CUSTOMERS’ ATTITUDES TOWARDS ONLINE SHOPPING

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Abstract

Online shopping due to increasing Internet usage is gaining high importance. The Internet user base and the share of online buying population are growing. The paper presents partial findings of the research focused on online shopping in the Czech Republic conducted by the Department of Marketing in 2012. It examines the relationship between customers (Internet users) and online shopping as well as the impact of their demographics (age and income in particular) on their perceptions and attitudes towards online shopping by applying a multi-attribute model that has also been used in brand image studies.

Introduction

There is no doubt that Internet has become fully integrated into everyday life. It offers many functions and many possibilities for people and companies. A big potential of Internet is seen in communication, marketing activities and sales. Companies no longer use Internet only for their “web presentations” but also as a very important tool for sales and communication with their customers. E-business, e-commerce, e-tailing and/or e-shopping due to technological developments and high Internet usage are gaining high importance. The Internet user base including a share of online buying population is growing. Spending on a per user basis increases as well. It is evident that online shopping is gaining bigger sales and market share from traditional retailers. [11, p. 42]

The trends mentioned above are evident in the Czech market as well. According to the Netmonitor research conducted in 2011, the Czech Internet population increased by 360,000 Internet users as compared to the previous year. The increase was also recorded in the number of online shopping. Most of the Internet users (about 95 percent) have experience with online shopping. Almost 50 percent of them make online shopping once in three months. The products most frequently bought over the Internet are computers, clothing, sport equipments and cosmetics. [13]

Online shopping attracts a lot of attention not only among retailers but also from researchers. Various aspects of online shopping have been examined for years. Many studies attempted to describe online shoppers using different characteristics for their segmentation and shopping behaviour description. It was found that online and catalogue shoppers shared demographic similarities. The first online customers were more men than women. They were younger, used Internet more and were more innovative towards using the Internet. [3] [9] Income was another factor that differentiated online customers. Donthu and Garcia found that online shopping is strongly related to higher income consumers. [7] Some studies focused on differences in perceived risk in various shopping media and found that consumers perceive more risk with in-home (online) shopping than with in-store shopping. For this reason many consumers used online shopping as a source of information and preferred to make the purchase with a traditional retailer. [8] Other studies explored the motivations and reasons for online shopping and identified again similarities in the motives between catalogue and online
shopping. The factors having strong impact on consumer motivations for online shopping included perceived value of merchandise, convenience, the advantages of shopping from home and assortment of goods. It was also confirmed that consumers who had some previous experience with direct shopping from home had a high probability to become online shoppers as well. [8]

This paper presents partial findings of the research focused on online shopping in the Czech Republic conducted by the Department of Marketing in 2012. It examines the relationship between customers and online shopping sites as well as the impact of customers’ demographics (age and income in particular) on their perceptions and attitudes towards online shopping by applying a multi-attribute model that has been used in brand image studies.

The objective was to identify any significant differences in consumers’ perceptions and attitudes towards online shopping by age and income in order to better understand their shopping behaviour, their satisfaction and motivation for online shopping.

1 Customers’ perceptions and attitudes

Customers’ perceptions and attitudes are seen as an important indicator of customer satisfaction and repurchase intentions. This is why it is important for companies to analyze how customers perceive their services, what they consider important and what factors guide and influence their behaviour in order to increase their satisfaction. Companies need to understand the underlying dimensions of the value that they offer to their customers. This information is used to identify potential service/product improvements that positively affect customer satisfaction and attitudes. [6]

Although the distinction between customer satisfaction and attitude may not be very clear due to the belief that satisfaction eventually becomes an input to an attitude (i.e. high satisfaction leads to a positive attitude), the literature distinguishes between these two constructs. Customer satisfaction is given by a customer’s evaluation of a specific transaction. It is a customer’s post purchase evaluation of an offered product or service. Customer satisfaction or dissatisfaction is a result of disconfirmation caused by discrepancies between customer’s prior expectations and actual performance. A customer is satisfied when performance is better than expected and dissatisfied when performance does not meet the expectations. Customer satisfaction thus depends on his/her expectations, perception of performance and perception of the discrepancy between these two constructs. [6, p. 2]

Customer attitude is the customer’s global evaluation of a product/service offering. It depends on customers’ prior attitude, modified by his or her perceptions of current performance, prior expectations about performance, and the discrepancy between the expectations and subsequent perceptions. [6, p. 2] Attitudes are formed and influenced by experience, information, customer preferences, satisfaction and lifestyle. [4] [5] They are results of either customer prior experience or can be formed even in the absence of actual experience based on a company and/or brand reputation. Customers’ attitudes are dynamic and change over time.

There is no doubt that customers’ attitudes guide their behaviour. The more positive attitude, the higher probability that customer will buy a product or service. [2] Customers who are satisfied with their purchase from a particular company are likely to develop favourable attitudes towards the product and/or company and become more loyal to it.

2 Conceptual framework of the study

In the period of time, there have been many methods of attitude measurement developed in the research. Some of them were borrowed from psychology and sociology. [15] The most
commonly used methods of measuring customers’ attitudes include customer prototypes, semantic differential, open-end technique, multidimensional scaling, psycholinguistic and numerical comparative scales.

This paper explores online shoppers’ attitudes towards online shopping sites. It examines customers’ perceptions of online shopping focusing on the impact of age and income on their attitudes towards online shopping by applying a multi-attribute model. The model proved to be more reliable in measuring attitudes than demographic, personality or general attitude models.

The multi-attribute model measures customer attitudes as a function of their beliefs about an object and an evaluation of these beliefs. Attitudes of customers are created by their beliefs (the cognitive component) and feelings (the emotional component) that may lead to shopping behaviour (the action tendency component). An overall attitude is a result of the evaluation of the product/company attributes and the importance of the attributes to customer satisfaction with the product/company. [1] The model allows the selected attributes to be differentially weighted by customers’ importance of each attribute. [10] The importance of attributes to individual shoppers can be different. The difference is influenced by demographic and socio-economic characteristics of customers as well as by their personal values, lifestyle and shopping orientation. [14]

The study presented in this paper explored shoppers’ attitudes towards online shopping by evaluating attributes associated with Internet and electronic shopping, and examining the relative strength and importance of the selected attributes. The attributes were selected on a basis of the perceived customer value associated with the online shopping. The concept used in the study defines perceived customer value as “the consumer’s overall assessment of the utility of a product based on perception of what is received and what is given”. [16, p 14] The author is aware that the construct of perceived customer value is rather complex and it is difficult to find attributes that could be generally applied to online shopping. As discussed in the literature, the dimensions of customer value are product or service related and thus might differ. The conceptual framework of the study includes the following attributes of perceived customer value:

- Wide product assortment
- Lower prices
- Low time (search) cost
- Shopping convenience
- Goods return policy
- References from other online shoppers
- Risk related to goods order and payment
- Complicated claim policy
- Anonymity (no personal contact)
- Lack of physical contact (only virtual product presentation).

The objective of the study was to explore the value attributes perceptions (evaluations) and perceptions of the attribute importance. Demographic (age) and socio-economic (income) characteristics were used to examine online shoppers’ attitudes towards online shopping.
3 Research methodology

The research was conducted in the Czech Republic in the period of January – February 2012. Data were collected by electronically-administered questionnaires. Respondents were Internet users who had some experience with online shopping. They were selected by non-probability convenience sampling method using Internet website as a device for completing the questionnaire. For this reason the sample does not fulfill the requirements for representative sampling. Respondents interviewed for the study, were men and women of different age and income levels.

Descriptive analysis was used to understand and interpret the results of the research. Means were used to get descriptive information and understand the perception and importance of the selected attributes for respondents when doing online shopping. The differences in online shopping attributes evaluation and importance were statistically tested by one-way ANOVA analysis. The multi-attribute model was used to explore respondents’ attitudes towards online shopping.

4 Demographic profile of respondents

The sample included 503 respondents, of which 45 percent were men and 55 percent were women. Most of the respondents (75 percent) were at the age of 15 - 34 years. About 20 percent of the respondents were at the age of 35 – 54 years. The respondents over 55 years represented only 5 percent. The average age of the respondent was 29 years. The youngest respondent was 16 years old and the oldest respondent was 79 years old. Students represented the largest proportion (45 percent) of the interviewed population. The sample consisted of 40 percent employed and 6 percent self-employed people. About 6 percent of the respondents were unemployed or pensioners. Approximately the same proportions of respondents completed the secondary level of education (42 percent) and the university degree (41 percent).

The respondents’ average monthly per capita household income was CZK 15,800. The largest percentage of respondents (84 percent) fell in to the lowest income category with monthly household per capita income up to CZK 20,000. The proportion of respondents in the middle income category (CZK 20,000 – 40,000) represented 14 percent and the highest income category (over CZK 40,000) 2 percent.

5 Respondents’ attitudes towards online shopping

This chapter presents findings related to respondents’ attitudes towards online shopping. The attitudes were examined by using a multi-attribute attitude model that considers the attribute evaluation and attribute importance. Ten attribute dimensions considered to be specific for online shopping were measured by Likert scale ranging from 1 - very good evaluation to 5 - very bad evaluation. The attributes related to the customer value offered by online shopping and included the following dimensions:

- six dimensions of benefits (wider product assortment, lower prices, low time cost, shopping convenience, goods return policy and references from other online shoppers)
- four dimensions of sacrifices (risk related to goods order and payment, anonymity of the seller – no personal contact, complicated claim policy and lack of physical contact in terms of product presentations).

Table 1 shows the mean scores for each attribute measurement.
Tab. 1: Online shopping attribute evaluations

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Age categories</th>
<th>Income categories</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td>Age in years / Income in CZK</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 – 34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low time (search) cost</td>
<td>1.90</td>
<td>1.71</td>
<td>1.33</td>
</tr>
<tr>
<td>Lower prices</td>
<td>1.71</td>
<td>1.64</td>
<td>2.04</td>
</tr>
<tr>
<td>References from other online shoppers</td>
<td>1.92</td>
<td>2.06</td>
<td>1.29</td>
</tr>
<tr>
<td>Wide product assortment</td>
<td>1.87</td>
<td>1.83</td>
<td>2.43</td>
</tr>
<tr>
<td>Shopping convenience</td>
<td>2.40</td>
<td>2.19</td>
<td>1.91</td>
</tr>
<tr>
<td>Goods return policy</td>
<td>2.42</td>
<td>2.21</td>
<td>1.46</td>
</tr>
<tr>
<td>Risk related to goods order and payment</td>
<td>3.15</td>
<td>3.12</td>
<td>3.68</td>
</tr>
<tr>
<td>Anonymity (no personal contact)</td>
<td>3.64</td>
<td>3.50</td>
<td>4.18</td>
</tr>
<tr>
<td>Complicated claim policy</td>
<td>3.82</td>
<td>3.56</td>
<td>3.81</td>
</tr>
<tr>
<td>Lack of physical contact</td>
<td>4.22</td>
<td>4.36</td>
<td>4.66</td>
</tr>
</tbody>
</table>

Legend:
1 – Very good attribute evaluation,
5 – Very bad attribute evaluation.

Source: own research

Online shopping attribute evaluation varied widely. The highest mean scores were given to favourable dimensions representing advantages of online shopping. Low time cost, lower prices, references from other online shoppers and wide product assortment were attributes that got the best evaluation. On the other hand, unfavourable dimensions related to the disadvantages of online shopping such as lack of physical contact, complicated claim policy, lack of personal contact and risk related to the process of order and payment when shopping online were attributes that were evaluated the worst. Statistically significant differences in respondents’ attribute evaluations by age and income categories were identified in perceptions of time cost, shopping convenience and goods return policy. Older online shoppers (over 55 years) evaluated the mentioned attributes significantly better than the others. The shoppers belonging to the lowest income categories (up to CZK 20,000) appreciated goods return policy of online shopping more than other income category respondents.

The same dimensions were used to explore the online shopping attribute importance. The respondents evaluated the importance of selected attributes by stating their importance using the scale 1 – very important to 5 – not important. The importance of customer value attributes stated by mean scores is shown in Table 2.

The findings presented in Table 2 show ranking of the online shopping attribute importance as stated by the respondents. Goods return policy, low time cost, lower prices and claim policy were perceived by the respondents to be the most important attributes for their online shopping. The other attributes – goods order and payment process, shopping convenience, lack of physical contact, wide product assortment and no personal contact were considered to be slightly less important.

Applying the one-way ANOVA analysis, it was found that the importance of wide assortment, lower prices, low time cost, shopping convenience and goods return policy were perceived statistically different by the age and income categories. Wide range of assortment, time cost, shopping convenience and goods return policy were perceived to be more important for the online shoppers in age of 55 plus. In comparison to the other categories, wide assortment and goods return policy were considered to be significantly more important for the lowest income
shoppers, whereas lower prices and time cost were more important for the highest income online shoppers.

**Tab. 2: Online shopping attribute importance**

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Age categories</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td><strong>Age in years / Income in CZK</strong></td>
<td>15 – 34</td>
<td>35 – 54</td>
<td>Over 55</td>
</tr>
<tr>
<td>Goods return policy</td>
<td>1.68</td>
<td>1.47</td>
<td>1.08</td>
</tr>
<tr>
<td>Low time (search) cost</td>
<td>1.86</td>
<td>1.57</td>
<td>1.19</td>
</tr>
<tr>
<td>Lower prices</td>
<td>1.93</td>
<td>1.83</td>
<td>1.98</td>
</tr>
<tr>
<td>Complicated claim policy</td>
<td>2.12</td>
<td>2.31</td>
<td>1.44</td>
</tr>
<tr>
<td>References from other online shoppers</td>
<td>2.24</td>
<td>2.33</td>
<td>2.41</td>
</tr>
<tr>
<td>Risk related to goods order and payment</td>
<td>2.52</td>
<td>2.36</td>
<td>1.89</td>
</tr>
<tr>
<td>Shopping convenience</td>
<td>2.67</td>
<td>2.02</td>
<td>1.41</td>
</tr>
<tr>
<td>Lack of physical contact</td>
<td>2.40</td>
<td>2.50</td>
<td>1.56</td>
</tr>
<tr>
<td>Wide product assortment</td>
<td>2.46</td>
<td>2.16</td>
<td>2.10</td>
</tr>
<tr>
<td>Anonymity (no personal contact)</td>
<td>2.56</td>
<td>2.30</td>
<td>1.46</td>
</tr>
</tbody>
</table>

Legend:
1 - Very important,
5 - Unimportant.

*Source: own research*

The findings of online shopping attribute importance complemented the results on online shopping attribute evaluation (presented in Table 1) and were used in online shoppers’ attitude analysis. Values of online shopping attribute evaluation and attribute importance were multiplied and summed to provide the total attitude of respondents towards online shopping. The total attitude scores towards online shopping were calculated for each age and income category and as the total attitude towards online shopping. The results are presented in Table 3.

**Tab. 3: Attitudes towards online shopping**

<table>
<thead>
<tr>
<th>Attributes</th>
<th>Age categories</th>
<th>Income categories</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td><strong>Age in years / Income in CZK</strong></td>
<td>15 – 34</td>
<td>35 – 54</td>
<td>Over 55</td>
</tr>
<tr>
<td>Attitudes towards online shopping</td>
<td>80</td>
<td>75</td>
<td>90</td>
</tr>
</tbody>
</table>

Note:
The most positive attitude (min. value) = 10
The negative attitude (max. value) = 250
Moderate attitude (average value) = 130

*Source: own research*

As Table 3 shows, online shoppers enjoy shopping over the Internet and have rather positive attitudes towards it. The attitudes of the middle-age and middle income category respondents seem to be slightly more positive than the respondents’ attitudes of the other categories. Less positive attitudes were expressed by the oldest and the youngest category of online shoppers.
Conclusions

The research on online shoppers’ perceptions and attitudes towards online shopping has shown that the perceptions and attitudes of respondents vary more by their age rather than income. While the attitudes of the examined income categories can be perceived as similar, the attitudes of the defined age categories showed some differences. The most positive attitudes were expressed by the middle-age online shoppers. The least positive attitudes towards online shopping were held by the oldest age category of shoppers. This age category appreciates the most references from other online shoppers, low time cost, goods return policy and shopping convenience. The youngest generation of online shoppers highly evaluated lower prices and wide assortment of products. The respondents of the middle-age category gave the best evaluation scores in terms of online shopping to lower prices, low time cost and wide assortment.

The attributes seen as disadvantages of online shopping are lack of physical contact and no personal contact. These are typical attributes of online shopping and there is nothing that companies selling products over the Internet can do about it. There is no surprise that online shopping is mainly used as a source of information about a wide range of products and a system that enables a quick search and comparison of sold products. The Internet offers extensive benefits to online shoppers by reducing their search cost and increasing shopping convenience. Information provided by Internet influences the online shopping experience and compensate for the lack of physical contact. [12] Online shopping thus complements the traditional distribution channels very well.

The other factors that were evaluated poorly were complicated claim policy and risk related to the order of goods and the way of payment. This area offers some potential for improvements and encouragement for online shopping. Companies providing online shopping should do their best to lower all risks and doubts related to online shopping. They should focus on building trust and relationships with their online customers. Doing so would lead to higher customer’s satisfaction, positive attitudes and loyalty.

Acknowledgements

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Literature


doc. Ing. Jozefína Simová, Ph.D.
Zostane známení zákazníků k online nakupování

Online nakupování v důsledku zvyšující se míry užívání internetu získává stále větší význam. Základna uživatelů internetu a podíl populace nakupující na internetu roste. Tento článek prezentuje dílčí výsledky výzkumu zaměřeného na online nakupování v České republice, jenž byl proveden katedrou marketingu v roce 2012. Článek zkoumá vztah mezi zákazníky (uživateli internetu) a online nakupováním s přihlédnutím na vliv demografických faktorů (konkrétně věku a příjmu) na jejich vnímání a postoje k online nakupování. Pro potřeby měření postojů byl zvolen multiatribuční model, který se využívá v oblasti zkoumání image znáček.

Die Hal tung der Kunden zum Online-Einkauf


Stosunek klientów do zakupów on-line