

Dissecting Analysis of Online Shopping Stratagem - Intentions and Behaviour

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EDITORIAL BOARD EXCERPT Initially at the Time of Submission (ToS) submitted paper had a 06% plagiarism, which is an accepted percentage for publication. The editorial board is of an observation that paper had a successive close watch by the blind reviewer's which at a later stages had been rectified and amended by the author (Sonika) in various phases as and when required to do so. The reviewer's had in a preliminary stages remark with minor revisions which at a short span were restructured by the author. The comments related to this manuscript are tremendously noticeable related to **Intention and Behaviour of Generation Y Regarding Online Shopping** both subject-wise and research wise by the reviewers during evaluation and further at blind review process too. The authors have crafted the paper in a structured manner. As the Information of the significant components influencing the electronic payment options can be of great help in augmenting and enriching the payment alternatives for various masses of consumers, the paper highlights the factors for the repeat and consistent usage of digital currencies for the generation Y. Overall the paper promises to open newer facets of studies. All the comments had been shared at a variety of dates by the author in due course of time and same had been integrated by the author in calculation. By and large all the editorial and reviewer's comments had been incorporated in paper at the end and further the manuscript had been earmarked and decided under "**Empirical Research Paper**" as it attempts to study the impact of different factors on overall electronic payment usage. The results are interesting and remarkable.

ABSTRACT Purpose: The research attempts to study the factors which are responsible for repeat and consistent usage of digital currency.

Design/methodology/Approach: Empirical study based on the data collected using a structured questionnaire. Analysis has been done through factor analysis using SPSS.

Findings: The rapid growth of e-commerce in India has paved the way for a total new experience of shopping among generation Y. The findings revealed that there are three key-drivers affecting usage of electronic payment as a buying option for online shopping among Generation Y i.e. "Service delivery claims", "potential safety" and "perceived benefits". The result also depicted that consumers are having less trust on service delivery claims and they are worried about safety concerns over electronic payment for buying online.

Proposed Implications: the study is helpful for online shoppers and also for online marketers.

Originality/Value: The study mainly focuses on the intention and behaviour of generation Y regarding online shopping and also highlights key drivers affecting digital payment usage.

KEYWORDS Digital Currency | Generation Y | E-commerce | Payment Options

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Introduction to Electronic Payment

Digital or electronic payments are intangible ways of interchange of currencies and benefits among buyers and sellers, which manifests similar properties as those of tangible ones without having a physical existence. This system can be utilized for buying tangible goods and services. With the emergence of internet and specifically, smart phones in India, electronic payment is extensively replacing the tangible payment system.

Digital payments can be done in following ways:

- ATM/debit/credit card transactions
- Internet banking
- Payment through digital wallets (Like Paytm, Airtel Money, RuPay etc)

E-commerce and electronic payment

India has seen a surge in online buying since the past few years. It has been made possible specifically with the advantage of factors like reduced time consumption, availability of miscellaneous avenues, home delivery etc., has made e-commerce a perfect alternative to the traditional procurement and buying methods. With the infiltration of internet infrastructure, making a purchase and transaction over internet is becoming a day-to-day episode. Also, a large number of consumers are now opting for electronic payment mechanisms with the help of e-commerce websites.

A major cause of rationale for customers opting and trusting e-commerce these days are the abundant **secure payment gateways** available. Only when a consumer is fully persuaded by the secure payment gateways and mechanisms and the non-laxity of trust on them that he would opt for such methods. Prematurely, majority of websites were having only debit and credit card payment option. But now,

they have augmented and offered a vast variety of payment options like mobile wallets, e-banks, Paytm bank transfers through net banking, e-wallets, prepaid shopping cards, digital currencies, all types of cards like Credit, Debit, MasterCard, Visa etc.

Introduction to Generation Y

They are also called millennials or the net generation. It is used to signify part of the population who reached adulthood in the 21st century. Born in the 20th century and subsequently, these people have been raised in an atmosphere and surrounding where they have witnessed internet, social media, electronic, mobile and internet boom around. They can also be characterized by qualities like, moneyed, prosperous, well-to-do, literate, informed, knowledgeable, culturally and racially assorted.

Review of Literature

Automated remittance and clearance mechanism in India is contemplated as a recent episode but the study conducted by **Humphrey, D.B., Pulley, L.B., Vesala J.M., in 1996** revealed that 35% of US citizens found automated payment suitable and easy to use and they had already embraced this mechanism of clearance.

In **1996** itself, **Kane, E.J.** prognosticated in his findings that it is heuristic to envisage the preferment that will allow and elucidate complete and thorough change in banking anatomy, composition and role.

In **2001**, **Humphrey, D.B., Kin, M., and Vale, B.** envisaged that the development of automated clearance system and mechanism can markedly lower the communal price of a country's clearance mechanism. They contributed an approximation of the prospective reduction in communal price and diagnose the expeditiousness of gateway users when cost is utilized to expedite the replacement of electronic for paper-based payments.

Further in **2002**, **Van Der Heijden, H.** in his research paper, found the components which affect the customer adoptability and reception. These are

the price, simplicity to operate, and the apprehended imperil.

In 2003 Mester, L.J. battered automated clearance as a paperless and cashless means to operate financial transactions using electronic mean.

In 2003, Park, C.H. and Kim, Y.G. introspected in their findings that statistical caliber, standard of user interface and risk recognition impacts data reparation and other benefits, which, in turn, are greatly associated to each customer's site commitment.

In 2005, Valcourt, E., Robert, J.M., and Beulieu, F. defined automated payment as Internet based payment mechanisms, point of sale mobile payment method and payments for mobile commerce applications. They concluded that 76% of the consumers would buy a movie ticket on a mobile phone or internet, and 78% of the consumers would use a service where their bill would be generated electronically.

In 2006, Hung, S.Y., Chang, C.M., and Yu, T.J. in their study found the important factors as perceived usefulness, ease of use, perceived risk, trust, compatibility, external influences, interpersonal influence, self efficacy and facilitating condition.

Mallat, N., 2007, suggested that the barriers to adoption of electronic payment are premium rate estimation, complications, a lack of interpretative bulk, and apprehended uncertainty.

In 2010, Kim, C., Mirusmonov, M., and Lee, I. focused their research of automated payment on mobile payments only and they made a suggestion that the deliberateness to use mobile-payment are considered to be easy to use and serviceable. They found that the affinity of mobile payment was not the main rationale for any consumer to embrace it. Their study predicted that early users merit usage convenience, whereas forthcoming users answer affirmatively to the benefits of m-payment, specially its reach to prospective consumers and ease of usage.

In 2014, Martins, C., Oliveira, T., and Popovie, A., defined factors such as execution and accomplishment anticipation, attempt anticipation, social influence, and also the importance of chance as a prophet of purpose.

Need of the Study

Because of the fact that many of the electronic payment mechanisms are governed on the electronic-commerce websites and gateways, it will be beneficial for e-commerce sites to address the needs and wants of the Generation Y. Information of the important components influencing the electronic payment options can be of great help in augmenting and enriching the payment alternatives for various masses of consumers. This will help to multiply new consumer base, retention of the existing consumer base, faith building, repeated buying and selling through websites and ultimately high revenue to the organization.

Scope of the Study

In this paper, I have considered and observed the cognizance of Generation Y which includes citizens of the age group of 16 to 40 years. IT professionals, academicians and service class citizens have been chosen randomly from amongst them. This research can be supplemented for different age groups. I have emphasized on the payment preference on those e-commerce portals and websites that offer more than one product lines. This study can be further enhanced to specific e-commerce portals (like IRCTC, Lenskart, travel portals etc). This research has been specifically conducted on Indian millennials only.

Objectives of the Study

- To study about the key drivers affecting the usage of electronic payment in online shopping among youth (Generation Y).
- To study about the effect of different factors obtained on overall electronic payment usage.



Research Methodology

Collection of primary data has been done based on structured questionnaire consisting of Likert scale. Respondent sample is taken as convenient random sampling. Collected response is tested through Factor analysis in SPSS. The reduced variables, extracted factors and their loading effects are analyzed for studying key drivers of digital payment options.

Analysis

Response has been taken from 100 respondents in which 9 responses were not filled properly or were totally biased towards one ranking. So, 91 questionnaires have been finally considered.

As per rotated component matrix, variables were reduced in three factors. The cumulative loading of three factors is 61.054%. It means total variance explained by three factors combined is 61.054%.

Component	Initial Eigen values			Rotation sums of squared loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1.	4.608	28.798	28.798	4.264	26.652	26.652
2.	3.053	19.083	47.881	3.341	20.879	47.531
3.	2.108	13.173	61.054	2.164	13.523	61.054
4.	1.746	10.911	71.966			
5.	1.240	7.752	79.717			
6.	.990	6.190	85.907			
7.	.837	5.232	91.193			
8.	.550	3.435	94.574			
9.	.334	2.089	96.662			
10.	.276	1.732	98.385			
11.	.162	1.015	99.400			
12.	.054	.340	99.740			
13.	.031	.191	99.932			
14.	.011	.068	100.00			
15.	-4.273E-16	-2.671E-15	100.00			
16.	-2.133E-15	-1.333E-14	100.00			

Extraction Method: Principal Component Analysis.

Rotated component matrix			
	Component		
	1	2	3
Electronic payments sometimes have website trust issues	-.907	.004	.025
Electronic payment is easy to use	-.874	.199	-.126
Charges for electronic payment is affordable	.755	-.412	-.078
Electronic payment enable easy refunds in case of cancellation of order	.738	-.008	-.192
Electronic payment enables avoiding cash handling	.621	.064	-.169
Electronic payment is processed quickly	.179	-.845	.064
Electronic payment has the risk of password getting hacked	.195	.755	-.062
This payment method may lead to some false transaction without the information of user	-.342	.749	-.027
A user generally have bad experience in paying through electronic payment	-.585	.648	.006
It has the option of converting the payments into EMIs	-.196	-.555	-.336
The user has the fear of being placed in mass mailing list and spasm	-.124	.447	-.202
Loyalty points earned on shopping encourages for the usage of Electronic payment	.109	.105	.823
It helps in tracking the expenses through account/card statements	.605	.210	.634
In Electronic payment method, the bank has enough security checks to ensure security	-.214	-.209	.554
Attractive online promotional offers like discounts and freebies encourages for the use of Electronic payment	-.198	-.089	.516
Internet payments leads to more expenses in case of cancellation of order due to cancellation charges	.364	.498	-.512

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.



Based on above matrix, variables are reduced in factors based on their explained loadings as follows:

	Variables	Loading
	Electronic payments sometimes have website trust issue	-.907
Factor 1	Electronic payment is easy to use	-.874
	Electronic payment is affordable	.755
“service delivery claims”	Electronic payment enable easy refunds in case of cancellation of order	.738
	Electronic payment enables avoiding cash handling	.621
	Electronic payment is processed quickly	-.845
	This payment method may lead to some false transaction without the information of user	.749
Factor 2	Electronic payment has the risk of password getting hacked	.755
	A user generally have bad experience in paying through electronic payment	.648
“potential safety”	It has the option of converting the payments into EMIs	-.555
	The user has the fear of being placed in mass mailing list and spasm	.447
	Loyalty points earned on shopping encourages for the usage of Electronic payment	.823
Factor 3	It helps in tracking the expenses through account/card statements	.634
	In Electronic payment method, the bank has enough security checks to ensure security	.554
“perceived benefits”	Internet payments leads to more expenses in case of cancellation of order due to cancellation charges	-.512
	Attractive online promotional offers like discounts and freebies encourages for the use of Electronic payment	.516

Among these three factors, factor 1 (“service delivery claims”) explains 26.65% of the overall variance. In this factor, most important variable is “trust issues” as claimed by the service providers. It has negative value; it means customers still have less trust on all the websites while using electronic payment as opposed to what service providers claim.

Factor 2 (“potential safety”) explains 20.87% of the variance. In this factor highest loading variable is “Quick process”. It has negative value and the highest value, it means the “process is not the quickest and it is a major concern for security while using an electronic payment”.

Factor 3 (“perceived benefits”) explains 13.52% of variance. In this factor “loyalty point earned” has the highest loading.

Conclusion

As per this study, we found three key-drivers affecting usage of electronic payment as a buying option for online shopping among Generation Y. they are “Service delivery claims”, “potential safety” and “perceived benefits”. Consumers are having less trust on service delivery claims and they are wary about safety concerns over electronic payment for buying online. The benefit that they see in electronic payment is as benefit for earning loyalty and cash back points.

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The Editorial Board had used the ithenticate plagiarism [http://www.ithenticate.com] tool to check the originality and further affixed the similarity index which is 6% in this case (See Annexure-I). Thus the reviewers and editors are of view to find it suitable to publish in this Volume-10, Issue-3, July-Sep, 2018

Annexure 1

SONIKA

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