisfying the young online consumers in India. The marketers need to continually work on all these factors in order to satisfy the consumers who shop on their websites.

6.6 Future Research Directions

Keeping in mind the study findings and the limitations of the present study, the researcher wishes to share the following with future researchers in the hope that the grey areas of the present study might be addressed by them:

1. The future researchers may validate the study findings as also effectiveness of the managerial implications suggested in the present study with fresh replicative studies across India.
2. The respondents of the present study were students of government funded institutions. Future researchers might validate the study results by relying on a broader sample comprising other groups viz. students from other non-government institutions, young working consumers etc.
3. The present study has attempted to determine the repurchase intentions of the consumers which is in fact not the actual consumer behaviour. Thus, future researchers may employ the present model to measure the actual online consumer behaviour.
4. In the present only four factors have been studied to determine e-satisfaction and repurchase intentions of the online consumers. Future researchers must take into account other relevant factors which may have a bearing on the repurchase intentions of the consumers.

5. To map the behavioural shifts among the young online consumers, future researchers need to carry out longitudinal studies.

6. To have an in-depth understanding of the online consumer behaviour future researchers may also employ experimental methodology.

7. Finally, future researchers may replicate the present study model in the context of specific products and services offered by the e-retailers for a better understanding of young online consumers.

**6.7 Summary of the Chapter**

The findings of the present study can be of immense help to online retailers. The study findings suggest that the online marketers in India, need to do their homework well to keep their customers satisfied in order to turn them into loyal patrons as also encourage repurchase. If the retailers take into account the four factors identified in the present study while developing their e-shopping websites, it is expected that they would be able to not only attract customers but also retain existing ones for a mutually rewarding relationship. The chapter concludes with the directions for future researchers to overcome the limitations of the present study.