

Impact of Social Context in Online Shopping Behaviour

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Abstract: Purpose: The primary aim of this paper is to how social context such as family, external factors and interpersonal factors would impact on the attitude, trust, shopping enjoyment and shopping experience in online shopping. **Design/methodology/approach :** The descriptive study was conducted through using survey questionnaire and sampling technique is Snowball. **Findings:** Online consumer shopping behavior comes by attitude, trust, shopping enjoyment and shopping experience which is directly influenced by social context. **Research limitations/implications** Providing a brief review online retailing is an extremely ambitious especially given the amount of literature that has been published in this area. When some variables are considered, it is inevitable that many important pieces of work will have been either missed or underplayed. Consequently, there is a need for follow-up studies that aim to confirm certain theories. **Originality/value:** This study presents one of the attempting to do modeling the theoretical relation between the variables under study.

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Paper type Descriptive research

1. Introduction

With the rise of the Internet, businesses have found a new medium through which to sell their products and Services and interact with customers and trading partners. Mobile technology and its reach to many consumers has increased online shopping in developing countries such as India. *Use of internet by all family members* invariably the age and generation is now recent development (450 million users in Indian context) (www.iamai.in) report of 2017. In addition, the external influences and interpersonal influences are the other factors of social context (Saeed et al, 2003) that influence the online shopping patterns such as the trust, attitude, shopping enjoyment and experience in online shopping. The main thrust of this research focuses on examining the role of the above mentioned social factors on trust, attitude, shopping behavior and enjoyment which can influence an individual's intention to buy online.

Although online shopping in India is on the rapid growth, relatively little is known about Indian consumers. The two major questions are;

1. How far the social context influences a consumer's trust, attitude, shopping experience and enjoyment?
2. Does social context influence Online

Shopping Consumer Behavior (OSCB)?

2. Theoretical framework

A limited number of studies have investigated the impact of social context on online purchase. Web usage and purchase through it has the primary concern of this research.

Online Consumer shopping Behavior is generally discussed by many authors. Lina Zhou (2007), online shopping has taken off as an increasing number of consumers purchase. Earlier it was working with a few products, but now increasingly diversified products on the Internet. Nunes (2001) argued that repeated usage brings more trust on online shopping. As per their research, online shoppers done more frequently had more trust on their respective website than those less frequent online buyers.

Social context

Social context of online shoppers is major factor of online buying. It is identified that *use of internet by family members, external influence* (articles, reviews, and promotion of websites) and *interpersonal influence* (relatives and colleagues) as significant predictors of web use. (Agarwal and Venkatesh (2002); Kruat et al. (1999); Parthasarthy and Bhattacharjee (1998)).

There are many factors on *External Influences*

that have its impact on online social consumer behavior. Prassana Kumar & Venketeswara Raju (2013) proved advertisements have its impact on consumer's opinion of the products, and it convinces customer for the product.

Fan and Miao (2012) revealed that electronic word of mouth largely impacts online purchase of consumers. Interestingly female consumers mostly act on emotions and female consumers are judgmental and tend to promote the products based on their behaviors. Gilly et al (1998) study on interpersonal information search proved how consumers behave to information obtained from opinion leaders, friends, colleagues, experts and word of mouth.

Robert et al (1999) argued that use of internet by other family members has a greater impact on online shopping.

Trust

Trust is a construct in which the behavior of one party influences the perceptions and actions of the other party (Yakovleva et al., 2010). Trust is viewed as the propensity of an individual to be able to rely on any person or product or service without monitoring. (Mayer et al., 1995). Gefen et al. (2003) found trust plays a key role in determining both a consumer's behavioural intentions and actual behaviour. Han & Windsor (2011) concluded that the more trust perceived by consumers, the more likely their intention to buy. Trust and satisfaction play in the development of m-commerce, since their relationship with customer loyalty must be ratified (Lam and Shankar, 2014; Zhanget al., 2013; Zhaoet al., 2016). In addition, Cruz et al. (2010) emphasize the interest of analyzing personal, transactional and relational

variables that induce the permanence of mobile phones as a channel for purchasing goods.

Attitude

Purnawirawan et al. (2012) found online reviews are perceived to be useful, and affect attitude and intention to buy in consumers through the impression created about a product or service. Armstrong and Kotler (2003) considered family the most significant social factor that influences shopping attitude of consumers.

Shopping Experience and Shopping Enjoyment

Koufais (2002) findings indicated that enjoyment of the shopping experience of the website strongly predicted consumers' intention to return to the e-commerce website, implying that online consumers were not only purely utilitarian (focusing on efficiency in shopping), but also were enjoying shopping online process.

The researcher has taken five constructs and their impact on online consumer shopping behavior. Social context is the ultimate independent factor which causes Attitude, Trust, Shopping Enjoyment and Shopping Experience.

H1: Social context level increases then the levels of Attitude, Trust, Shopping Enjoyment and Shopping Experience also increases.

These variables have contributed more to online shopping behavior evidently from literatures.

H2: Increase of the levels of Attitude, Trust, Shopping Enjoyment and Shopping Experience increases online shopping behavior.

So, it is deduced that shopping behavior is caused through Social context of the consumers.

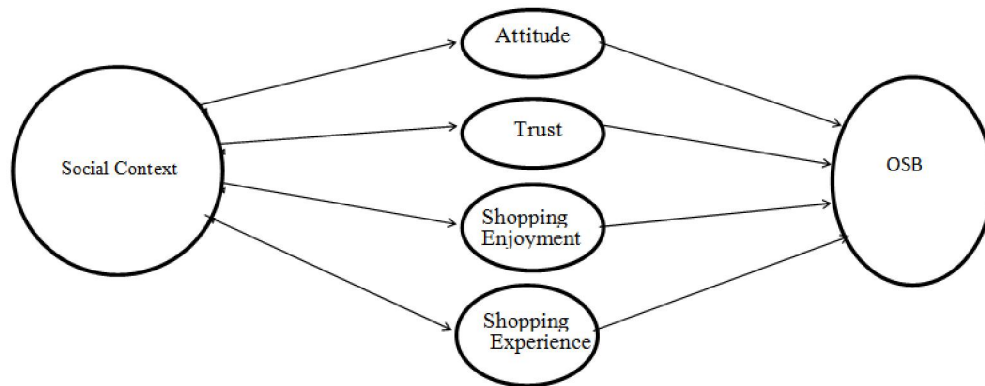


Figure 1 Theoretical Framework of impact of social context on online shopping behavior

3. methodology

Research design

Since the research is to test the existing hypothesis and the research design for this study is descriptive. The researcher has used questionnaire to collect data through online and offline.

Questionnaire development

The questionnaire used five-point Likert type items, anchored by 1= strongly disagree and 5 = strongly agree, adopted from existing scales. The scales were examined by Cyr. D., et al, (2005). The results of the pilot test were evaluated using Cronbach's reliability and factor analysis. The standard lower bound for Cronbach's alpha is 0.70

(Hair *et al* 1998).

Sampling plan and data collection .

India has more youth population and are targeted for data collection and the respondents are basically young shoppers those who are currently studying in colleges and universities. The data has been collected through online. The internet survey was conducted through questionpro.com and questionnaire is circulated through email from Coimbatore city. Since the members of the population is difficult to locate, the researcher followed a snowball sampling, which is a non-probability sampling technique and it is commonly used in social sciences and statistics

research (Babbie, E. 2001). Survey method used and a structured questionnaire was employed to collect data from 235 respondents, of which 216 samples were usable after purification of the data. A wald-wolfowitz run test was conducted to ensure the randomness of the data set, since it is basic assumption of any test of significance. Further the data is put under Kolmogorov-Smirnov test for testing the normality and it is found to be normal though PLS algorithm does not need multivariate normality.

4. Data analysis and interpretation

Structural equation model used to analyze online shopping behavior.

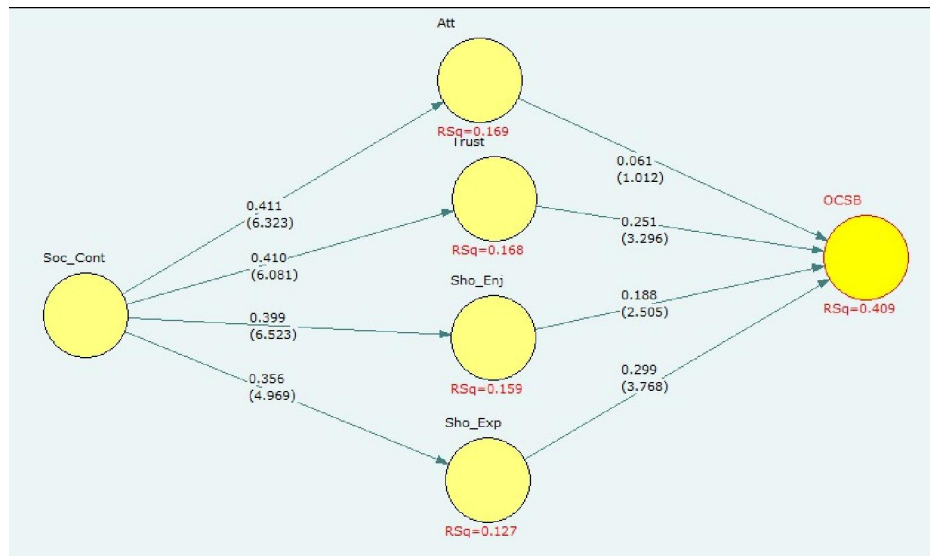


Figure 2 Structural equation model

The figure 2 shows that impact of social context through attitude, trust, shopping enjoyment and shopping experience on online consumer shopping behavior.

Table 1. Structural equation model – bootstrap

Structural Model--BootStrap

	Entire Sample estimate	Mean of Subsamples	Standard error	T-Statistic
Soc_Cont->Trust	0.4100	0.4109	0.0674	6.0813
Soc_Cont->Sho_Enj	0.3990	0.3992	0.0612	6.5235
Trust->OCSB	0.2510	0.2641	0.0761	3.2962
Sho_Enj->OCSB	0.1880	0.1800	0.0750	2.5054
Soc_Cont->Sho_Exp	0.3560	0.3675	0.0716	4.9689
Sho_Exp->OCSB	0.2990	0.3010	0.0794	3.7677
Soc_Cont->Att	0.4110	0.4295	0.0650	6.3234
Att->OCSB	0.0610	0.0935	0.0603	1.0119

Studies identified that where the T statistics value is greater than 2 is significant. From the Table 1, it shows that all eight constructs are significant as it has got T statistics value of 2 and above except for attitude towards OSB.

Regression Coefficient values are 0.4100, 0.3990, 0.2510, 0.1880, 0.3560, 0.2990, 0.4110 and 0.0610. For example regression coefficient value for

social context increases by one level, trust will increase by 0.4100.

$R^2 = 0.409$ which is 40.9% of the OSCB comes by four (4) factors such as attitude, trust, shopping behavior, and vendor & shopping experience, these factors are directly influenced by the social context and the remaining 60% of the impacts from some other unknown variables.

Table 2. Correlation value (Hong: Please type the table in the inext, not to be imported as below)

<u>Correlation of Latent Variables</u>					
	Soc_Cont	Trust	Sho_Enj	OSCB	Sho_Exp
Trust	0.410				
Sho_Enj	0.399	0.563			
OSCB	0.427	0.506	0.529		
Sho_Exp	0.356	0.400	0.566	0.531	
Att	0.411	0.496	0.517	0.407	0.419

Table 3. Reliability and AVE

<u>Reliability and AVE</u>			
Construct	Composite Reliability	AVE	Cronbach Alpha
Soc_Cont	0.846922	0.526243	0.777117
Trust	0.890576	0.543738	0.855004
Shop_Enj	0.902871	0.650784	0.859702
OSCB	0.786849	0.278256	0.722444
Shop_Exp	0.860301	0.610338	0.788298
Att	0.769407	0.463908	0.594524

Convergent and Discriminant validity:

Convergent validity exists for all constructs when AVE is >0.5 except attitude and OCSB. Therefore model is moderately valid and it is also concluded that there is Discriminant validity among the constructs.

5. Discussion and implications

The results of the study provide support for the model presented in figure 1 and for the hypothesis regarding the relationship between the constructs. The degree of relationship of all the constructs is equally important towards behavior of consumers when they make online purchase. However, only 40.9% of the online consumer shopping behavior comes by these four factors such as attitude, trust, shopping enjoyment and shopping experience which is directly influenced by social context.

External influences and interpersonal communication plays an important role in influencing customers towards online shopping. According to the

study, online reviews, articles, advertisements, and promotion activities such as advertisements by a particular web store has influenced online shopping of consumers. Word of mouth, use of internet by family members and other factors *directly influence the trust and attitude towards a web store*. Our research reveals that social context highly influences trust (6.081) and attitude (6.323).

Results from our model showed that social context's impact on shopping enjoyment (6.523) and shopping experience (4.969) is significant. Further, our results provide support for Lombard and Ditton's (1997) proposition that social presence has a prominent psychological impact on shopping enjoyment. The impact of trust on OCSB was significant (3.296) likewise attitude (6.323). Findings of this study are similar to previous findings by Gefen & Straub (2003) that a positive relationship exists between consumer attitudes and trust and thereby

influencing consumers to shop online.

6. Conclusion

This study has provided that social context influences trust, attitude, shopping experience and enjoyment of online shoppers. This model has suggested a theoretically meaningful relationship between social context and online shopping behavior. However, this study has certain limitations such as the data was collected from existing students. They may not have consistent income and they are dependent of their parents, which may not reflect on the entire population. Further research may be done on specific web store or purchase of particular product or service.

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