

Consumer Behavior towards Online Shopping in India-A Study with Reference to Select Regions

Ravi Kumar Goriparthi

Abstract

The Internet is developing into a new distribution channel and online transactions are rapidly increasing, which are creating a need to understand how the consumer perceives online purchases. The purpose of this study is to examine if there are any particular factors that influences the online consumer. Primary data is collected through a survey with students of the Kakatiya University and NIT Warangal. Price, Trust and Convenience were identified as important factors. Price is considered to be the most important factor for a majority of the students. Furthermore, three segments were found to be important, they are High Spenders, Price Easers and Bargain Seekers. From the study it is observed that a variation of the different factors will gain importance and establish implications for online book stores.

Keywords: Bargain seekers, consumer behavior, high spenders, online shopping, price easers

Introduction

The invention of the Internet had created a paradigm shift from the traditional perceptive of shopping to the modern perspective of shopping (a consumer is no longer bound to opening times or specific locations, he/she is becoming active at any time and place and purchase products or services where the Internet availability and usage is rampant) where internet is a relatively new medium of communication and information exchange that is becoming an important part in our everyday life (Allred, R.C., Smith M.S. and Swinyard, R.W. 2006). The numbers of Internet users are constantly increasing which signifies the importance of online purchasing this is due to growth in the use of broadband technology combined with a change in consumer behavior (Goldsmith, E.R. and Flynn, R.L. 2004). Moreover, Internet is considered as a mass medium that provides the consumer with purchase characteristics; certain characteristics are making it more convenient for the consumer, compared to the traditional way of shopping so internet is considered as a new distribution channel and using the internet to shop online has become one of the primary reason combined with searching for products and finding information about the products, suppliers and product/service opinions (Bellenger, D.N., Korgaonkar, P.K. 1980)). In order to have an impact on the consumers and retain them in a competitive market, the first step is to identify certain influencing aspects when purchasing online, which can be treated as influencing factors.

Purpose

To win and beat the competitive markets companies are more interested in finding out the possibilities to reach the potential consumers and the rapid development of the technologies surrounding Internet proved to be more effective as a space can be created to understand the consumer wants and needs. Since Internet is a new medium there have been new demands set by the consumer so it is crucial for the online retailers to know what influences the online consumer (Wu, S. 2003). Analyzing the process of online consumer while deciding to make a purchase over the Internet, shows some interesting factors which need to be identified and taken into account by online retailers in order to satisfy consumer demands and compete in the online market. To further understand how these factors influence different types of consumers, one must identify segments which will enable to make comparisons. The purpose of this study is primarily to identify and get insight into what are the main factors that online consumer takes into consideration when purchasing books online (as books are the most commonly bought products on the Internet), further, this study will explore if any segments can be established by identifying the consumers and how these segments relate to the identified factors. The findings of this study will be outlined as implications for online book retailers in order to enhance their consumer knowledge and increase their online marketing strategy effectiveness.

Research questions

1. What main factors affect the online consumer when considering and making a purchase over the Internet?
2. How do these factors influence the consumer when purchasing books online?
3. What kind of segments can be found within the identified consumers when purchasing books online?
4. What is the connection with the identified factors and consumer segment groups?

Methodology

For this study the most appropriate approach is assumed to be questionnaire wherein 342 samples were considered for this study out of which 121 were females and 221 are males and all the questionnaires were duly filled by the students of Kakatiya University and NIT Warangal, a deductive research approach is chosen and complete primary data details were given in the appendix table I. Documentary secondary data is collected through different types related to the topic consumer behavior towards online shopping in via articles, books and the topics related to consumer behavior and e-commerce were also considered.

Analysis

In order to gain an initial understanding of how the respondent feels towards *Price, Trust and Convenience*, (Joines, L.J., Scherer, W.C. and Scheufele A.D.

2003) they were asked to rank in the questionnaire accordingly, and then investigated the different attributes of the factors; by using the Fishbein Model which could identify the overall attitude towards the different factors and their importance respectively. The results showed that 73.9% considered price as the primary concern when purchasing books online, however, when compared to the Primary Factor, where the different attributes to the factors were used to find the overall attitude and importance; the results did not match. The distributions for the Primary Factor were *Price*: 41.6%, *Trust*: 30.1% and *Convenience*: 28.3%, this showed that the respondent generally thought that Price was the most important to him or her, but at the same time one of the other factors could actually be the most important to a respondent, since the distribution shifted between the two ways of evaluating, with the Primary Factor being the most accurate since it offers an overall attitude measurement. This answers the questions one and two in our study (Swaminathan, V., Lepkowska-White, E. and Rao, P.B. 1999).

Two Step Cluster

The two step cluster analysis was used to segment the respondents by analyzing the collected data, for the various variables that it is intended to segment decided to exclude some variables, the reason was that some of the variables did not show a significant variation which would have enhanced the homogeneity of the segments. The variables that are not used were given an additional explanation to the formed segments, with the two step cluster analysis it is found three segments in the sample, based on the variables that were chosen to segment by, which were: Expenditure on books on average each month, previous experience with purchasing books online, Future expectations with purchasing books online, The impact of the reference group: family, The impact of the reference group: friends, and The impact of the reference group: online forums. In this study the variables are categorized into the following variables.

Consumer Traits: Impact of *Reference Groups* (Family, Friends, and, Online forums), and Attitude and Beliefs (Previous experience and Future expectations) (Huarng S.A. and Christopher. D. 2003),

Behavior Online: Online Shopping patterns (Expenditure on purchasing books per month)

Segment Variables

To show that the variables that are used to create segments are valid, there needs to be a clear difference between the respondents that makes it possible to separate them into segments (Breneman, M., Geuenes, M., Weijters, B., Smith, M. S. and Swinyard R.W. 2005)). In order to show the significance of the variables a One-Way Analysis of Variance is used to test for differences among two or more independent groups. It is found that all variables except for the affect of

family as a *Reference Group* are significant. But since this variable is a part of the overall attribute *Impact of Reference Groups*, it needed to be included for the variable to be complete. The significance value is presented as the last column in the table 1 and shows that if the value is less than 5% (0.05), the variable is considered to be significant.

Table 1. One Way ANOVA

		F	Significance
Expenditure on books each month	Between Groups	3.213	.042
	Within Groups		
Previous experience with online purchases	Between Groups	108.951	.000
	Within Groups		
Future expectations with online purchases	Between Groups	165.765	.000
	Within Groups		
How much does you family affect your online purchase	Between Groups	1.589	.206
	Within Groups		
How much does you friends affect your online purchase	Between Groups	4.876	.008
	Within Groups		
How much does online forums affect your online purchase	Between Groups	3.977	.020
	Within Groups		

Kruskal Wallis test is conducted as it is needed for the analysis as it tests two variables at the same time for significance in order to show the results and conclusions about the number of collected respondents and it is the same test as the prior One Way ANOVA.

Table 2. Two Step Cluster Number

	Two Step Cluster Number	N	Mean Rank
PRICEFISHBEIN (Binned)	1	71	127
	2	141	118
	3	130	100
TRUSTFISHBEIN (Binned)	1	71	151
	2	141	112
	3	130	94
CONVENFISHBEIN (Binned)	1	71	121
	2	141	124
	3	130	97

When the test is conducted it is found that the factors *Price*, *Trust* (Lee, O.K. M. and Turban, E. 2001), and *Convenience* showed a significant variance within the segments and that the results presented below concur with the conclusions that had drawn, all three factors were highly significant, especially the factor *Trust* to which the respondents had answered with high variances (.000).

Table 3. Kruskal Wallis Test

	PRICE (Binned)	TRUST (Binned)	CONVENIENCE (Binned)
Chi Square	6.540	26.277	8.852
Df	2	2	2
Asymp. Sig.	.038	.000	.012

The two-step cluster created three segments out of the selected variables. According to the distribution of the respondents were divided into three segments *Segment One* with 71 respondents, *Segment Two* with 141 respondents and *Segment Three* with 130 respondents.

Table 4. Distribution according to the Segments

The Segments	Frequency	Percent	Cumulative Percent
Segment One	71	20.8%	20.8%
Segment Two	141	41.2%	62.0%
Segment Three	130	38.0%	100.0%

Segment One: High Spenders

Segment One held 20.8% of all the respondents, the consumers in this segment mainly spent each between 400-799 Rs on books each month during a semester, hence, they can be considered to spend most on books each month, the entire segment (100%) has had very good previous experiences with purchasing books online and very high expectations for the next time they will purchase a book online. The experience and opinions of their family and friends as *Reference Groups* did not matter to them when they purchased a book online, neither were the experiences and opinions discussed in online forums taken into consideration. As a conclusion this segment is the smallest of the three and consisted of consumers that had spent the most money on books, they had very high confidence in purchasing books online, mainly due to very good previous experiences. They did not regard the experience and opinions of any of the named *Reference Groups*.

By further profiling the consumers in this segment that were studying at their University and NIT, had an age interval between 18 to 24 years. They had a disposable income with a high variation between 3.000 Rs to 9.000 Rs, this segment

group spent mainly somewhere between 1 to 2 hours each day online, however, keeping in mind that some respondents within this segment only spent between half an hour to 1 hour online. This segment primarily used the Internet for fun and the second most important as E-mail, and the third as information, because of the identified characteristics of this segment, it is labeled them as *High Spenders*.

Primary Factor of Concern for High Spenders

The distribution among the respondents according to the factors Price, Trust, and Convenience showed that the factor Trust was the main concern of the High Spenders with 38.3%, closely followed by Price (36.2%). The third concern of Segment one was identified as Convenience (25.5%).

Table 5. Primary factor Segment One

	Frequency	Percent	Cumulative Percent
Price	26	36.2	36.2
Trust	27	38.3	74.5
Convenience	18	25.5	100.0

According to table 5 the primary factor of concern for the High Spenders was Trust, it had an above average distribution which lowered the distribution of the factors Price and Convenience, and this indicates that the respondents of this Segment One were more affected by the Trust attributes when they purchase books online. By further exploring the variable Trust for this segment we found that the respondents were mainly concerned with feeling secure when purchasing books online which also include trusting the Internet retailer. The respondents had a very high positive attitude both in agreeing to the statements and also by showing their consent that the statements of high importance, the third attribute of the factor Trust, "trusted the Internet as distribution channel", and did not show the same overall positive attitude as the first two. Even though that a majority of the respondents were on the positive side of the scale there was a group of 23.4% that believed this attribute to be neutral for them. In this segment question concerning whether the respondent bought from the same online retailer, was highly concerned with trusting the retailer, which is an attribute to the factor Trust and in fact, the respondents in this segment also purchased books from the same online retailer more frequently than the respondents in Segment Two or Segment Three.

By asking the respondents to list what they thought as their primary concern of the three factors when purchasing books online, it is found that they did not correspond with the results when applying the Fishbein model. The respondents in Segment One had listed the factor Price as their primary concern, the factor Convenience as secondary concern, and last the factor Trust as tertiary concern.

But when examining the overall attitude towards these factors by dividing the different attributes it is found slightly different results, Trust, followed by Price and Convenience.

The conclusion that can be drawn from the results, is that there are consumers with a highly positive attitude towards purchasing books online which is formed by the highly positive attitude towards the factor Trust, so did the attributes of feeling secure when purchasing online and having trust in the Internet retailer. Since these were also the consumers that spent the largest amount of money on purchasing books online, thereby they were giving important implications towards the factor Trust

Segment Two: Price Easers

Segment Two consisted of 141 respondents and was the largest segment group with 41.2% of the overall sample, their average expenditure on books per month was between 200-599 Rs. The consumers in this segment had a slightly less positive than very good when it came to their online books purchasing experience and their future expectations were similar to the previous experiences, and the consumer expected any future online book purchase to be slightly less positive than very good (Kim, J. and Park, J. 2005). Most of the consumers had a good to very good attitude towards purchasing books online, generally, the consumers in this segment did not consider the experiences and opinions of their families, but on the other hand, they did consider it more compared than any of the other two segments (Lal, R. and Sarvary, M. 1999). Their friend's experiences and opinions would, however, affect their purchase to some degree; minor considerations were also taken to the experiences and opinions discussed in online forums by this segment. Generally, the respondents took the experience and opinions of the different Reference Groups into most consideration compared to the other segments, and they were especially affected by the Reference Group friends.

The further profile of this segment group is somewhat similar to that of Segment One, the respondents in this segment were in the age between 18 to 24 years, they were mainly studying their graduation and post graduation at the university and had a income of various size, the majority (43.0%), had a disposable income of below 3.000 Rs, but a another group (26.9%), had a disposable income of between 5.000-6.999 Rs. They primarily used the Internet for fun, and list their secondary use of the Internet for information purposes and their tertiary use as E-mail. Because of the identified characteristics of this segment, it is chosen to label them as Price Easers, since they had a low disposable income, but were more inactive when looking for the lowest prices as they would rely on their friends' opinions.

Primary Factor of Concern for Price Easers

The distribution according to the primary factor of concern in this segment showed the factor Price with 39.8% to be the main influencer when

purchasing books online, the *Price* factor was closely followed by the factor *Convenience* with 34.4% of the respondents, in this segment the respondents considered the factor *Trust* the least important with 25.8%.

Table 6. Primary factor Segment Two

	Frequency	Percent	Cumulative Percent
Price	56	39.8	39.8
Trust	36	25.8	65.6
Convenience	49	34.4	100.0

As illustrated in table 6, the majority of the respondents in Segment Two believed that *Price* was their most important concern, followed by *Convenience* and *Trust*. This shows that the *Price* attributes affect the consumer the most when purchasing books online. It should also be noticed that the *Convenience* factor in this segment is very high when compared to the overall distribution of the factor to the entire population sample; these factors had an overall higher distribution which reduced the distribution of the factor *Trust*. When closer examining the attributes of the factor *Price* it is found that according to Segment one, the majority of the respondents (52.7%), listed that they did agree with the statement that “purchasing books online saved them money” and the majority (62.4%) listed that “saving money is highly important”. The second attribute of the factor *Price*, “comparing prices through different price comparison websites before purchasing books online”, was shown to have an even distribution.

Since the factor *Convenience* has a high distribution in this segment, there needs to be further examination of the different variables in order to wholly understand the consumers in this segment, it is found that the overall attitude was positive and came from the attributes “saving time” and “less effort”. The consumers agreed with the fact that purchasing books over the Internet involved less effort compared to purchasing books offline, yet they did not list it as important and the same distribution can be found for the attribute saving time, where the consumers agreed to the fact that it saved them time but they did not find it as important as timesaving (Constantinides, E. 2004). Compared to the previous attribute they found “saving time when purchasing books online” to be of greater importance than when it involved less effort. The last attribute of the factor *Convenience* was “being able to purchase books online at anytime” where the consumers did not show as much of a positive attitude as to the prior attributes. A closer examination shows that the respondent agreed with the statement but did not find it highly important. Overall it can conclude that the respondents agreed with the attributes but did not perceive them as important.

When asked to rank the importance of the three factors, the respondents in Segment Two listed the factor *Price* as the primary concern, *Trust* as the secondary

and Convenience as the tertiary concern. Here the primary concern did agree with the overall attitude towards the factors, while the secondary and tertiary concern did not. The results showed that the consumers in this segment were more Convenience oriented than compared to Trust. In conclusion the Price Easers were generally price sensitive and at the same time very convenience oriented, this was supported by the fact that the respondents took consideration of the Reference Groups and mostly took the opinions of their friends into consideration. In this sense they were very convenience oriented. The respondents also connected to the fact that they wanted to save money but did not find it as important as comparing prices before purchasing. Instead, they turned to the advice and opinions from their friends, the fact that the respondents in this segment were price sensitive can also be concluded by that the majority of the respondents had the lowest disposable income of the overall sample. Because of the Price and Convenience orientation, the consumer did not take much consideration to the factor Trust. Even though Price Easers spent less money on purchasing books, compared to the previous segment, they were still the largest segment group and because of that important.

Segment Three: Bargain Seekers

Segment Three was a segment with 130 respondents and 38.0% of the overall sample, these consumers spent about as much as the consumers in Segment Two, between 200 to 599 Rs on books each month, they had either slightly good or neither good nor bad previous experiences. Future expectations for purchasing books online were within a similar same range, overall the consumers in this segment had the least positive attitude towards purchasing books online compared to the other two segments. Within this segment a majority of 61.6% did not consider the experiences and opinions of their family at all, while they showed a more positive attitude towards the experience and opinions of their friends. The impact of the Reference Group online forums was in line with the Reference Group family, where a majority of 66.3% did not consider the experience and opinions that were discussed. To summarize the variable of Reference Group one can find that the experience and opinions of family and online forms were not affecting the consumer at all while the experience and opinions of their friends were taken into some minor consideration.

Other variables such as Demographics and Time Spent Online were very similar to the other segments and particularly to Segment Two, almost no difference could be found, the respondents in this segment list that they mainly used the Internet for fun and thereafter for information as both secondary and tertiary use, because of the identified characteristics of this segment, it is chosen to label them Bargain Seekers (Park, H.C. and Kim, G.Y. 2003).

Primary Factor of Concern for Bargain Seekers

In this segment the preferable factor of concern was *Price* with 46.5% of the respondents agreeing to it, the distribution was clearly made on the expense of both the factors Trust and Convenience. The distributions of the factors trust were 30.2%, and convenience was 23.3%.

Table 7. Primary factor Segment Three

	Frequency	Percent	Cumulative Percent
Price	61	46.5	46.5
Trust	39	30.2	76.7
Convenience	30	23.3	100.0

It is found that Bargain Seekers to be highly price sensitive and that they did not give much consideration to the factor Convenience, after having investigated the attributes further, that constituted the factor Price, it is found that the respondents had a more positive attitude towards comparing prices than they had towards the feeling of saving money when they purchased books online. This indicates that comparing prices was more important concern for the respondents of the segment and since the respondent were comparing prices they would automatically be looking for the best buy, by looking for lower prices one is consequently trying to be saving money, when linking this behavior to the first attribute, the feeling of that they were saving money. By closer looking at the attribute "comparing prices" it showed that the consumers did frequently compare price before purchasing and also that it was important for them to be doing so, when looking at the second variable we see that the consumer did agree that purchasing books online saved money. However, they did not feel that it was as important as comparing prices; overall the respondents were highly positive to the factor Price and therefore took consideration to it when purchasing books online.

The primary concern for the respondents in this segment showed that the respondents were price oriented, for the secondary concern they stated that they were Trust oriented and as tertiary concern they listed Convenience (Smith, D.A. and Rupp, T.W. 2003). These results matched with the distribution that we acquired according to the Fishbein model. The Bargain Seekers has had a low income which made them price sensitive. They were, however, not Convenience oriented; instead they took their time to compare the prices online which was shown by the different attributes to the factor Price. It should also be noted that they spent a little more time online than the other segments and they considered the experiences and opinions of their friends which also showed that they were actively seeking the lowest prices and that it was important for them to do so. This behavior explains the fact that the respondents found comparing prices to be more important than actually saving money, but as explained before, constantly searching for the lowest prices will automatically result in the want to be saving money.

So far the study had answered the research questions and it can further throw some light for online book retailers.

Implications for Online Book Retailers

The majority of all the respondents were overall mainly concerned with the factor Price, this factor was shown to be present not only as the primary choice but also as a secondary choice within Segment One (High Spenders). This high importance for the factor Price had been expected since the population we choose to investigate consisted of students, which generally have a low disposable income that makes them price sensitive. Having the lowest prices as a retailer is a strong indicator for succeeding in being the market leader among students. As this study showed, the factor Price is not the only and in some cases not the primary factor, which the consumers tend to regard before purchasing, books online overall, the factors Trust and Convenience were regarded as secondary choices among the overall respondents, but when looking at the segments it is found that in Segment One (High Spenders) Trust was considered to be the most important. If the retailers would specifically target students as consumers, the following implications could be relevant for retailers: Discount prices, A transparent and reliable retailer, and Fast transactions

By investigating the segments it is found that Trust was the factor that the High Spenders had the most positive attitude towards when purchasing online. Since these are consumers that spend the most money on purchasing books online, thereby indicating the importance of this segment, even though it was the smallest of the three segments. These consumers mainly need to feel secure are aware of the reputation of the retailer when they purchase books online. The High Spenders prefer to purchase from the same retailer they trust, indicating that they also are loyal consumers. The customer loyalty could even be enhanced by a Loyalty Program that rewards and encourages loyal buying behavior. If online book retailers would to target High Spenders the implications from this segment would be that the retailer: A transparent and reliable retailer, Focus on customer satisfaction and Loyalty Program.

The segment Price Easers are mainly price oriented and tend to be convenience oriented, they want to purchase books at low prices because of their low income, but they want to spend the least amount of time as possible with the least amount of effort when purchasing. They are the largest segment group of the three and an important segment in terms of size and at the same time consumers that strongly believe that purchasing books over the Internet is more convenient than purchasing books offline, which implies that their purchases will increase as their income increases. Their buying decisions are influenced by their friends since they do not like to spend time searching for the lowest prices, the implications would result in a logical site navigation would be helpful for time saving (Oppenheim, C. and Ward, L. 2006). In order to attain customers, the retailer could for example rely on a strong Word of Mouth Marketing approach, where the retailer develops customers that believe so strongly in the retailer that they freely try to convince others to

buy and use it, this approach is known as Evangelism Marketing (McConnell, 2003) and could be further enhanced by the support of customer engagement. Therefore the implications for retailers who wish to target Price Easers are the following: Price competition, Customer engagement and Evangelism Marketing and Easy access and site navigation

The segment Bargain Seekers are highly concerned with the factor Price, they are the second largest segment that is made up of 38.0% of the overall respondents, these consumers are active price seekers as that they actively compare prices and turn to their friends for information regarding experiences and opinions before an online book purchase. They tend to spend more time online, than the other segments and do not tend to consider the Convenience factor when purchasing books online and they also have the least positive expectations and experiences with online book purchases, compared to the two other segments. Improving the consumer experience when buying online, would lead to a more positive attitude and thereby more purchases, the implications for retailers targeting Bargain Seekers are the following: Focus on consumer satisfaction and Price competition

Conclusions

When a consumer purchases a book online, he or she is affected by various factors. The main influencing factors have been identified as Price, Trust, and Convenience. The Price factor exists because prices are often lower on Internet stores compared to physical stores due to lower costs. Purchasing a book online can greatly benefit the consumer in terms of convenience and saving money. It is also convenient to shop on various book sites with different assortments, from the home. Trust is evidently needed since the consumer must share detailed personal and financial information when purchasing a book online. These types of data include the full name, delivery address and credit card number for example, which makes Trust an important factor.

It is found that the factor price is of the highest concern to the students and that the factors Trust and Convenience had lower impact on the students. The decision was made to investigate if any segments could be found within the population sample. It has been identified three segments, High Spenders, Price Easers, and Bargain Seekers. It is further investigated these segments and their overall attitude towards the factors Price, Trust, and Convenience. We found that there was a difference in the consumers' attitude towards the different factors which resulted in the following implications that will be presented below.

Suggestions for Future research

It would be interesting to conduct a survey at another university, if this would be done and similar results were discovered, one could apply generalizability to the results. It conduct a survey on a larger sample, also including people that are not students and segmenting according to that which find new segments, with new analytical possibilities. This study was conducted from the consumers

point of view, and if could also be conducted with greater focus towards the online retailer. It is found that Price, *Trust and Convenience* were factors that are important when a consumer decides to purchase online, but it would be interesting to see whether the concepts of these factors are perceived equally between all consumers or if there were any discrepancies. Furthermore, it would be of interesting to see if the factors were the same for other good that are traded online. In general, this study could be conducted with a greater range of goods and with greater detail towards the specific factors.

References

- Allred, R. C., Smith M. S. and Swinyard, R. W. (2006), 'E-shopping lovers and fearful conservatives: a market segmentation analysis', *International Journal of Retail & Distribution Management* 34: 4/5, 308-333.
- Bellenger, D.N., Korgaonkar, P.K (1980), "Profiling the recreational shopper", *Journal of Retailing Vol. 56*, No. 3, pp. 77-92.
- Brengman, M., Geuenes, M., Weijters, B., Smith, M. S. and Swinyard R. W. (2005), 'Segmenting Internet shoppers based in their Web-usage-related lifestyle: across cultural validation', *Journal of Business Research* 58, 79 – 88.
- Constantinides, E. (2004) 'Influencing the online consumer's behavior: the Web experience', *Internet Research* 14: 2, 111-126.
- Goldsmith, E. R. and Flynn, R. L. (2004) 'Psychological and behavioural drivers of online clothing purchase', *Journal of Fashion Marketing and Management*, 8:1, 84-95.
- Huang S. A. and Christopher. D. (2003), 'Planning an effective Internet retail store', *Marketing Intelligence and Planning* 21: 4, 230-238.
- Joines, L. J., Scherer, W.C. and Scheufele A. D. (2003) 'Exploring motivations for consumer Web use and their implications for e-commerce', *Journal of Consumer Marketing* 20: 2, 90 -108.
- Kim, J. and Park, J. (2005), 'A consumer shopping channel extension model: attitude shift toward the online store', *Journal of Fashion Marketing and Management* 9: 1, 106-121.
- Lal, R. and Sarvary, M. (1999), "'When and How Is the Internet Likely to Decrease Price Competition?'" , *Marketing Science*, 18: 4, 485–503.
- Lee, O. K. M. and Turban, E. (2001), 'A Trust Model for Consumer Internet Shopping', *International Journal of Electronic Commerce*, 6:1, 75.
- McConnell, B., and Huba, J. (2003). Customer Evangelism a Manifesto. In *Creating Customer Evangelists*. Fort Lauderdale: Dearborn Trade Publishing.
- Oppenheim, C. and Ward, L. (2006) 'Evaluation of web sites for B2C e-commerce', *Aslib Proceedings: New Information Perspectives* 58: 3, 237-260.
- Park, H. C. and Kim, G. Y. (2003), 'Identifying key factors affecting consumer purchase behaviour in an online shopping context', *International Journal of Retail and Distribution Management* 31: 1, 16-29.

Smith, D. A. and Rupp, T.W. (2003) 'Strategic online customer decision making: leveraging the transformational power of the Internet', *Online Information Review* 27: 6, 418 – 432.

Swaminathan, V., Lepkowska-White, E. and Rao, P. B. (1999) 'Browsers or Buyers in Cyberspace? An Investigation of Factors Influencing Electronic Exchange', *Journal of Computer Mediated Communication*, 5:2.

Wu, S. (2003) 'The relationship between consumer characteristics and attitude toward online shopping', *Marketing Intelligence and Planning*, 21: 1, 37-44.

Appendix

Table I

	Frequency	Percent	Cumulative Percent
1. DEMOGRAPHICS			
1.1 Gender			
Female	121	35.4	35.4
Male	221	64.6	100
Age			
? 20	144	42.0	42.0
21 -24	114	33.2	75.2
25 – 28	42	12.4	87.6
29 – 33	17	4.9	92.5
34 - 37	14	4.0	96.5
38 - 41	7	2.2	98.7
42 ?	4	1.3	100
1.2 Disposable Income in Rupees			
< 3000	124	36.3	36.3
3000-4999	54	15.9	52.2
5000-6999	101	29.6	81.9
7000-8999	35	10.2	92.0
9000-10999	17	4.9	96.9
? 11000	11	3.1	100
2. ATTITUDES AND BELIEFS			
2.1 Previous Experience			
1 (Very bad)	14	4.0	4.0
2	8	2.2	6.2
3	15	4.4	10.6
4(Neither)	49	14.2	24.8
5	76	22.1	46.9
6	98	29.2	76.1
7(Very good)	82	23.9	100

2.2 Expectations			
1 (Very bad)	6	1.8	1.8
2	6	1.8	3.5
3	17	4.9	8.4
4(Neither)	36	10.6	19.0
5	71	20.8	39.8
6	112	32.7	72.6
7(Very good)	94	27.4	100
3. IMPACT OF REFERENCE GROUPS			
3.1 Family affect			
1 (Not at all)	228	66.8	66.8
2	20	5.8	72.6
3	15	4.4	77.0
4 (Some)	32	9.3	86.3
5	29	8.4	94.7
6	8	2.2	96.9
7 (Very much)	10	3.1	100
3.2 Friends affect			
1 (Not at all)	126	37.2	37.2
2	21	6.2	43.4
3	29	8.4	51.8
4 (Some)	59	17.3	69.0
5	67	19.5	88.5
6	23	6.6	95.1
7 (Very much)	17	4.9	100
3.3 Online forum affect			
1 (Not at all)	228	66.8	66.8
2	23	6.6	73.5
3	33	9.7	83.2
4 (Some)	30	8.8	92.0
5	15	4.4	96.5
6	9	2.2	98.7
7 (Very much)	4	1.3	100
4. ONLINE CONSUMER BEHAVIOR			
4.1 Web graphics			
4.1.1 Time spent online			
<30 min	46	13.3	13.3
30min-1hrs	86	25.2	38.5
1-2hrs	95	27.9	66.4
2-3hrs	36	10.6	77.0
3-4hrs	50	14.6	91.6
4-5hrs	11	3.1	94.7
>5hrs	18	5.3	100

4.2 Shopping patterns			
4.2.1 Expenditure in Rupees			
<200	44	12.8	12.8
200-399	98	28.8	41.6
400-599	118	34.5	76.1
600-799	56	16.4	92.5
800-999	17	4.9	97.3
>=1000	9	2.7	100
Internet Usage	Primary usage	Secondary usage	Tertiary usage
Fun	148 (43.4%)	74 (21.7%)	59 (17.3%)
Work	33 (9.7%)	65 (19.0%)	72 (21.2%)
Information	65 (19.0%)	92 (27.0%)	97 (28.3%)
E-mail	91(26.5%)	96 (27.9%)	79 (23.0%)
Shopping	5 (1.3%)	15 (4.4%)	35 (10.2%)

Identified factors Price, Trust, and Convenience

When analyzing the factors price, trust, and convenience are used with Fishbein Model, the Fishbein Model has an interval that allows for all whole values between -9 to 9, in order to set up a frequency table it is needed to bin the values and create fewer alternatives, the values (1 Not at all, 2,3,4 some, 5,6,7 very much)are grouped into the following values, where the numbers in the left column correspond to binned values and the numbers in the right column are Fishbein values:

Table II. Conversion of Fishbein values to Binned values

Binned values	Fishbein values
1	< - 8
2	-7 – -5
3	-4 – -2
4	-1 – 1
5	2 – 4
6	5 – 7
7	8 >

Table III

	Frequency	Percent	Cumulative Percent
1. Distribution according to the overall attitude			
1.1 Price			
1 (Negative)	--	--	--
2	--	--	--
3	6	1.8	1.8
4 (Neither)	64	18.6	20.4
5	71	20.8	41.2
6	128	37.6	78.8
7 (Positive)	73	21.2	100.0
1.2 Trust			
1 (Negative)	--	--	--
2	--	--	--
3	3	0.9	0.9
4 (Neither)	44	12.8	13.7
5	133	38.9	52.7
6	126	36.7	89.4
7 (Positive)	36	10.6	100.0
1.3 Convenience			
1 (Negative)	1	.4	4
2	6	1.8	2.2
3	11	3.1	5.3
4 (Neither)	88	25.7	31.0
5	100	29.2	60.2
6	76	22.1	82.3
7 (Positive)	60	17.7	100.0
2. Distribution according to the attribute			
2.1 Saving money			
1 (Not at all)	3	.9	.9
2	1	.4	1.3
3	12	3.5	4.9
4 (Neither)	81	23.5	28.3
5	76	22.1	50.4
6	30	8.8	59.3
7 (Always)	139	40.7	100.0
2.2 Comparing price			
1 (Negative)	5	1.3	1.3
2	1	.4	1.8
3	9	2.7	4.4
4 (Neither)	124	36.3	40.7
5	64	18.6	59.3
6	30	8.8	68.1
7 (Positive)	109	31.9	100.0

2.3 Security when purchasing online			
1 (Negative)	--	--	--
2	3	.9	.9
3	8	2.2	3.1
4 (Neither)	73	21.2	24.3
5	101	29.6	54.0
6	54	15.9	69.9
7 (Positive)	103	30.1	100.0
2.4 Trust in Internet as a retailing channel			
1 (Negative)	5	1.3	1.3
2	3	.9	2.2
3	24	7.1	9.3
4 (Neither)	160	46.9	56.2
5	92	27.0	83.2
6	23	6.6	89.8
7 (Positive)	35	10.2	100.0
2.5 Trust in the Internet retailer			
1 (Negative)	--	--	--
2	--	--	--
3	5	1.3	1.3
4 (Neither)	67	19.5	20.8
5	101	29.6	50.4
6	36	10.6	61.1
7 (Positive)	133	38.9	100.0
2.6 Less effort			
1 (Negative)	14	4.0	4.0
2	8	2.2	6.2
3	21	6.2	12.4
4 (Neither)	112	32.7	45.1
5	83	24.3	69.5
6	24	7.1	76.5
7 (Positive)	80	23.5	100.0
2.7 Saving time			
1 (Negative)	15	4.4	4.4
2	3	.9	5.3
3	15	4.4	9.7
4 (Neither)	103	30.1	39.8
5	67	19.5	59.3
6	21	6.2	65.5
7 (Positive)	118	34.5	100.0

2.8 Purchase at any time			
1 (Negative)	9	2.7	2.7
2	20	5.8	8.4
3	154	45.1	53.5
4 (Neither)	159	46.5	100.0
5	--	--	--
6	--	--	--
7 (Positive)	--	--	--
3. Distribution according to the Primary Factor			
Price	142	41.6	41.6
Trust	103	30.1	71.7
Convenience	97	28.3	100.0