Chapter 2

Advantages of Internet and Online Shopping to the Consumers

2.1. Introduction

In this chapter, an attempt has been made by the researcher to examine the advantages of Internet and online shopping to the consumers in Section-A- and the review of literature in Section-B-.

Section-A-

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Alternative names are: e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, online storefront and virtual store. Mobile commerce (or m-commerce) describes purchasing from an online retailer's mobile optimized online site or app.

An online shop evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or shopping center; the process is called business-to-consumer (B2C) online shopping. In the case where a business buys from another business, the process is called business-to-business (B2B) online shopping. The largest of these online retailing corporations are Alibaba,
Amazon.com, and eBay.\[^{11}\] Retail success is no longer all about physical stores. This is evident because of the increase in retailers now offering online store interfaces for consumers. With the growth of online shopping, comes a wealth of new market footprint coverage opportunities for stores that can appropriately cater to offshore market demands and service requirements.

**Michael Aldrich, pioneer of online shopping in the 1980s.**

English entrepreneur Michael Aldrich invented online shopping in 1979. His system connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. He believed that video tex, the modified domestic TV technology with a simple menu-driven human–computer interface, was a 'new, universally applicable, participative

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Communication medium — the first since the invention of the telephone.' This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for e-messaging and information retrieval and dissemination, later known as e-business.\[^{2}\] His definition of the new mass communications medium as 'participative' [interactive, many-to-many] was fundamentally different from the traditional definitions of mass communication and mass media and a precursor to the social networking on the Internet 25 years later. In March 1980 he went on to launch Redifon's Office Revolution, which allowed consumers, customers, agents, distributors, suppliers and service companies to be connected on-line to the corporate systems and allow business transactions to be completed electronically in real-time.\[^{3}\]

During the 1980s\[^{4}\] he designed, manufactured, sold, installed, maintained and supported many online shopping systems, using video tex technology.\[^{5}\] These systems which also provided voice response and handprint processing pre-date the Internet and the World Wide Web, the IBM PC, and Microsoft MS-DOS, and were installed mainly in the UK by large corporations.

\[^{2}\] Videotex Communications, Collected Papers Aldrich Archive, University of Brighton December 1982
\[^{3}\] TV paves the way for Information Brokerage, Minicomputer News p. 12 London May 1980, the most comprehensive report of the March 1980 Press Conference launching the Redifon R 1800/50 computer system. Is 'Information Brokerage' aka 'browser industry'?
\[^{5}\] Checking on the check-outs, Financial Times London 12 July 1980
The first World Wide Web server and browser, created by Tim Berners-Lee in 1990, opened for commercial use in 1991. Thereafter, subsequent technological innovations emerged in 1994: online banking, the opening of an online pizza shop by Pizza Hut,[6] Netscape's SSL v2 encryption standard for secure data transfer, and Intershop's first online shopping system. The first secure transaction over the Web was either by Net Market or Internet Shopping Network in 1994.[7] Immediately after, Amazon.com launched its online shopping site in 1995 and eBay was also introduced in 1995.[8]

Statistics show that in 2012, Asia-Pacific increased their international sales over 30% giving them over $433 billion in revenue. That is a $69 billion difference between the U.S. revenue of $364.66 billion. It is estimated that Asia-Pacific will increase by another 30% in the year 2013 putting them ahead by more than one-third of all global ecommerce sales.

**Online customers must have access to the Internet and a valid method of payment in order to complete a transaction.**

Generally, higher levels of education and personal income correspond to more favorable perceptions of shopping online. Increased exposure to technology

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also increases the probability of developing favourable attitudes towards new shopping channels. In a December 2011 study, Equation Research surveyed 1,500 online shoppers and found that 87% of tablet owners made online transactions with their tablet devices during the early Christmas shopping season.

Many successful purely virtual companies deal with digital products, (including information storage, retrieval, and modification), music, movies, office supplies, education, communication, software, photography, and financial transactions. Other successful marketers use drop shipping or affiliate marketing techniques to facilitate transactions of tangible goods without maintaining real inventory.

Some non-digital products have been more successful than others for online stores. Profitable items often have a high value-to-weight ratio, they may involve embarrassing purchases, they may typically go to people in remote locations, and they may have shut-ins as their typical purchasers. Items which can fit in a standard mailbox—such as music CDs, DVDs and books—are particularly suitable for a virtual marketer.

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and for industrial equipment like centrifugal pumps, also seem good candidates for selling online. Retailers often need to order spare parts specially, since they typically do not stock them at consumer outlets—in such cases, e-commerce solutions in spares do not compete with retail stores, only with other ordering systems. A factor for success in this niche can consist of providing customers with exact, reliable information about which part number their particular version of a product needs, for example by providing parts lists keyed by serial number.

Products less suitable for e-commerce include products that have a low value-to-weight ratio, products that have a smell, taste, or touch component, products that need trial fittings—most notably clothing—and products where colour integrity appears important. Nonetheless, some web sites have had success delivering groceries and clothing sold through the internet is big business in the U.S.
The following are the top Five reasons to shop online.

Many people browse through popular ecommerce stores and search engines to find whatever they are looking for. While there are some disadvantages to buying products online, there are many more advantages and benefits. These are the top five reasons to shop online.

1. Better Prices

The vast majority of online stores offer prices that are much lower than what you will find at a physical store. There are a few reasons for this. The first is because many people use the Internet to find cheaper items. Online business owners understand this. They will usually reduce their profit margin to get more customers.

Another reason is because you can easily browse through dozens of different websites to find the best price. You can do the same at a mall, but it would take about an hour or longer. You also may not be taxed because most ecommerce stores won’t tax you unless they are stationed in your state.

2. Convenience

Shopping online is convenient. You don’t need to get dressed and drive to your favourite store. You can easily visit their website, find the product you want and
buy it without getting out of your pyjamas. It’s also convenient because you
don’t need to wait for the store to open.

If you work irregular hours or are very busy, then you probably don’t have the
time to visit the store. Shopping online allows you to buy things without hurting
your schedule.

3. Variety

Most physical stores have a limited array of products. They can only hold so
many items, and there are often many policies affecting the availability of
products. For example, there might be a certain item that is only available to
those versions of the business that exist in the mall.

Shopping online allows you to find many products that you wouldn’t be able to
find in a physical store. You can also buy products that may not logically go
together like candy canes and quilts.

4. Fewer Traps

Physical stores are made to lure you into buying more things. They use posters,
sales messages, colours and product placement to make you buy additional items.
The most popular products are typically in the back because the owner wants you
to view all of his or her other products. Many people will find a few additional
items by the time they reach the thing they came in for. These tactics are not as
pronounced with online stores. This means that you won’t feel the pressure to buy other things.

5. Discreet Shopping

Physical stores often make it difficult to buy certain items. For example, buying lingerie without getting a few awkward stares is nearly impossible. There are many instances of this, and sometimes you might feel embarrassed for no reason. Shopping online gives you privacy because you won’t have people looking at you while you shop. Not only that, but the receipts are usually made so that no one will know what you bought.

Advantages of Online shopping

1. Easy Access

Online stores are usually available 24 hours a day, and many consumers have Internet access both at work and at home. Other establishments such as internet cafes and schools provide internet access as well. In contrast, visiting a conventional retail store requires travel and must take place during business hours.

In the event of a problem with the item (e.g., the product was not what the consumer ordered, the product was not satisfactory), consumers are concerned with the ease of returning an item in exchange for either the correct product or a refund. Consumers may need to contact the retailer, visit the post office and pay
return shipping, and then wait for a replacement or refund. Some online companies have more generous return policies to compensate for the traditional advantage of physical stores. For example, the online shoe retailer Zappos.com includes labels for free return shipping, and does not charge a restocking fee, even for returns which are not the result of merchant error. (Note: In the United Kingdom, online shops are prohibited from charging a restocking fee if the consumer cancels their order in accordance with the Consumer Protection (Distance Selling) Act 2000).[11]

2. Information and reviews

Online stores must describe products for sale with text, photos, and multimedia files, whereas in a physical retail store, the actual product and the manufacturer's packaging will be available for direct inspection (which might involve a test drive, fitting, or other experimentation).

Some online stores provide or link to supplemental product information, such as instructions, safety procedures, demonstrations, or manufacturer specifications. Some provide background information, advice, or how-to guides designed to help consumers decide which product to buy.

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Some stores even allow customers to comment or rate their items. There are also dedicated review sites that host user reviews for different products. Reviews and even some blogs give customers the option of shopping for cheaper purchases from all over the world without having to depend on local retailers.

In a conventional retail store, clerks are generally available to answer questions. Some online stores have real-time chat features, but most rely on e-mails or phone calls to handle customer questions.

3. Price and selection

One advantage of shopping online is being able to quickly seek out deals for items or services provided by many different vendors (though some local search engines do exist to help consumers locate products for sale in nearby stores). Search engines, online price comparison services and discovery shopping engines can be used to look up sellers of a particular product or service. Shipping costs (if applicable) reduce the price advantage of online merchandise, though depending on the jurisdiction, a lack of sales tax may compensate for this. Shipping a small number of items, especially from another country, is much more expensive than making the larger shipments bricks-and-mortar retailers order. Some retailers (especially those selling small, high-value items like electronics) offer free shipping on sufficiently large orders. Another major
advantage for retailers is the ability to rapidly switch suppliers and vendors without disrupting users' shopping experience.

4. Saves Time – With just a couple of clicks of the mouse, we can purchase your shopping orders and instantly move to other important things, which can save

5. Saves Fuel – The market of fuel industries battles from increasing and decreasing its cost every now and again, but no matter how much the cost of fuel are it does not affect your shopping errands. One of the advantages of shopping online is that there is no need for vehicles, so no purchase of fuel necessary.

6. Saves Energy – Admit it, it is tiresome to shop from one location and transfer to another location. What is worse is that there are no available stocks for the merchandise you want to buy. In online shopping, we do not need to waste our precious energy when buying.

7. Comparison of Prices – The advanced innovation of search engine allows you to easily check prices and compare with just a few clicks. It is very straightforward to conduct price comparisons from one online shopping website to another. This gives you the freedom to determine which online store offers the most affordable item you are going to buy.

8. 24/7 Availability – Online shopping stores are open round the clock of 24/7, 7 days a week and 365 days. It is very rare to find any conventional retail stores
that are open 24/7. The availability of online stores give the freedom to shop at our own pace and convenience.

9. **Hate Waiting in Lines** – When buying items online, there are no long lines we have to endure, just to buy our merchandise. The idea of shopping online is cutting down those bad habits of standing in a long line and just waiting. Every online store is designed with unique individual ordering features to purchase the item.

10. **Too Ashamed to Buy** – There are times that you want to purchase something out of the ordinary that can be a bit embarrassing when seen by other people. Items like weird ornaments, sexy lingerie, adult toys, etc. In online shopping, we do not need to be ashamed; our online transactions are basically done privately.

11. **Easy to Search Merchandise we Want to Buy** – We are able to look for specific merchandise that includes model number, style, size, and color that we want to purchase. In addition, it is easy to determine whether the products are available or out of stock.
Disadvantages of Online shopping

Fraud and security concerns

Given the lack of ability to inspect merchandise before purchase, consumers are at higher risk of fraud than face-to-face transactions. Merchants also risk fraudulent purchases using stolen credit cards or fraudulent repudiation of the online purchase. However, merchants face less risk from physical theft by using a warehouse instead of a retail storefront.

Secure Sockets Layer (SSL) encryption has generally solved the problem of credit card numbers being intercepted in transit between the consumer and the
merchant. However, one must still trust the merchant (and employees) not to use the credit card information subsequently for their own purchases, and not to pass the information to others. Also, hackers might break into a merchant's web site and steal names, addresses and credit card numbers, although the Payment Card Industry Data Security Standard is intended to minimize the impact of such breaches. Identity theft is still a concern for consumers. A number of high-profile break-ins in the 2000s has prompted some U.S. states to require disclosure to consumers when this happens. Computer security has thus become a major concern for merchants and e-commerce service providers, who deploy countermeasures such as firewalls and anti-virus software to protect their networks.

Phishing is another danger, where consumers are fooled into thinking they are dealing with a reputable retailer, when they have actually been manipulated into feeding private information to a system operated by a malicious party. Denial of service attacks are a minor risk for merchants, as are server and network outages.

Quality seals can be placed on the Shop web page if it has undergone an independent assessment and meets all requirements of the company issuing the seal. The purpose of these seals is to increase the confidence of online shoppers. However, the existence of many different seals, or seals unfamiliar to consumers, may foil this effort to a certain extent. A number of resources offer advice on
how consumers can protect themselves when using online retailer services.

These include:

❖ Sticking with known stores, or attempting to find independent consumer reviews of their experiences; also ensuring that there is comprehensive contact information on the website before using the service, and noting if the retailer has enrolled in industry oversight programs such as a trust mark or a trust seal.

❖ Before buying from a new company, evaluate the website by considering issues such as: the professionalism and user-friendliness of the site; whether or not the company lists a telephone number and/or street address along with e-contact information; whether a fair and reasonable refund and return policy is clearly stated; and whether there are hidden price inflators, such as excessive shipping and handling charges.

❖ Ensuring that the retailer has an acceptable privacy policy posted. For example note if the retailer does not explicitly state that it will not share private information with others without consent.

❖ Ensuring that the vendor address is protected with SSL (see above) when entering credit card information. If it does the address on the credit card information entry screen will start with "HTTPS".

❖ Using strong passwords, without personal information. Another option is a "pass phrase," which might be something along the lines: "I shop 4 good
a buy!!" These are difficult to hack, and provides a variety of upper, lower, and special characters and could be site specific and easy to remember.

Although the benefits of online shopping are considerable, when the process goes poorly it can create a thorny situation. A few problems that shoppers potentially face include identity theft, faulty products, and the accumulation of spyware. If users are required to put in their credit card information and billing/shipping address and the website is not secure, customer information can be accessible to anyone who knows how to obtain it. Most large online corporations are inventing new ways to make fraud more difficult. However, criminals are constantly responding to these developments with new ways to manipulate the system. Even though online retailers are making efforts to protect consumer information, it is a constant fight to maintain the lead. It is advisable to be aware of the most current technology and scams protect consumer identity and finances.

Product delivery is also a main concern of online shopping. Most companies offer shipping insurance in case the product is lost or damaged. Some shipping companies will offer refunds or compensation for the damage, but this is up to their discretion.
Lack of full cost disclosure

The lack of full cost disclosure may also be problematic. While it may be easy to compare the base price of an item online, it may not be easy to see the total cost up front. Additional fees such as shipping are often not be visible until the final step in the checkout process. The problem is especially evident with cross-border purchases, where the cost indicated at the final checkout screen may not include additional fees that must be paid upon delivery such as duties and brokerage. Some services such as the Canadian based Wishabi attempts to include estimates of these additional cost,[12] but nevertheless, the lack of general full cost disclosure remains a concern.

Privacy

Privacy of personal information is a significant issue for some consumers. Many consumers wish to avoid spam and telemarketing which could result from supplying contact information to an online merchant. In response, many merchants promise to not use consumer information for these purposes.

Many websites keep track of consumer shopping habits in order to suggest items and other websites to view. Brick-and-mortar stores also collect consumer information.

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Some ask for a shopper's address and phone number at checkout, though consumers may refuse to provide it. Many larger stores use the address information encoded on consumers' credit cards (often without their knowledge).

**Product suitability**

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Some non-digital products have been more successful than others for online stores. Profitable items often have a high value-to-weight ratio, they may involve embarrassing purchases, they may typically go to people in remote locations, and they may have shut-ins as their typical purchasers. Items which can fit in a standard mailbox—such as music CDs, DVDs and books—are particularly suitable for a virtual marketer.

Products such as spare parts, both for consumer items like washing machines and for industrial equipment like centrifugal pumps, also seem good candidates for selling online. Retailers often need to order spare parts specially, since they typically do not stock them at consumer outlets—in such cases, e-commerce solutions in spares do not compete with retail stores, only with other ordering
systems. A factor for success in this niche can consist of providing customers with exact, reliable information about which part number their particular version of a product needs, for example by providing parts lists keyed by serial number.

Products less suitable for e-commerce include products that have a low value-to-weight ratio, products that have a smell, taste, or touch component, products that need trial fittings—most notably clothing—and products where colour integrity appears important. Nonetheless, some web sites have had success delivering groceries and clothing sold through the internet is big business in the U.S.

Online shopping has become a popular shopping method ever since the internet has declared a takeover. There are many individuals that are looking for other amazing alternatives shopping and online shipping is just the fix for that. There are many advantages of online shopping; this is the reason why online stores are a booming business today. Online shopping includes buying clothes, gadgets, shoes, appliances, or even daily groceries.
Section-B-

Review of Literature

2.2. Literature Review

Understanding where and how Internet retail sales fit into the retail market requires an examination of several areas of literature. This review of literature began with examining the retailing and e-tailing. The second part of the literature review examined some research studies on online shopping in US and India.

Retailing- Modes of Retailing

Consumers today have more shopping choices than ever before with traditional retail stores, catalogue, and various cable television shopping opportunities, as well as the Internet (Sekely & Blakney, 1994; Szymanski & Hise, 2000; Taylor & Cosenza, 1999). Yet for all of its diversity, retailing can be categorized into two broad types: in-store and non-store. In-store retailing, or brick and mortar, is the typical retailing method and represents the format where consumers come to a building where salespersons display and demonstrate the merchandise and its benefits, take orders and delivers the merchandise directly to the customer (Levy & Weitz, 1998).

While there is no widely accepted definition of non-store retailing, Gehrt and Carter (1992) suggested that non-store retailing includes sales transacted via
mail, telephone, television, in person, vending machines and online. According to Kotkin (1998), non-store retailing accounted for 15 to 20% of total retail sales. The advantages of non-store retailing are increased sales without the need for physical retail space meaning smaller capital investments, fewer personnel costs, and an ability to better meet diverse needs (Maruyama, 1984). Non-store retailing includes the telemarketing, catalogue sales, door-to-door sales, television shopping, and short-form commercial.

Tele-marketing.

Telemarketing is a direct selling of goods and services by telephone (Harden, 1996). According to American telemarketing association, telemarketing sales in 2000 exceed $500 billion (Palmer & Markus, 2000).

Catalogue sales.

A retailing method where customers receive a catalogue and then purchases merchandise by placing an order usually either by phone or mail (Palmer & Markus, 2000). This category also includes sales that are the result of other printed advertising materials such as fliers (Maruyama, 1984). Catalogue shopping represented $52 billion sales in U.S. in 1996. It is the catalogue shopper who is most often considered the likely online consumer (Interactive Retailing, 1997; Internet Shopping, 1998). More than 50% of the computer users in a 1999 MasterCard International consumer survey responded that they would shop online rather than by mail and telephone if possible. Rosen and Howard (2000)
hypothesized that catalogue sales transferred to the Internet will represent a significant portion of business-to-consumer electronic revenues with an expected 40% of all catalogue sales transferred online by 2003.

**Door to Door sales.**

This category represents the sale of goods or services with a purchase price of $25.00 or more in which the seller, or his representative, personally solicits the sale and the purchase is made at the buyer’s home or at a place other than the seller’s regular place of business (Maruyama, 1984).

**Television shopping.**

There are three subset categories of television shopping including home shopping networks, infomercials, and the short-form commercial (Agee & Martin, 2001). Home shopping networks are a retail format in which customers see products displayed during an often continuous television program, customers place orders for the merchandise by phone (Agee & Martin, 2001; Palmer & Markus, 2000). It is dominated by Home Shopping Network (HSN) and Quality, Value, and Convenience (QVC) with $5 billion in total sales in together 2001 (U.S. Department of Commerce, 2003).

The infomercial is a three to 60 minute paid television advertisement that mixes entertainment with product demonstrations and solicits consumer orders via the telephone (Agee & Martin, 2001; Belch & Belch, 1993). It is a long version of the conventional commercial and focuses on persuading potential customers to
make a direct response purchase. According to Direct Marketing (1999), infomercials generated sales $75 billion world wide in 1998. The short-form commercial is the standard two minutes or less paid television advertisement (Agee & Martin, 2001).

**Current Use of Internet and A Profile of the Internet User**

The Internet represents a globally linked network of computers providing people, businesses and corporations, educational institutions, governmental agencies and even countries the ability to communicate electronically (E-Marketer, 2002). Many studies have investigated the use of the Internet and found that it is most commonly used for information searching, product searching, shopping, sending e-cards, on-line banking, paying bills, communicating (including email and chatting), listening to music, playing games, and surfing (to browse or look at information on the web by pointing and clicking and navigating in a nonlinear way) (Bourdeau, Chebat & Couturier, 2002; Hoffman & Novak, 1996; Hypersondage, 1996; Maignan & Lukas, 1997).

**The Internet Shopper: A Profile**

Research of the Internet shopper has typically included demographic questions of age, education and household income (Fram&Grandy, 1995; Gupta, 1995; Hypersondage, 1996; Mehta & Sivadas, 1995). Over time the Internet buyer, once considered the innovator or early adopter, has changed. While once young, professional males
with higher educational levels, incomes, tolerance for risk, social status and a lower dependence on the mass media or the need to patronize established retail channels (Citrin, Sprott, Silverman & Stem, Jr, 2000; Ernst & Young, 2001; Mahajan, Muller & Bass, 1990; Palmer & Markus, 2000; Rogers, 1995; Sultan & Henrichs, 2000), today’s Internet buyer shows a diversity of income and education (U. S. Dept. of Commerce, 2003).

For Internet buyers, gender, marital status, residential location, age, education, and household income were frequently found to be important predictors of Internet purchasing (Fram & Grady, 1997; Kunz, 1997; Mehta & Sivadas, 1995; Sultan & Henrichs, 2000). Sultan and Henrichs (2000) reported that the consumer’s willingness to and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness. In 2000, women represented the major online holiday season buyer (Rainne, 2002; Sultan & Henrichs, 2000). According to a report by the Pew Research Center (2001), the number of women (58%) who bought online exceeded the number of men (42%) by 16%. Among the woman who bought, 37% reported enjoying the experience—a lot compared to only 17% of male shoppers who enjoyed the experience—a lot. More recently, Akhter (2002) indicated that more educated, younger, males, and wealthier people in contrast to less educated, older, females, and less wealthier are more likely to use the Internet for purchasing.
O‘Cass and Fenech (2002) found that Internet buyers were more often opinion leaders, impulsive, and efficient Internet users. They trusted web security, were satisfied with existing web sites and had a positive shopping orientation. Eastlick and Lotz (1999) found that potential adopters of the interactive electronic shopping medium perceived a relative advantage of using the Internet over other shopping format. They also found the Internet users to be innovators or early adopters.

**Consumer Behavior**

Consumer behavior is the study of the processes involved when an individual selects, purchases, uses or disposes of products, services, ideas, or experiences to satisfy needs and desires (Solomon, 1998). In order for the Internet to expand as a retail channel, it is important to understand the consumer’s attitude, intent and behavior in light of the online buying experience: i.e., why they use or hesitate to use it for purchasing? Consumer attitudes seem to have a significant influence on this decision (Schiffman, Scherman & Long, 2003) yet individual attitudes do not, by themselves, influence one’s intention and/or behavior. Instead that intention or behavior is a result of a variety of attitudes that the consumer has about a variety of issues relevant to the situation at hand, in this case online buying.

Customers’ attitudes towards online shopping have attracted a lot of **attention from researchers across the globe.** Previous literature has provided
us with a very strong platform with a plethora of e-shopping patronage form varied perspectives. Swaminathan et al (1999) studied internet users’ attitudes towards online shopping. The study revealed vendor characteristics, perceived security of shopping transactions on the internet, and customer privacy concerns are the three characteristics of the shopping environment that influences customers’ attitudes toward online shopping. A study undertaken by Modahl (2000) revealed that customers may perceive different types of risks in online purchasing of goods, as a result of which they may not indulge in online shopping. Hoffman et al (1999) revealed that if consumers concern for the safety of personal information is taken care of by the e-marketers, then it has a positive effect on the number of online purchases customers make. Velido et al (2000), from their study, found risk perception of customers was demonstrated to be the main discriminator between those who reported that they purchased products online and those who reported that they did not. Shergill and Chen (2005) found from their study that different types of online buyers have different evaluations of website design, and website reliability, but similar evaluations of website security/privacy issues, which indicates that online security/privacy issues are extremely important to almost all online buyers. Ranganatham and Ganapathy (2002) concluded that security and privacy dimensions of websites have a greater impact on the purchase intent of online buyers than information content and design of web sites. Gaertner and Smith (2001) concluded that security
concerns have been the most important reason for internet users not shopping online. A study by Ratnasingham (1998) has revealed that the fear of online credit card fraud has been one of the major reasons for customers avoiding online shopping. Benedict et al (2004) found from their study that the need to touch, feel, smell, or ability to try a product influences customers’ decision whether or not to shop online. Miyazaki and Fernandez (2001) opined that one of the main reasons for which customers hesitate to shop online is that online shoppers are unable to touch, feel, or see real products in order to evaluate the quality. Studies undertaken by Jones and Vijayasarathy (1998), and by Tan (1998), revealed that the absence of touch and feel in the online purchase process and concerns about the chances of receiving defective or unspecified goods increases the perceived risk in the minds of the customers. Research studies conducted by Churchill and Supernant (1982), Oliver (1980), Luarn and Lin (2003) have revealed that the ability of online companies to convert potential consumers into real depends largely on the service they offer and on the perceived satisfaction of consumers. Jayawardhena and Foley (2000) identified that convenience, site design, and financial security are the dominant factors in customer assessment of e-satisfaction. According to Collier and Bienstock (2006), the factor having the strongest influence on online customers’ satisfaction and future purchase intention is product delivery. Grewal et al (2002) concluded that for those shoppers, who would not like to invest time in
conventional shopping, online shopping provides a convenient alternative. The possibility of saving time is an important factor facilitating online shopping. Keen et al (2002) found that demographic factors like age, gender, education, and income has a significant effect on the attitude of the customers towards online shopping. Their research also revealed that internet users, who are educated are more likely to feel less uncomfortable to go for online shopping. The results from a three country (USA, France & Macao) study, conducted by Kuhlmeier and Knight (2005), suggested that a positive relationship exists between customer usage and experience of internet and the likelihood of making online purchases.

In the words of Roselius (1971), when buyers plan to purchase a product or service, they often hesitate to take action because they cannot be certain that all of their buying goals will be achieved with the purchase. Consumer behavior involves risk in the sense that my action of a consumer will product consequences which one cannot anticipate with certainty, and some of which are at least likely to be unpleasant (Bauer, 1960). Perceived risk thus, can be considered as a function of the uncertainty of the consequence of a behavior and unpleasantness of the same (Cox & Rich, 1964). For each purchasing decision, consumers have several buying goals or expected outcomes of products or services, and consumers will perceive higher risk if the actual purchasing experience differs from purchasing goals. Consumers perceive certain degree of
risk in most purchasing decisions, but non-store purchasing decisions tend to have a higher level of perceived risk associated with them (Bhatnagar, Misra & Rao, 2000; Dollin, B., Dillon, S., Thompson & Corner, 2005).

Banerjee, Dutta, and Dasgupta (2010) identified factors that influence the attitude of Indian consumers towards online shopping. The authors found that online security is one of the most important reasons that prevents Indians from shopping online. It is obvious also, as in online shopping, consumers do not have the opportunity to physically examine the product (Torkzadeh & Dillion, 2002; Bhatnagar et al., 2000). While shopping, consumers are forced to rely on some limited information and pictures displayed on the sites. They also perceive difficulty in returning the purchased products and also in developing trust on the integrity of the sellers (Bhatnagar et al., 2000; Biswas, D. & Biswas, A., 2004). Apprehensions regarding misuse of account information during online transactions or issues in delivery of products are some other concerns that effect consumers’ online purchase actions (Sweeney, Soutar & Johnson, 1999).

Pan, (2007) defined purchasing intention as the eagerness of purchasing the product. Similarly, Engel, Blackwell and Miniard, (1990) defines purchasing intention as a psychological process of decision-making. In online shopping, it is expected that shoppers are more likely to associate price attractiveness and time saving with their intention to shop while in offline shopping, consumers are more
likely to associate tangibility, high interactivity and enjoyment with their intention to shop. As a result, online marketers or retailers should be aware of the problems faced by the consumers and their perceived risk to increase their intention to shop in online. Designers must take note of consumers’ needs because the usability is the starting point to get the confidence and support of the consumers (Alzola et. al., 2006).

**Purchase Intention**

From the study of Pan (2007, p.5), the author cited from Engel, Blackwell and Miniard (1990), that defines purchasing intention as a psychological process of decision-making. According to Pan (2007), "purchasing decision process" is when the relevant information is searched by the consumers that are motivated by the fulfilment of demands according to personal experience and the external environment; then after accumulating a certain amount of information, they begin to evaluate and consider; and finally after comparison and judgement, they make the decision on certain products.

In the recent study of Chen, Ching and Tsou (2007), the authors cited from Azjen (1988); Azjen and Fishbein (1980), that the theory of reasoned action (TRA) states that behavioral intentions formed through the attitude toward a behavior and subjective norms lead to actual behavior given the availability of resources and opportunities. A person's interest in performing a particular behavior is
reflected by the attitude toward a behavior and it is determined through behavioral beliefs; these beliefs are obtained through a cognitive evaluation of outcomes associated with performing the behavior and the strength of the association between outcomes and behavior; while the evaluation produces either a favourable or unfavourable response to the object, person, thing or event (Chen, Ching and Tsou, 2007).

According to Monsuwe, Delleart and Ruyter (2004), there are five external factors to understand consumer's intention to purchase in the internet which is the consumer personality, situational factors, product characteristics, previous online shopping experiences and the trust in online shopping. Consumer's trait includes their demographic factors such as age, income, gender and educational level will lead them to have the intention to shop online. For age factor, consumers that are aged under 25 has more potential to shop in online because of their interest in using new technologies to search for product information and compare and evaluate alternatives (Wood, 2002). For educational level, higher educated consumers are more likely to use the internet for their shopping medium because they are more computer literate (Burke, 2002).

Situational factors will also lead a consumer to have the intention to shop in the internet such as time pressure, lack of mobility, geographical distance, need for special items and attractiveness of alternatives (Monsuwe, Delleart and Ruyter, 2004). Time pressure can be the insufficient time for consumers to shop in
traditional stores because of their hectic lifestyle. Consumers are able to shop any time of the day or night in the comfort of their home; especially for consumers who have little amount of free time because of extended working hours (Wolfinbarger, et, al,. 2001). For consumers that lack of mobility might be caused by their inability to reach the traditional store. Geographical distance is referred to as the far distance between the consumer's residential area and the shopping mall. Need to special items could be the consumer's needs of customized products to suit their demand (Monsuwe, Delleart and Ruyter, 2004).

Product characteristic is also another factor that will influence the consumer's intention to purchase in the internet. Product characteristic can be tangible or intangible; standardized or customized. In an online context, lower tangibility of a product is caused by the lack of physical contact and assistance in the shopping process; consumer's intention to shop on the internet will be low when there is a need to seek advice from a salesperson regarding the considered product (Monsuwe, et. al., 2004). Products such as car, computers, perfume, perfume or lotion has the lower potential to be purchased by the consumer because it requires more personal knowledge and experience (Elliot, et. al., 2000).

Another factor that influences the consumer's intention to purchase in online is the previous online shopping experiences. Consumers will continue to shop in the internet in the future is because they are satisfied with the online shopping experience and it was evaluated positively (Shim, Eastlick, Lotz and Warrington,
Consumer's perceived risk will tend to reduce when they are satisfied from the shopping experiences (Monsuwe, Delleart and Ruyter, 2004). The last factor that will influence consumer's intention purchase in online is the trust in online shopping. According to Lee and Turban (2001), reasons that consumers choose not to shop online is because consumers lack of trust in online shopping. Attitude towards security transaction such as payment security, consumer information privacy, return policy, and product shipping guarantee predicts online purchasing intentions for apparels product (Kim, et. al., 2003). Similarly, consumer's trust towards online shopping is based on the level of security and privacy.

**Price attractiveness**

Price is a form of monetary that people use for any transactions. It is predicted that price of a product differs in online and offline shopping. According to Xia and Monroe (2009), consumers will save in monetary when there are price promotions on specific products. In an online context, consumers are more likely to depend on the price cues to determine the quality of a product which are presented in the web site because they cannot see or touch the actual product (Jiang and Rosenbloom, 2005). The study of So, Wong and Sculli (2005) resulted that when there is the presence of promotional offers, consumers will have higher intention to purchase in web-shopping; purchasing decisions and
choice making from alternative evaluations can be made easily when there is the presence of promotional offers.

According to Xia and Monroe (2009), their study resulted that consumers with a shopping goal are more responsive towards promotional messages such as "pay less" and "discount" while consumers without shopping goal are responsive towards promotional messages such as "save more" and "free gift". Xia and Monroe (2009, p.691) cited from (Monroe, 2003) that price promotion have several benefits such as to increase demand, adjust fluctuations in supply and demand, and increasing consumers' purchasing over time.

As we know that online shopping requires shipping fees for product delivery. It is expected that some consumers intention to purchase a particular product because they have to pay extra charges for the delivery service. But according to Jiang and Rosenbloom (2005), e-tailers can use charges for shipping and handling as a tool to attract patronage by matching consumers' delivery needs; for example, some consumers who would prefer a quick delivery will have to pay higher cost while others may prefer to wait if they pay lower shipping and handling charges.

According to Parasuraman, Zeithaml and Berry (1988), perceived quality and price are thought if as a cue to assume a product's value. Xia and Monroe (2009) viewed that at a certain point, perception of lower quality of the product will evoked when there is a price reduction or there will be questions on the retailer's
intention to reduce the price. Price will be a primary factor when consumers search product in a web and this would show that customer behavioural intention are related to the price cues that are more readily accessible from memory (Jiang and Rosenbloom, 2009).

According to Liu, He, Gao and Xie (2008), it is important for e-tailers to provide varied types of merchandise and preferential price because customer satisfaction is still based on product price and product variety; to create competitive advantage, small e-tailors should offer more product choices for the consumers and offer competitive prices. In online shopping, consumers are able to compare prices on the internet in different web sites and they will have the material benefit because they can analyze and compare prices based to enhance their decision to purchase (Liu, He, Gao and Xie, 2008). According to Jin and Kim (2003), diverse consumer groups with various motivations and economic conditions can be satisfied through discount stores that are available in Korea.

Pricing factor will also contribute to the shopping convenience. Price perception is positively and strongly correlated with shopping convenience (Jiang and Rosenbloom, 2005). Similarly agreed by Jayawardhena and Wright (2009), shoppers who value convenience can obtain the benefits of product and services with less money spent and this would have a positive relationship with shoppers' excitement; increasing search efficiency by eliminating travelling costs and psychological costs brings convenience in e-shopping.
Time saving

Time is also perceived as one of a factor that relates with intention to purchase in a shopping context. It is believed that consumers have their own perception of time, whether or not to shop from the internet. According to Hansen and Jensen (2009), accomplishing the shopping trip as soon as possible refers to the time-saving oriented consumers and they prefer store choices favouring quick shopping; people who dislike shopping and approaching for time saving retail stores refers to the economic shoppers or known as "problem-solvers".

In online shopping, it requires less effort and better decision making for consumers who opt to purchase at the e-store (Jiang and Rosenbloom, 2005). Shoppers may save their time in e-shopping because they do not have to go through any effort on travelling to a mall or saving their time in other psychology factors such as traffic jam etc. Online shopping increases search efficiency by eliminating travelling costs and psychological costs brings convenience in e-shopping (Jayawardhena et. al., 2009). Comparing online and traditional shopping, Alreck and Settle (2002) found that internet shopping was viewed as saving more time.

Shoppers who value convenience can obtain the benefits of product and services with less effort and this would have a positive relationship with shoppers’ excitement (Jayawardhena et. al., 2009). Ordered products are directly delivered to the door is the greatest interest to many consumers because online shopping
does not require us to leave the hours or office (Chen and Chang, 2003). According to Monsuwe, Delleart and Ruyter (2004), the main drive of online shopping is that the internet is time-saving and accessible 24 hours a day. Shopping in the internet saves time and effort because consumers are able to shop any time in the comfort of their home; especially for consumers who have little amount of free time because of extended working hours (Wolfinbarger and Gilly, 2001).

Consumers expect timely delivery in the online store as they browse and "internet shopping" is just alike as they visit the "offline stores" and they "create order transaction" just like they "purchase the product" (Ahn, Ryu and Han, 2004). In the previous study of Koyuncu and Bhattacharya (2004), the researchers found that online shopping offers better prices on the products and it allows consumers to shop more quickly than other shopping alternatives, and this will lead individual to be inclined to increase their shopping from the internet.

According to Monsuwe, Delleart and Ruyter (2004), online shopping requires least effort, inconvenience and time investment for consumers to browse the whole product-assortment; consumers can make the correct decisions efficiently because they can gain vital knowledge about firms, products and brands. Consumers also expected that product delivery in online shopping will be quicker compared to offline stores and timely delivery on their convenience time; factors that keep consumers satisfy in using internet as a tool for shopping is
timely and reliable delivery (Ahn, Ryu and Han, 2004). Broekhuizen and Huizingh (2009) expected the relationship between time or effort savings and purchase intentions is strengthened; consumers will place more emphasis on the time and effort savings once they have experienced how little time and effort takes to make an online purchase. Liu, He, Gao and Xie (2008) suggested that to save customer's time and fully reflect the convenience of online shopping, e-marketers should strengthen the website's transaction capability and make sure all operations can be completed online.

**Perceived risk**

Perceived risk is defined as consumer experiencing consequences or the amount of uncertainty in contemplating as particular purchase decision. (Cox and Rich, 1964). Similarly, Gronhaug, (1976); Newall, (1977); Upah, (1980) defined perceived risk as the potential of unfavorable consequences and the level of uncertainty in a purchasing situation. Stone and Gronhaug (1993) defined perceived risk increases psychological costs when feelings of discomfort occur in an individual. According to Walker and Johnson (2006), they stated that perceived risk has two main concerns. First is concerning the service delivery system's technical performance or functional reliability; and second is concern on privacy and security. Functional or performance goals, psychological goals, or the means of money, time and effort invested to attain those goals may be regarded as the consequences (Park and Stoel, 2005).
There is certain risk that consumers will face when making online purchase. Shopping on the internet which is a new medium for consumers will be a challenge for them because shopping on the internet is relatively new and consumers have less experience with it (Monsuwe, Delleart and Ruyter, 2004). According to Sorce, Perotti and Widrick (2005), perception of convenience in the internet and its informative sources will positively affect good decision making for online shopping but the decision will be negatively influenced when there is high perceived risk. From the research of So, Wong and Sculli (2005), excessively worries of security from the perceived risk will lead a consumer to decide not to conduct web-shopping. When consumer's perceived risk is lower, then their purchasing intention will be higher (Park and Stoel, 2005).

When purchasing occurs in an online environment especially for products such as apparels, it can't be denied that consumers will have the feeling of unsecure regarding the product information and the actual material and color that they will receive by viewing the display in the website. This is also agreed by Park and Stoel (2005), clothing such as skirts and sweaters are high risk items where size, color and fit matters to the consumer. According to Burke, (2002); Parasuraman and Zinkhan, (2002), in internet shopping, there will be risk involved, privacy, security, visual appeal, delivery terms, form of payment and product information. Besides that, quality of a product cannot be physically checked by the consumers and the security of sending sensitive personal and
financial information while conducting online shopping cannot be monitored by the consumers (Lee and Turban, 2001). For apparel shoppers, they should use the internet to search for extra information to reduce risk in decision making because of they are unable to try on the garment (Park and Stoel, 2005). Attitude towards security transaction such as payment security, consumer information privacy, return policy, and product shipping guarantee predicts online purchasing intentions for apparels product (Kim and Kim, 2003).

**Perceived risk is expected to be more distinct in online shopping compared to offline shopping.** Perceived risk in online shopping can be reduced in terms of appropriate description the product. To reduce risk, product information and its description should be clearly stated as well as the store policies (Kwon, 1991). Internet marketers must also create trust with online buyers so to lower the buyer's perceived risk. There is an important moderating effect on trust with the relationship between consumers' attitude toward Internet shopping and intention to shop online (Monsuwe, Dellaear and Ruyter, 2004).

Perceived risk can be reduced when the consumers are more familiar with the online technologies (Kleijnen, 2007). Similarly, Bucklin and Sismeiro (2003) state that consumer's skills are more advanced when they learned how to shop through a site this will increase their efficiency in shopping. Past experience and ongoing usage of internet-based purchase will increase consumer's familiarity and thus, feeling of anxiety and perceived risk should be reduced of such
purchases; to lessen consumer's anxiety, knowledge about the actual experience with the internet should be increased (Kuhlmeier and Knight, 2005).

**Enjoyment and excitement**

Enjoyment is defined as the extent to which online shopping is perceived to be personally enjoyable and fun (Chiu, Chang, Cheng and Fang, 2009, p.767). Shoppers nowadays tend to be more leisure driven compared to the shoppers in the early 1990's (Nicholls, Li, Kranendonk and Roslow, 2002). For
some consumers, shopping for apparels is fun, enjoy, relaxing, pleasure or leisure. In offline shopping, consumers may associate enjoyment and excitement in the shopping mall environment with their friends or family. According to the research of Dennis (2002), he suggests that offline shopping will be more enjoyable than online shopping as regarded by the consumers. Hunter, (2006) suggested that retailers should increase the level of positive emotions in their shopping mall by creating an exciting and happy experience.

The research of Millan and Howard (2007) resulted that Hungarian shoppers visited shopping centers for both utilitarian and experiential reasons; some viewed shopping as a leisure activity accompanied by somebody and enjoyed looking around while accomplishing their shopping task. Rajamma, Paswan and Ganesh (2007) suggested that there is a higher importance to the enjoyment aspect of shopping for consumers who prefer to shop in offline stores compared to those consumers who feel comfortable purchasing from the internet. Otieno, Harrow and Lea-Greenwood (2005) stated that women enjoyed shopping because of the fashion, trends, fun, for browsing, felt special, looked good on the apparels, claimed to be "shopaholic", retail therapy, forget other problems, love for clothes, etc.

While in online shopping, consumers is expected to relate enjoyment and excitement with the experience absorbed in the purchasing process and the excitement level is expected to arise during the product delivery process.
According to Broekhuizen and Huizingh (2009), online shopping causes enjoyment which is fun and playful rather than from shopping task completion; customers may regard the purchase of goods in online shopping as an experience and the perceived entertainment will be regarded as enjoyment to them. Consumers tend to browse more, engage in more unplanned purchasing and seek out more stimulating products when they feel pleasant and aroused in the shopping environment (Monsuwe, Delleart and Ruyter, 2004). Consumer's intention to return should increase as the extent a consumer associate excitement with an e-tailer increase; as the psychological cost reduces, the online shopping experience will be more enjoyable and therefore creates excitement (Jayawardhena and Wright, 2009). Consumers will have more positive attitude when they enjoy the experience of online shopping and are more likely to adopt internet as a shopping medium; potential of entertainment of online shopping will reflect consumers' enjoyment (Monsuwe, Delleart and Ruyter, 2004). From the research of Jayawardhena and Wright (2009), it resulted that the assessment of the e-tailing environment leads the customers to enjoy the shopping experiences; they also found that positive word of mouth will be created when it is influenced by the excitement positively.

Regardless of online or offline shopping, retailers should put in more effort to create better environment so that shoppers are able to shop in positive emotions and enjoy the shopping process. The study of Liu, He, Gao, and Xie (2008)
stated that the page design, layout and colour match will bring the first impression to the visitors; thus e-tailors should design comfortable and pleasing pages to attract customers and prolong their stay so that it will increase the possibility of purchase.

**Tangibility**

Regardless of online shopping or offline shopping, tangibility is expected to be a factor that consumers will consider during the purchasing process. Tangibility products including shoes and clothes; although it is considered as standardized products, consumers need to feel it and touch it to make their purchasing decisions (Rajamma, Paswan and Ganesh, 2007). Consumers are particular about the tangibility of a product is because they need the security and assurance of the product purchased is in a good condition and assurance of purchasing the right thing.

**According to Kotler (1974); Bitner (1992); Solomon, Suprenent, Czepiel and Gutman (1985),** assurance is important to capture confidentiality, shopping security, complaint resolution, problem solving and warranties. In an online shopping environment, consumers are not associated with a physical location while they are only communicating with a machine and not human being (Ekeldo and Sivakumar, 2004). With the inability of consumers to feel and touch the
product in an online context because online retailing lacks the tangible features, it makes it difficult to market those products on the internet. (Lindstrom, 2001).

**Rajamma, Paswan and Ganesh (2007)** stated that offline shopping will be perceived in higher tangibility level because of its physical location and buildings that consumers can attached with the sensory cues; while in online shopping are by definition but in virtual. Monsuwe, Delleart and Ruyter (2004) states in an online context, lower tangibility of a product is caused by the lack of physical contact and assistance in the shopping process; consumer’s intention to shop on the internet will be low when there is a need to seek advice from a salesperson regarding the considered product. The reason why consumers like to shop in an offline context is because the stores fulfill the realistic expectations (Rajamma, Paswan and Ganesh, 2007).

For internet shopping, product such as books, CD's, videotapes, groceries and flowers which is more familiar will have higher potential to be purchased by the consumers (Grewal, Iyer and Lavy, 2004) while products such as car, computers, perfume, perfume or lotion has the lower potential to be purchased by the consumer because it requires more personal knowledge and experience (Elliot and Fowell, 2000). Rich, sensory-oriented product information on the screen is provided for clothing to substitute the tactile experience, so that it may be useful to satisfy the consumer's purchasing criteria (Park and Stoel, 2005).
Personal contact is required or expected when there is event of something going wrong or creating uncertainty in the mind of the customers (Walker and Johnson, 2006). Some consumers may perceive that the items offered in online shopping will be difficult to choose than offline shopping because they need to seek advice from sales personnel (Hansen and Jensen, 2009).

To reduce insecurity in online shopping, designers must take note of consumers’ needs because the usability is the starting point to get the confidence and support of the consumers; besides that, tangibility also helps to reduce heterogeneity of the web site in the supply of the service and to improve quality control (Alzola and Robaina, 2006). This statement is also parallel with the study of Liu, He, Gao, and Xie, (2008) where they suggested that because the products are intangible in the online shopping environment, detailed and complete product information should be provided; to know the quality of a product, consumer can only rely on the pictures and description on the web page because they are unable to feel and touch the product. Moreover, to ensure customer can make purchasing decisions, the web site should provide complete description of a particular good, including its color, functionality, model, etc (Liu, He, Gao, and Xie, 2008).

**High Interactivity**

Interactivity is defined as the degree to which two or more communication parties can act on each other, on the communication medium, and on the messages and the degree to which such influences are synchronized (Liu and
According to McMillan and Hwang (2002), interactivity is defined as direction of communications, user control and time. Interactivity can be applied in online and offline shopping. The terms of interactivity in an online context is based on the detailed information given, easy-to-read or descriptive information is available (Park and Stoel, 2005) and also the degree of communication between the buyer and the seller. In an offline context, interactivity will be based on the atmosphere of the shopping mall and also the interaction between the consumer and the shop's promoter.

To highlight the term of "atmospheric", consumer's purchasing probability is enhanced through purposefully design the buying environment to produce specific affective responses in shoppers (Kotler, 1973-1974). When purchasing on the internet, perceived trustworthy will be higher when the web site has greater interactivity (Merrilees and Fry, 2003). A citation has been done on Hoffman and Novak (1996) by Ballantine, (2006, p.463), there are two main types of interactivity are considered to be applicable to the web. The first, person-interactivity, is the ability for a person using the web to communicate with other individual. The second, machine-interactivity, refers to the ability for an individual to access hypermedia content.

Consumers are then able to make better purchasing decision because of the increased availability of information provided in the web site, causing a consumer to be more knowledgeable. (Cook and Coupey, 1998). The research of
Ballantine (2006) resulted that the satisfaction of customer increases when the level of interactivity provided by an online shopping environment increase; and similarly the consumer's satisfaction is also increased when the greater number of attributes provided on a per-product basis; similarly, Dholakia and Zhao (2009) agreed that the shoppers were more satisfied when there are higher interactivity level compared to lower interactivity level web site. Research done by Dholakia and Zhao (2009) resulted that online shoppers' satisfaction and behavioral intention is influenced by both objective and subjective interactivity. Objective interactivity refers to the types of communication mediums available in an individual website while subjective interactivity refers to perceived interactivity. To show that online vendors are customer-oriented, a quick response is requested to reduce uncertainty of the customers (Gummerus, Liljander, Pura and van Riel, 2004). Interactivity is also known as contact which refers to the availability of assistance through telephone or online representatives (Parasuraman, Zeithaml and Malhotra, 2005). However, Hansen and Jensen, (2009) found that customer have difficulties in selecting items because personnel advice is not available through the internet and this will prevent them from purchasing the apparel.

According to Chen and Chang, (2006), interactivity is one of the conditions to achieve flow; if there were inadequate interactivity, it will cause a company to occur lost. For example, consumers long wait for the system feedback and
difficulty in maneuver within some Web sites that causes frustration; unreliable connection of system interruption from ISP will also cause frustration of the consumers. Response time of a web site is also very important as the speed in the interaction process will give users a negative perception if the response time is slow (Lin and Lu, 2000). In order to enhance interactivity in an online context, a web site should convey the excitement of shopping, attracting consumers to browse more and let them know more about the products than other shops (Demangeot and Broderick, 2006).

Lastly, interactivity is a factor that must be augmented in internet shopping. Various components of the shopping process that will affect one's online experience ad overall shopping process must be aware by the internet marketers (Chen and Chang, 2006). Besides that, company representatives must be able to answer customer inquiries and solve problems as soon as they occur because customer lack of direct, face-to-face interaction with the service provider (Liu, He, Gao and Xie, 2008). Hansen and Jensen, (2009) suggested that company should provide personnel advice via chat rooms to provide guidance to the consumers so that it can mediate the effect of difficulty in selecting items.

**Store type (Moderating variable)**

In this study, store type is divided into two, which is online store and offline store. Online stores are stores that sells product but through a virtual medium; offline shopping is also known as bricks and mortar that sells product and has a
face-to-face communication between the buyer and seller. Bricks and mortar outlets are known as more tangible to the consumers because it has a physical location which is a building that everyone can visit and have all the attached sensory cues (Rajamma, et al., 2007). According to Lindstrom, (2001) which was cited by Rajamma, Paswan and Ganesh (2007), it is easier to market the product on traditional stores than the internet because consumers can feel and touch the product, and they can even wear it on the spot. Bricks and mortar is also known as shopping malls because it has a physical location where consumers can visit. Consumer's lifestyle is affected by the role of shopping malls (Terblanche, 1999) because it can act as a community centre for public and other recreational activities (Ng, 2003). Shopping mall also offers entertainment and provides other utilitarian needs to consumers such as stores, food courts and restaurant, children's amusement centre, cinemas and relaxation spaces (Terblanche, 1999). Assurance is also considered as the perceived risk when purchasing products and services. In the factor of assurance which acts as the shopping security and consumer's confidence in purchasing a product, bricks and mortar stores has higher level of assurance due to their higher degree of tangibility and face-to-face communication (Rajamma, et al., 2007); consumers who prefer to shop in traditional stores is because those stores do fulfill their realistic expectations. In the research of El-Adly (2007), the factors contribute to shopping mall attractiveness is comfort, entertainment, diversity such as availability and variety
of product offered, mall essence such as products’ quality, convenience such as ease of reaching the mall and lastly is luxury which includes that popularity of the mall and attractive appearance of the mall. On the other hand, store types consists of online shopping which defines as consumers use the online stores until the transactional stage of purchasing and logistic (Monsuwe, et al., 2004). Shopping in the internet can let consumers choose variety of products that are available (Rajamma, Paswan and Ganesh, 2007); besides that, consumers do not have to change to street clothes and drive to a store when shopping in online. Thus, it will create less hassle because shopping online saves time and cost. According to Pan (2007), online shopping is convenient for busy people because consumers can buy stay-at-home and they do not need to go out.

There are five advantages of online shopping stated by Grewal, Iyer and Lavy (2004). First, consumers can browse through the internet for product assortment with less effort, less inconvenience and less time involvement. Second, with the existence of online shopping, consumers can obtain the knowledge of a product efficiently so that they can make better purchasing decision while shopping. Third, consumers can compare product features, availability and prices easily, effectively and efficiently than traditional shopping stores. Fourth, consumers can be assured of anonymity when purchasing sensitive products because internet shopping provides a level of anonymity. Fifth, consumers can do online shopping
if they perceived that traditional shopping has a high level of time and cost to invest because the level of convenience for online shopping is higher. **However, there are also disadvantages that we can find in online shopping.** Some consumers may have high perceived risk when they shop in the internet. According to Pavlov, Liang and Xue (2007), consumers are very concerned in online transaction because they are concern about the uncertainty and risk. If consumers are not assured that their credit card information is secure and protected, they will hesitate to shop in the internet. Besides that, contact and interactivity between the seller and buyer in an online context is also very important and it is vital to be applied in e-shopping. When a buyer is not able to contact with the seller when they meet problems regarding the product, they will easily become frustrated (Chiu, Chang, Cheng and Fang, 2009). Nevertheless, both online and offline shopping has its own advantages and disadvantages. It is just a matter of how consumers are willing to take the risk and choose the better way for them to obtain certain products or services using different store type. **To conclude, in this chapter, the researcher has examined the advantages and disadvantages of online shopping in section A and the review of literature in section B. The demographic profile has been analysed in the next chapter.**