# **EFFECT OF SHOPPING ORIENTATIONS ON ATTITUDE TOWARDS ONLINE SHOPPING- A MULTIPLE REGRESSION APPROACH**

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#### ABSTRACT

This paper examined the influence of shopping orientations on attitudes towards online shopping. Data for the study was collected from 245 post graduate students from three universities from Kerala.A structured questionnaire was used as the data collection instrument. Principal component analysis with varimax rotation produced seven factors or themes of online shopping orientations. The major themes identified were price motivation, merchandise motivation, in-home shopping motivation, experiential shopping motivation, hassle free shopping motivation, customisation shopping motivation and no busy feeling shopping motivation. To assess the impact of these shopping orientations on attitudes towards online shopping, a multiple regression analysis was carried out. It was also found that except for the customisation shopping motivation, rest all shopping orientation themes had a significant positive effect on attitudes towards online shopping.

Keywords : Shopping orientations, attitudes, online shopping, shopping motivations

#### INTRODUCTION

The B2C e-commerce market in India has exhibited rapid growth and is expected to grow to USD 60 billion by 2017. The key drivers for this growth are decreasing cost of PCs, and mobile phones, increasing internet penetration, more payment options and changed consumer preferences. India has the third largest internet base in the world behind China and US. This leap in internet usage attributed to mobile internet could unlock a significant market beyond the tier I cities for online retail. Wide choice of products at lower prices coupled with convenience emerges as top reasons for consumers to shop online. Other factors such as ease of comparison, free shippingand time savings also influence consumers to shop online (Deloitte, 2014).

In a consumer behaviour context, an attitude is a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object. Consumer researchers assess attitudes by asking questions

or making inferences from behaviour. The consistency of purchases, recommendations to others, beliefs, evaluation and intentions are related to attitudes. Attitudes relevant to purchase behaviour are formed as a result of direct experience with the product, word of mouth information, exposure to advertising, internet etc. Thus attitudes are learned predispositions which might propel a consumer towards a particular behaviour or repel the consumer away from a particular behaviour. Another characteristic of attitude is that they are relatively consistent with the behaviour they reflect. This means that when consumers are free to act as they wish, their actions will be consistent with their attitudes (Shiffman & Kanuk, 2007). Attitudes towards the behaviour represent an evaluation of performing a particular behaviour involving the attitude object such as buying the product. Attitude towards the behaviour are more strongly related to behavioural intentions and consequently behaviour. Thus for understanding the attitudes

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that drive a particular behaviour, focusing on attitude towards the behaviour will be more appropriate (Blackwell et al., 2006).

# **REVIEW OF LITERATURE**

A consumer's approach to the act of shopping is referred to as shopping lifestyle or shopping orientation. The basic premise of shopping orientations is that people take many different approaches to the act of shopping (Gehert et al., 2012). Shopping orientation which is a multi dimensional construct is defined as a general disposition towards the act of shopping. Consumer's shopping orientation such as brand consciousness, price consciousness, risk aversion, innovativeness, importance of convenience, variety seeking inclination and impulsiveness may determine their preference for shopping online (Girad et al., 2003).Shopping orientation can be influenced by functional and non-functional motives. Functional motives are related to utilitarian functions such as convenience, variety and quality of merchandise and price whereas non-functional (hedonic) motives are related to social and emotional needs for enjoyable, interesting shopping experience. Both functional and hedonic motives of online shopping were important predictors of attitudes towards online shopping (Forsythe et al., 2006). Researchers have segmented shoppers based on their shopping orientations.

Jayawardhena et al. (2007) segmented online shoppers based on their purchase orientation into active shoppers, price sensitives, discerning shoppers, brandloyals and convenience oriented shoppers; but found no significant effect of purchase orientations on consumer's propensity to shop online.Allred et al. (2006) segmented consumers on the basis of online shopping lifestyles as socializers, e-shopping lovers and e-value leaders. E-value leaders are the largest segment who is more attracted by the online shopping values such as better selection, quality and lower price than by its convenience. E- shopping lover segment is the second largest segment that is attracted by the convenience of shopping from home. Socializers are the smallest

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segment heavily populated by women who like the convenience of occasional online buying but are more interested in socializing aspect of brick and mortar shopping. Brown et al. (2003) segmented internet consumers by means of shopping orientations into personalising shoppers, recreational shoppers, economic shoppers, involved shoppers, convenience oriented recreational shoppers, community oriented shoppers and apathetic convenience oriented shoppers. The two largest clusters of shoppers identified were recreational shopping oriented and price oriented which was in contradiction to previous studies that suggested convenience as the primary motivation for those who use the internet for purchasing. Also it was found that no significant relationship existed between any of the shopping orientation clusters and online purchase intention.

Gehrt et al. (2012) identifiedfour shopping orientations in the Indian market placewhich are value orientation, quality with convenience orientation, recreational orientation and reputation with convenience orientation. The three shopping orientation segments identified on the basis of shopping orientations are value singularity segment, quality at any price segment and reputation/ recreation segment. Members of the value singularity segment consisting of older people were least likely to make online purchases. The quality at any price segment with young professionals had the highest propensity to purchase products online. The members of the reputation/recreation segment consisted of young members who were interested in acquiring brands and derived enjoyment from the act of shopping. Hill et al. (2013) uncovered two online shopping motivations for an adolescent sample in United States which are online shopping enjoyment motivation and online shopping value motivation .The three segments identified on the basis of online shopping motivations are internet conqueror, virtual pragmatist and recreational shopper. The recreational shopper likes to shop online and reports the highest level of online shopping enjoyment; virtual pragmatists are least likely to purchase online and internet conqueror

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reports lower online shopping enjoyment.

Various studies have focusedon the impact of shopping orientations on online purchasing behaviourConvenience and recreational shopping orientations were the dominant shopping orientations that influenced consumer's preferences for shopping online (Girad et al., 2003).Ling et al. (2010) revealed that impulse purchase orientation, quality orientation and brand orientation were positively related to online purchase intention of shoppers in Malaysia.Liu et al. (2013) in their study on online luxury purchasing found that shoppers are priceconscious, prefer the online product availability and have a higher level of trust towards online customer reviews. In their study on Indian consumers, Thamizhvanan and Xavier (2013) found that impulse purchase orientation positively affected consumer's online purchase intentions whereas quality and brand orientation had no significant effect.

### **OBJECTIVES**

The objectives of the study are formulated as below:

- 1. To identify the factors that motivatesconsumers to shop online.
- 2. To assess the impact of shopping orientations on attitudes towards online shopping. The research hypothesis for the study is

structured as

**H**<sub>1</sub>: There exists a significant effect of shopping orientations on attitudes towards online shopping

### METHODOLOGY

To measure shopping orientations, nineteen statements were taken from previous literature which reflected various reasons on what motivates consumers to shop online. These items were measured using a 5 point Likert scale anchored between strongly agree (5) to strongly disagree (1). Primary data for the study was gathered from 245 post graduate students from 3 state owned universities from Kerala by means of convenience sampling. The respondent sample profile is as follows.

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# **Table 1: Respondent status**

Particulars	Details	Respondents				
		(Number)	(Percentage)			
Gender	Male	120	49			
	Female	125	51			
Age in years	18-22	117	47.8			
	23-27	106	43.3			
	28-32	22	9			

Source: Survey data

For identifying the factors that affect consumer's motivation to shop online, an exploratory factor analysis was conducted. The factor scores from this analysis, was used as the independent variables for regression analysis to study the impact of shopping orientations on attitudes towards online shopping.

### **RESULTS AND DISCUSSION**

Factor analysis was used to reduce the 19 items into a smaller number of dimensions. The data was subjected to principal component analysis with varimax rotation. The appropriateness of factor analysis is checked using KMO and Bartlett's test of sphericity. The results of which are discussed below.

## Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin of Sampling Adequa		.703
Bartlett's Test of Sphericity	Approx. Chi-Square	897.108
1	Df	171
	Sig.	.000

It is found that the K.M.O measure of sampling adequacy for the present study is .703 which is 'good' according to Field (2009). Also Bartlett's Test of sphericity is used to find out if there exist significant correlations. In the present study Bartlett's Test of sphericity  $\div 2$  (171) = 897.108, p< .001, indicated that co relations between variables were sufficiently large for Principal Component Analysis. Thus the data set was appropriate for running a factor analysis.Seven factors emerged which had an Eigen value more than 1 explaining 62.385 % of the variance.



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Componen	t Initial I	nitial Eigenvalues			on Sums o s	f Squared	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumul- ative %	Total Total	% of Variance	Cumul- ative %	Total	% of Variance	Cumul- ative %
1	3.604	18.969	18.969	3.604	18.969	18.969	2.222	11.693	11.693
2	1.934	10.181	29.150	1.934	10.181	29.150	2.160	11.367	23.060
3	1.491	7.846	36.996	1.491	7.846	36.996	1.699	8.940	32.000
4	1.375	7.239	44.235	1.375	7.239	44.235	1.647	8.670	40.670
5	1.210	6.367	50.603	1.210	6.367	50.603	1.601	8.429	49.099
6	1.144	6.019	56.621	1.144	6.019	56.621	1.362	7.169	56.268
7	1.095	5.763	62.385	1.095	5.763	62.385	1.162	6.117	62.385
8	.946	4.977	67.361						
9	.838	4.411	71.772						
10	.760	4.001	75.773						
11	.705	3.710	79.483						
12	.678	3.570	83.053	ŝ					
13	.609	3.207	86.260						
14	.559	2.943	89.203	<b>.</b> M		8			
15	.494	2.600	91.804						
16	.480	2.525	94.329			20 X			
17	.423	2.229	96.558						
18	.355	1.871	98.429						
19	.298	1.571	100.000		1				

Extraction Method: Principal Component Analysis.

# Table 4 : Rotated Component Matrixa

	Component						
13	1,	2	3	4	5	6	7
Shopping to find lower prices	.879		Ċ.			2	6
Shopping for discounted items	.822	n.				×.	
Shopping to find good deals	.685					3.	
Broader selection of products are found		.783	3.*				
Access to many brands and retailers		.752					
Get good product information online		.613	×.				
Don't have to leave home		8	.838				
Can save effort of visiting stores	12/	12	.626				
Can try a new experience		3		.808			
Can buy on impulse in response to ads		1.5		.651			
No hassles during shopping online					.808		



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Don't have to wait to be served by the salesman	.683
Can custom design products according to preference	.623
No busy feeling while shopping online	.720

a. Rotation converged in 8 iterations.

The questions that load highly on factor 1 relate to 'Price motivation '. It includes searching for lower prices, discounted items and better deals during the online shopping process. The questions that load highly on factor 2 relate to 'Merchandise motivation'. The variables included in the factor include broader selection of products, ability to get good product information online and access to many brands and retailers. The questions that load highly on factor 3 relates to 'In home shopping motivation ' and is measured by saving effort of visiting stores and not having to leave home for online purchases. The fourth factor relates to 'experiential shopping motivation' and is measured by ability to try a new experience and impulse buying in response to advertisements. The questions that load heavily on the fifth factor relates to **'hassle free shopping motivation'** and is measured by no inconveniences or hassles during shopping online and no need to wait for a salesperson to serve the customer. The sixth factor relates to **customisation motivation** and is measured by ability to custom design products according to preference. The last factor is termed as **nobusy feelingmotivation** and includes no busy feeling while shopping online. All these factors had items with a loading of 0.6 and above.

To study the impact of shopping orientation on online shopping attitudes, a regression analysis was conducted with factor scores as the independent variables. The dependent variable was attitude towards online shopping and was measured by a 4 item scale developed by Park and Cameron (2003).

# Table 5: ANOVA<sup>a</sup>

Model	Sum of Squares	and the second		F	Sig.	
Regression	368.566	7	52.652	13.250	.000 <sup>b</sup>	
Residual	941.761	237	3.974			
Total	1310.327	244				

a. Dependent Variable: Attitude

 b. Predictors: (Constant), No busy feeling shopping motivation, Customisation shopping motivation, Hassle free shopping motivation, Experiential shopping motivation, In-home shopping motivation, Merchandise motivation, Price motivation

The results of the regression analysis revealed that overall the regression was significant, F (7,237) = 13.25, p< 0.05. Of the predictors investigated, price motivation ( $\beta$  = 0.279, t(237) = 5.06, p<0.05), merchandise

motivation ( $\beta = 0.190$ , t(237) = 3.45, p< 0.05), inhome shopping motivation ( $\beta = .129$ , t(237) = 2.33, p< 0.05), experiential shopping motivation ( $\beta = 0.285$ , t(237) = 5.17, p< 0.05), hassle free shopping motivation( $\hat{a} = 0.22$ , t(237) = 3.99, p<0.05), no busy feeling motivation ( $\hat{a} = 0.14$ , t(237) = 2.56, p< 0.05) were significantly affecting consumers attitudes towards online shopping. It was found that customization shopping motivation was not a significant predictor of attitude towards online shopping,  $\beta = -.41$ , t (237) = -.737, p > 0.05. 56 [ISSN 0973-936X (print); 2456 0936 (online)]

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Model	Unstand Coeffici	dardized ents	Standardized Coefficients	t	Sig.
	В	Std. Error	Beta	1	
(Constant)	15.878	.127		124.672	.000
Price motivation	.646	.128	.279	5.062	.000
Merchandise motivation	.440	.128	.190	3.446	.001
In-home shopping motivation	.298	.128	.129	2.334	.020
Experiential shopping motivation	.660	.128	.285	5.173	.000
Hassle free shopping motivation	.510	.128	.220	3.993	.000
Customisation shopping motivation	094	.128	041	737	.462
No busy feeling shopping motivation	.327	.128	.141	2.562	.011

#### Table 6: Coefficients<sup>a</sup>

a. Dependent Variable: Attitude

The results of the regression analysis reveal that overall the regression is significant and thus the research hypothesis that there exists a significant effect of shopping orientations on attitudes towards online shopping is accepted. Along with utilitarian aspects of online shopping such a price motivation, hassle free shopping, in home shopping, consumers also give importance to experiential shopping benefits. Retailers need to focus on this aspect by trying to create new experiences and indulge the shoppers to undergo more of impulse buying. They can design better websites and apps so as to engage the consumers. Even though customisation shopping motivation was not found to be a predictor of attitudes towards online shopping in this study, there exists a gap wherein online retailers can focus on customized goods and services thereby creating a niche in the online marketplace.

# CONCLUSION

In consistence with previous studies, the findings of this study also corroborated the existence of multiple shopping orientations. The major themes identified were price motivation, merchandise motivation, in-home shopping motivation, experiential shopping motivation, hassle free shopping motivation, customisation shopping motivation and no busy feeling shopping motivation.During online shopping, shoppers are



in a better position to search for products with lower prices, find discounted items and better deals than found in traditional stores. Hence price motivation emerged as a major factor. Also consumers feel that better selection of products and more variety of brands and retailers are found on online stores rather than brick and mortar stores. If product information is also provided consumers can break the barrier of notouch and feel aspects. The convenience offered by online shopping in the form of not having to leave home and thus save the effort of visiting stores points to the benefits of in-home shopping motivations. Online shopping also offers hassle free shopping and customers need not wait for salespersons to take up their orders. A factor that emerged that is not much discussed is the customization shopping motivation and is measured by the ability to custom design products according to individual preferences. Online retailers can concentrate more on this aspect and create a niche for themselves by offering customized goods. To assess the impact of these shopping orientations on attitude towards online shopping, multiple regression analysis was carried out and it was found that except for the customisation shopping motivation, rest all shopping orientation themes had a significant positive effect on attitudes towards online shopping. It was also found that price motivation

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had the strongest influence on attitude towards online shopping. This was followed by merchandise and in home shopping motivations. This clearly shows that value or utilitarian aspects had the highest influence on attitude towards online shopping in the current study.

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