DETERMINANTS OF ONLINE BUYER BEHAVIOR: A STUDY OF YOUTH IN INDIA

ABSTRACT

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Introduction

The worldwide usage of Internet has grown very rapidly over the past years and has also become a common means for people to trade and offer services as well as a medium to transfer. In the year 1995 less than 1 percent of the world population was using Internet and presently more than 40 percent of the total population of the world is using Internet. The Internet population has increased from a mere 0.41 billion in the year 2000 to 3.42 billion in 2016 (Internet Live Stats, 2016). The increase in the number of Internet users has also brought a revolution in the growth of worldwide e-commerce. In the year 2013, the total B2C e-commerce worldwide was around 1.2 trillion US dollars which further grew to 1.9 trillion US dollars in the year 2014. The universal B2C e-commerce kept its pace of growth in the year 2015 and grew by almost 20 percent to 2.3 trillion US dollars (Ecommerce-Europe, 2016). The involvement of the Internet users have been found to be very high which has given us a new dimension of shopping i.e. online shopping in the context of business world. Shopping over the Internet or online shopping has been a growing phenomenon all over the world, particularly those countries where the infrastructure for marketing is highly developed. Internet has proved not only to be a networking media but also a global means of transaction for consumers.

The last decade has shown a huge growth in the e-commerce based solutions which grabbed the response of many retailers who started to provide online services to get a competitive advantage and grip on their customers and make them loyal (Li and Suomi, 2007). Internet commerce has emerged to be an important source for the economic growth which has increased the exchanges done by the consumers over the Internet (Tan and Ludwig, 2016; Kauffman and Kumar, 2008; Zhao, Wang and Huang, 2008). The electronic data interchange increases the efficiencies of the online transactions and are more efficient in monetary terms too (Tan and Ludwig, 2016; Huang, Janz and Frolick, 2008). E-commerce because of its’ benefits has fascinated different business firms to dive into e-commerce and gain competitive advantage (Chien, Chen, and Wu, 2013; Bhatt and Grover, 2005). The marketers need to provide
various e-services to the customers and satisfy them (Carter, 2010; Guo, Shim, and Otondo, 2010). Formulation of models of e-commerce is different for different regions of the globe, as there is no agreed upon definition of Internet commerce. Some people think it only to be limited to credit and debit card transactions, for others e-commerce is an electronic device where we can buy goods and services. But in reality e-commerce is a complex process which looks beyond the issues like products, services, security etc. (Lafond and Sinha, 2005). E-commerce is actually an innovation in the businesses where business transactions and relations are maintained through electronic means without involving physical interactions (Awa, Ojiabo and Emecheta, 2015). It is an interaction which involves pre-processing, performance and post-processing of transactions between community members; it involves globalization of transactions and exchange of information with trading agents (ECaTT, 2000). The data generated in these processes are generally accessed by both the organization and the client with whom the organization is trading with, this helps in building competitive advantage (Parker and Castleman, 2009).

India is still underdeveloped with respect to retail e-commerce as it has a meagre share in the total retail commerce of the country. But with greater penetration of smartphones and people exploring the digital world for the first time with these devices, the scenario is expected to brighten up the e-commerce arena in India (India Retail Ecommerce 2016: The Relentless Rise in Mobile Sales, 2016). Although there is huge growth in e-commerce in India, compared with the total retail sales, it only accounts 2.5 percent of the total retail commerce and is expected to grow to 5 percent by 2020. Convinced by the increase in the number of Internet users and online buyers, the Indian economy has attracted several investors in the e-commerce sector. In the year 2011, more than US$ 450 million was invested in the booming e-commerce sector in India (Thamizhvanan, and Xavier 2013; The Economist, 2012). It is expected that by 2020, the global business impact of connected life will be around $4.3 trillion and India is expected to be a big beneficiary. All the initiatives with respect to digitalising the economy are expected to bring prosperity for all—the government, individuals and society (Deloitte, 2015).

India being the second largest country in terms of Internet user base, makes it a market of interest from the point of view of e-commerce (Ahmad et al., 2016). The
developing countries of the world have the potential of generating high return to e-business as compared to the developed nations (Kshetri, 2008). But still the marketers in developing countries like India have not been able to reap the benefits of the technology to tap the consumers. There are scant researches in analytical studies of e-commerce in the developing world (Kshetri, 2007).

**Research Gap**

Keeping in mind the continuous growth of Internet user base and e-commerce in India and the scant literature related to online consumer behaviour, following gaps were identified based on the literature surveyed:

I. Very little work has been done in the context of online consumer behaviour in India. Thus, there is a dearth of literature with respect to online purchasing behaviour of the Indians in general and youths in particular.

II. Factors like hedonism, price, logistics, perceived usefulness, service quality, e-satisfaction and repurchase intention have been found to play a significant role in determining the online consumer behaviour but researchers in India have rarely surveyed these factors.

III. No model has been developed with all the above mentioned factors determining the online consumer behaviour.

**Research Aim and Objectives**

The objective of the present study is to develop and assess a conceptual framework comprising important factors which influence and determine the online buyer behaviour. The researcher in the present study also aims to examine the relationships in the proposed model with the help of structural equation modelling which has been found to be a unique and sound statistical tool to measure the relationships in such models (Khan and Adil, 2013). In the light of the research gaps and to achieve the aims of the present study the researcher has specified the following study objectives:

I. To review the extant literature related to online consumer behaviour to determine the knowledge gaps.
II. To explore the determinants online consumer behaviour of young consumers in India.

III. To develop a research framework based on the factors affecting the satisfaction and repurchase intention of the youths in India.

IV. To employ quantitative methods to measure the relationships in proposed in the model.

V. To determine the relationship among the determinants explored which affects the repurchase intention of the youths in India.

VI. To investigate and determine the relationship between the independent factors and the e-satisfaction and repurchase intention of the young consumers in India.

VII. To measure the effects of the demographic characteristics of the consumers on the different factors of the proposed model.

Literature Review

It has become a challenging task for the marketers and service providers to ensure user acceptance of technology and e-services (Venkatesh and Zhang, 2010; Schwarz and Chin, 2007). This task of ensuring the acceptance of new technology has occupied the researchers and academicians all over the world making it one of the mature areas of exploration (Venkatesh et al., 2003). This quest has brought up a number of research works examined in different contexts (Table 2.2) providing a variety of theories and research methods to examine the technology use in areas like e-commerce and e-learning (Williams, Rana and Dwivedi, 2015; Ahmad and Khan, 2015; Williams, Dwivedi, Lal, and Schwarz, 2009). The models dealing online consumer behaviour have been derived by combining earlier theories of social psychology and the theories of consumer behaviour (Ahmad and Khan, 2015). TAM was based on the theory of reasoned action. Taylor and Todd (1995) in the quest of analysing the Internet behaviour, proposed decomposed theory of planned behaviour (DTPB). The model was based upon the Theory of Planned Behaviour (Ajzen, 1991). Venkatesh et al. (2003) proposed the unified theory of acceptance and use of technology (UTUAT) which was an amalgamation of theories like TRA, TPB, TAM, Innovation diffusion theory (IDT) and social cognitive theory (SCT). Kotler (2003) also included Web experience in the buying behaviour model as a determinant of the
online consumer behaviour. To study the e-shopping acceptance Shih (2004) developed an extended model based on TRA and TAM. Perceived usefulness of TAM was integrated in the expectation-confirmation model (ECT) to measure the loyalty and repurchase intentions of the consumers (Lin et al., 2005). Theories like UTAUT, SCT, and ECT were used to study the online consumer behaviour by Pappos et al (2014). Shareef, Archer, Fong, Rahman, and Mann (2013) in their study used TRA, TPB, and DTPB along with trust to determine the online buyer behaviour. Cetină, Munthiu, and Rădulescu (2012) in their study adapted the online consumer behaviour framework of Kotler (2003) to study the behaviour of the consumers while shopping online. To understand the behaviour of the consumers over the Internet and to determine the factors which affects the online buyer behaviour, researchers have also adapted S-O-R model (Kim and Lennon 2013, Chang and Chen 2008) and Factors, Filtering Elements and Filtered Buyer Behaviour (Kumar and Dange, 2012).

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, Parasuraman, Hoefnagels, Mighels, Kabadayi, Gruber and Solnet, 2013; Arnaudovska, Bankston, Simurkova and Budden, 2010).

Proposed Model and Hypotheses Development

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 1.

**Figure 1: Proposed Model**

![Proposed Model Diagram](image)

*Source: Prepared by the researcher*

**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.
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.
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.,

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2007; Flavián, Guinalíu and Gurrea, 2006; Van La, 2005). Thus, the following hypothesis was proposed:

**H3:** Satisfaction is positively influenced by perceived usefulness.

### 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 an stimulus to build the consumers self-concept by giving them 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,
Researchers have studied the factor of 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; Lympopoulous and Chaniotakis, 2008; Anand, 2007; Ming, 2003; Wang and Huarng, 2002). Thus, the following hypothesis was proposed:

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

### Privacy/Security and Satisfaction

The surge in the number of Internet users worldwide 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.

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 Christopnersen, 2003; Wagner and Rydstrom, 2001). Consumer service has immerged 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.

**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.

**Research Methodology**

**Research Design**

The present research is an amalgamation of exploratory as well as descriptive research which falls under conclusive type of research. The initial stage of the present study was exploratory in nature and involved understanding the factors determining the online consumer behavior, especially in the Indian context, as well as the research approaches employed in these kind of studies since they vary depending upon the culture and context (Malhotra and Dash, 2011). The main objective of the researcher in the initial stage was to identify the factors determining the e-satisfaction of the
consumers which further lead to re-purchase intention. The second phase of the current study was well organized and formal; the kind of information needed by the researchers was well defined, sample was selected, further the generated data was quantitatively analyzed and the findings based on analysis of data were used to arrive at certain conclusions.

**Research Instrument**

The research instrument had two sections; the first section comprised questions related to demographic details of the respondents such as gender (male or female), educational qualification (school, graduate and post-graduate), monthly family income (less than 30000; 30,000-50000; more than 50000), preferred device to access Internet (mobile/tablets or laptops/desktops), frequency of shopping (less than 5, 5 to 10 and more than 10 times), types of products (apparels, electronics and books) and the most preferred shopping site (Flipkart, Amazon, Snapdeal, Paytm and others). The second section of the questionnaire was designed to measure the perception of the young online consumers towards factors such as hedonism, perceived usefulness, price, privacy/security, customer support service quality, logistics, e-satisfaction and repurchase intention.

**Pre-testing and Content Validity**

The researcher distributed 10 questionnaires to faculty members and research scholars of Department of Business Administration and Department of English of the Aligarh Muslim University (AMU), Aligarh, India. AMU is a university funded by the Central Government of India and is located at Aligarh, around 130 KMs from the federal capital, New Delhi. The experts were asked to give their opinion on the questionnaire and were probed for any kind of stress they faced while responding to the questions. They were also asked for suggestions, if any, related to the lucidity, readability and the content validity. The pre-testing resulted in a questionnaire comprising 31 items representing six independent and two dependent variables. The 31 item questionnaire was found to be of desirable length and was suitable for unbiased responses from the respondents (Malhotra and Dash, 2011). The questionnaire was subsequently used in pilot study.
Pilot Survey and Scale Refinement

For the present study it was decided to collect data from a sample comprising 80 respondents. The sample for the pilot survey comprised graduate and post-graduate students studying at AMU. The sample satisfied both the criteria of minimum number of respondents and also the sample-item ratio as the unidimensionality of each factor was checked individually and the maximum number of item in a single factor was not more than four. The data collected was further analysed through EFA. Following the iterative process of scale refinement, the study resulted in a shorter 24-item scale representing Hedonism, Perceived Usefulness, Reliability, Service Quality, e-Satisfaction and e-Loyalty. The KMO and alpha values were found to be well above the suggested value.

Sampling

Sampling Elements

Young consumers have been found to have a unique online purchasing behaviour and this group has been considered as a very important group which the marketers need to understand for the success of e-commerce in an emerging economy like India (Ahmad and Khan, 2017; Ahmad et al., 2016; Ahmad and Khan, 2015; Nadeem et al., 2015; Bolton et al., 2013; Punj, 2011; Arnaudovska et al., 2010; Ha and Stoel, 2009). Among the young consumers, students are mostly attracted towards new ideas and techniques and search extensively for products and services over the Internet before purchasing them (Valentine and Powers, 2013; Wan et al., 2012; Sorce et al., 2005; Taylor et al., 2004). Researchers have also suggested that students being active Internet users and online shoppers can also be considered as surrogates for non-students (Abeler et al., 2014; Guth et al., 2007; Jones, 2002; Yoo and Donthu, 2001). As per the report of Heslop (2014), approximately fifty percent of the Indian population comprises young people who are below the age of 25 years. And also seventy five percent of the total Internet users have been found to be in the age band of 15-24 years (Ahmad and Khan, 2017; Ahmad et al., 2016; Statista, 2013). The researcher decided to draw sample of students enrolled in government funded institutions from the top six cities i.e. Mumbai, Delhi NCR, Kolkata, Bangalore, Chennai and Hyderabad. The government funded institutions in India cater to students
belonging to the economically significant middle class (Heslop, 2014). Middle class in India accounts for almost 35% of the total population and has been found to be the largest segment of consumers (Sheth, 2011).

**Sample Size**

As per the suggestions of earlier researchers, the researcher in the present study decided to collect data from around 500 respondents resulting in subject-item ratio more than the recommended ratio of 20:1 (Wolf et al., 2013; Hair et al., 2010).

**Sampling Technique**

The researcher did not have access to a reliable sample frame, thus, convenience or researcher controlled sampling was employed. To generate quality data, the researcher personally visited a number of government funded institutions in the Delhi NCR region as also Bangalore, with pen and pencil based questionnaire and collected 400 responses. The researcher also employed snowball sampling, which is another commonly used form of researcher controlled sampling, to collect data from respondents located in Mumbai, Kolkata, Hyderabad and Chennai. Snowball sampling involved the use of email and social media such as Facebook, WhatsApp etc. to reach out to the target respondents pursuing various courses of study and enrolled in Government (Central/State) funded institutions. The data was collected for almost a year i.e. from November 2015 to October 2016 resulting in 800 responses. However, several questionnaires were incomplete in various respects. At times snowball sampling resulted in responses from non-qualified individuals (i.e. lower or higher in age) and thus the researcher was left with 566 responses fit for further processing.

**Statistical Tools for Data Analysis**

The collected data was analysed using tools like SPSS 20 and AMOS 20. The study hypotheses were validated by using statistical tools like SEM, Independent samples t-Test and Analysis of Variance (ANOVA).
Results and Analysis

The fit indices of both the models (measurement and structural) were found to be well within the suggested range indicating a good fit. The scale used was also found to be reliable as the composite reliability of the factors was also within the acceptable range. The indices of discriminant validity were also found to be adequate, thus implying that the constructs were truly distinct. The results of the path analysis indicate positive and significant effect of studied factors viz. hedonism, perceived usefulness, privacy/security and service quality on e-satisfaction which further has a positive and significant bearing on the repurchase intention of the consumers (Table 1).

Figure 2: Resultant Proposed Model

Source: Prepared by researcher

Table 1: Path Estimates

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Path</th>
<th>Estimates</th>
<th>C.R.</th>
<th>p- value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>INT ← SAT</td>
<td>.883</td>
<td>8.924</td>
<td>.000</td>
</tr>
<tr>
<td>H2</td>
<td>SAT ← HED</td>
<td>.192</td>
<td>4.761</td>
<td>.000</td>
</tr>
<tr>
<td>H3</td>
<td>SAT ← PERU</td>
<td>.245</td>
<td>3.020</td>
<td>.003</td>
</tr>
<tr>
<td>H5</td>
<td>SAT ← SECU</td>
<td>.147</td>
<td>2.971</td>
<td>.003</td>
</tr>
<tr>
<td>H6</td>
<td>SAT ← SERV</td>
<td>.152</td>
<td>2.140</td>
<td>.032</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher
Further, analysis revealed that online consumer behaviour of the young consumers is not affected by the demographic characteristics of the consumers (Table 3).

<table>
<thead>
<tr>
<th>Code</th>
<th>Hypothesis</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H08a</td>
<td>Significant differences do not exist between male and female online consumers with respect to hedonism.</td>
<td>Supported</td>
</tr>
<tr>
<td>H08b</td>
<td>Significant differences do not exist between male and female online consumers with respect to perceived usefulness.</td>
<td>Supported</td>
</tr>
<tr>
<td>H08d</td>
<td>Significant differences do not exist between male and female online consumers with respect to privacy/security.</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H08e</td>
<td>Significant differences do not exist between male and female online consumers with respect to customer support service quality.</td>
<td>Supported</td>
</tr>
<tr>
<td>H08g</td>
<td>Significant differences do not exist between male and female online consumers with respect to e-satisfaction.</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H08h</td>
<td>Significant differences do not exist between male and female online consumers with respect to e-loyalty.</td>
<td>Supported</td>
</tr>
<tr>
<td>H08</td>
<td>The male and female consumers differ significantly with respect to online consumer behaviour.</td>
<td>Partially Supported</td>
</tr>
<tr>
<td>H09a</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and hedonism.</td>
<td>Supported</td>
</tr>
<tr>
<td>H09b</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and perceived usefulness.</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H09d</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and privacy/security.</td>
<td>Supported</td>
</tr>
<tr>
<td>H09e</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and customer support service quality.</td>
<td>Supported</td>
</tr>
<tr>
<td>H09g</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and e-satisfaction.</td>
<td>Supported</td>
</tr>
<tr>
<td>H09h</td>
<td>Significant differences do not exist among the online consumers in terms of educational qualifications and e-loyalty.</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H09</td>
<td>The consumers of different educational qualification groups differ significantly in their online consumer behaviour.</td>
<td>Partially Supported</td>
</tr>
<tr>
<td>H10a</td>
<td>Significant differences do not exist among the online consumers from different income groups with respect to hedonism.</td>
<td>Supported</td>
</tr>
<tr>
<td>H10b</td>
<td>Significant differences do not exist among the online consumers from different income groups with respect to perceived usefulness.</td>
<td>Supported</td>
</tr>
<tr>
<td>H10d</td>
<td>Significant differences do not exist among the online consumers from different income groups with respect to privacy/security.</td>
<td>Supported</td>
</tr>
<tr>
<td>H10e</td>
<td>Significant differences do not exist among the online consumers from different income groups with respect to customer support service quality.</td>
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<td>Supported</td>
</tr>
<tr>
<td>H10h</td>
<td>Significant differences do not exist among the online consumers from different income groups with respect to e-loyalty.</td>
<td>Supported</td>
</tr>
<tr>
<td>H10</td>
<td>The consumers of different income groups differ significantly in their online consumer behaviour.</td>
<td>Supported</td>
</tr>
</tbody>
</table>

*Source: Prepared by the researcher*
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.

Managerial Implications

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).
Limitations of the Study

In the present study, the researcher has tried to make the findings of the study free from errors, but some issues still remain and the future researchers must work on the limitations listed below:

1. The present study results are based on the respondents of the students of government run institutions of the six selected cities in India. Because of its cultural diversity, the results may differ in different other cities of India. Also, the study is based on the young consumers of the government run institutions only, this may also hamper the generalizability of the study findings.

2. The results of the present study are based on determining the repurchase intention of the online consumers from their preferred websites. With the inclusion of different products and services in the study, the results may vary.

3. The researcher in the present study has conceptualised a model to determine the repurchase intention of the consumers shopping over the Internet. Although, in a research Atorough (2013) has suggested that there exist an incontinency between the actual online consumer behaviour and repurchase intention of the consumers.

4. The researcher in the present study has conceptualized a model comprising six factors (four factors determining the e-satisfaction which further leads to repurchase intention). Although all the four independent factors used in the present study have a significant contribution to measure the e-satisfaction and repurchase intention of the consumers, the researcher may have included other relevant factors like electronic word of mouth and presence of the e-retailer over the social media (Nadeem et al., 2015) which may have also defined the repurchase intention of the consumers.

5. One of the limitation of the present study is related to the methodology used by the researcher in the present study. Because of the use of the cross-sectional approach in the present study the shift in the behavioural intention of the consumers have been overlooked. The researcher has used questionnaire survey which may have generated biased responses which may have hampered the generalizability of the study.
Future Research Directions

Keeping in mind the study findings and the limitations of the present study, the researcher has some guidelines for the future researchers hoping the guidelines will be of benefit to them. These recommendations are:

1. The future researchers may validate the study findings and the effectiveness of the managerial implications suggested in the present study with fresh studies across India.
2. The respondents of the present study were students of government institutions only, thus, future researchers may validate the study results by relying on a broader sample comprising other groups viz. students from other non-government institutions, young working consumers.
3. The present study have determined the repurchase intention of the consumers which is not the actual consumer behaviour, future researchers may apply the present model to measure the actual online consumer behaviour.
4. In the present only four factors have been used to determine the e-satisfaction and repurchase intention of the online consumers, on the other hand future researchers should take into account other relevant factors which may have an impact on the repurchase intention of the consumers.
5. To measure the behavioural shift of the consumers, the future researchers need to base their study on longitudinal approach. To have an in-depth understanding of the online consumer behaviour the researchers also have experimental based methodology of their study.
6. Finally the future researchers may replicate the present study model in the context of specific products and services offered by the e-retailers.