

Factors Affecting Online Shopping in Birendranagar, Surkhet

Harendra K.C., MPhil

Assistant Professor, Graduate School of Management

Mid-West University, Birendranagar, Surkhet

E-mail: kcharendra39@gmail.com

Keywords:

*Online shopping,
environment*

DOI:
<https://doi.org/10.3126/jnmr.v5i1.61381>

ABSTRACT

Online shopping is a rapidly growing phenomenon these days. There is no doubt that the business environment is rapidly changing today, with the involvement of media and communication technologies changing the way of interaction and persuading consumers to buy their products or change their customer choices. The study's main goal is to identify the factors influencing online shopping in Birendranagar, Surkhet. Descriptive research and casual comparative are used. The study's target population is all Birendranagar Surkhet consumers who bought their products online. To collect a sample, the convenience method is used. A structural questionnaire is used to collect responses for the survey. Ease and price factors significantly impact the purchasing behavior of all Birendranagar and Surkhet consumers who used to go far online.

1. INTRODUCTION

The popularity of online purchasing is rising. Many customers need more time to visit stores and make purchases of goods and services. The fact that the world is becoming a global village is the single most crucial factor driving the expansion of the Internet and the number of Internet users worldwide.

Online shopping is now one of the essential techniques in the retail sector, and as a result, industry engagement rules are rapidly evolving. Modern civilization is causing changes in our old culture. Most people have limited free time because of the rapid change in lifestyles in most towns and cities. Since nuclear families have become more common, family members have less time for market shopping. Customers are deterred from visiting physical shops by a lack of time and worsening traffic, so they turn to the Internet to make purchases (Chayapa & Cheng, 2011, as cited in Sharma et al., 2021).

Online shopping has evolved into an essential resource for making online purchases. The market for Internet purchasing is growing every day. The total number of customers making online purchases has grown over time. Despite this, consumers continue to shop for products online, compare them to competing products, and make purchases in physical storefronts (Lepkowska-Man, 2004; as cited in Sharma et al., 2021).

According to Kumar et al. (2017), the reasons customers choose online or marketing-based purchasing as one of the most convenient ways to shop for consumer goods. In this regard, commonly observed phenomena include information accessibility, ease of use, personal security, privacy, operational cost, process simplicity, access to communication channels via multi-media, and shopping.

Furthermore, in a study by Trichy, Mahalaxmi and Ranjith (2016), effective Internet marketing influences consumers' purchasing choices. The independent variables in this study were convenience goods, speciality goods, shopping, and unsought goods, and the dependent variable was consumer decision-making. The study found that people are aware of digital channels regardless of their educational level, and customers prefer digital channels to purchase any product. The study found that the influence of digital channels does not help customers change their minds about purchasing a product.

According to Thakur and Aurora (2015), the marketing and distribution of goods and services have changed as internet users grow. With this reference, consumer buying behaviour on e-marketing was studied with the goals of understanding the customers' attitude toward online shopping, determining the reasons attracting the consumer to online shopping and determining the various issues encountered by the consumer when engaging in online shopping. Consumers were drawn to online shopping for transaction security, personal privacy, convenience, price transparency, accessibility, time savings, and trust.

Ali et al. (2016) investigated how social media marketing affects consumer perception. The study's main goals were to find the relationship between door-to-door marketing and consumer perception and to investigate the relationship between social media marketing and consumer perception. The data were gathered using a straightforward random sampling method. Social media marketing, promotional marketing, and door-to-door marketing were the study's variables.

Javadi et al. (2012) investigated and analyzed why marketers and customers used the Internet for marketing promotion and purchasing decision support. The primary goal of this research was to examine the factors that influence consumer online shopping behaviour. The study discovered that financial concerns and non-delivery risk harmed attitudes toward online purchases. Furthermore, the findings revealed that subjective norms and domain-specific innovation significantly impact online shopping behaviour.

Sharms et al. (2021) the study's primary variables were elements relating to pricing, convenience of use, product, and internet sellers. The primary aim of the research is to identify the variables that impact Ambala's online buying habits.

Li & Zhang, (2002). Kim et al., 2004, as cited in Ragam, 2018 analyzed a person's overall opinion and evaluation of a good or bad product or service while making an online purchase, referred to as their online shopping behavior. Despite the advantages of online shopping and its rapid growth, customers' searches for online stores may only sometimes lead to a complete transaction or purchase that satisfies their actual needs. Online shoppers' worries about not being able to test products before buying are believed to be a critical factor in their decision.

2. REVIEW OF LITERATURE

Sharma et al. (2021) conducted an analytical study of the factors influencing online shopping in Ambala. This research aims to identify the factors influencing online purchases of goods and services in Ambala based on these developments in the Indian market. The study investigated the various motivators behind internet purchasing in the Haryana district of Ambala. In this study, quantitative techniques and an exploratory research methodology were used. A well-organized survey was carried out with the help of a structured questionnaire, and data was gathered from books and the Internet. A Likert scale was used in this study, as well as a variety of open-ended and closed-ended questions.

The respondents ranged in age from 26 to 50 years old and 16 to 26 years old. Respondents were limited to those who regularly used the internet. The study collected samples from 150 respondents using the convenience sampling method for non-probabilistic sampling. Individual interviews were also used to collect information from respondents. The Bartlett's Sphericity Test's Chi-square analysis was used to determine whether the null hypothesis should be accepted.

The study found that the price is the most critical factor influencing the decision to buy products in Ambala on the Internet. Similarly, price discounts, gift vouchers, and product quality influence online shopping decisions.

Vasic et al. (2019) looked at how Serbian customers' satisfaction levels were affected by factors related to online buying. Security, information accessibility, delivery, quality, price, timeliness, cost, and time were the main research components. Using the relevant internet resources, questionnaires were used to collect input model parameters. This research highlighted delivery, quality, price, time, security, and information accessibility as significant determinants of customer satisfaction. These criteria significantly improved customer satisfaction. The results also showed that delivery was the greatest indicator of customer satisfaction, highlighting the significance of its use.

To better understand how digital marketing communication affects customer purchases, Nagar and Gopal (2014) conducted the study. Evaluating the variables affecting Maharashtra customers' digital buying (online shopping) behaviour was the main objective of the research. The study's important factors were pricing, security, time, and convenience. A sample size of 100 was chosen. Both primary and secondary data-gathering techniques were taken into account. The survey approach was used in this investigation. A well-designed survey was created and sent to customers. According to the study's results, evaluating consumer buying behaviour may help us comprehend how consumers behave when they purchase online. The study's key conclusion was that male and female consumers' buying criteria did not significantly vary from one another. With this knowledge, online merchants should refrain from overstressing and depending too much on the gender element in their marketing campaigns. Lastly, digital marketers need to understand that the Indian digital industry's competitive environment is always evolving.

3. THEORETICAL REVIEW

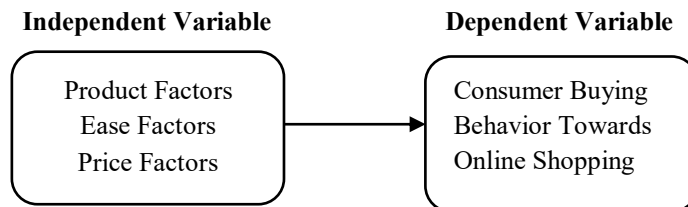
Ajzen (1991) made the Theory of Planned Behavior proposal. Three categories of factors influence human conduct, according to planned behaviour theory: behaviour belief, subject norms, and control beliefs (Sen, 2019). A person's attitude towards conduct, perceived social pressure (caused by normative views), and perceived behavioral control (caused by control beliefs) are all products of their behavioral beliefs together. The study also examined the Theory of Reasoned Action (TRA), Innovation Diffusion Theory (IDT), Motivation-Need Theory, and Technology Acceptance Model (TAM).

4. DEVELOPMENT OF CONCEPTUAL FRAMEWORK OF THE STUDY

Based on reviews, identification of the research gap, and various statements of the problem, the present researcher realized the formation of a preliminary conceptual map of the various aspects with the portrayal of the relationship among different constructs to be considered under each chosen aspect of systematic inquiry. Such a portrayal has been presented in the figure.

Figure 1

Conceptual Framework of the Proposed Study



5. OBJECTIVES OF THE STUDY

The main objective of this study is to analyze the factors affecting online shopping in Birendranagar, Surkhet. The other specific objectives are as follows:

- a. To determine the impact of product-related factors on consumer buying behavior towards online shopping.
- b. To examine the impact of ease factors on consumer buying behavior towards online shopping.
- c. To identify the impact of price factors on consumer buying behavior towards online shopping.

6. RESEARCH METHODOLOGY

The analysis followed the positivist research philosophy. Quantitative research methodologies were used in this research. A well-organized survey was carried out with the use of a structured questionnaire. The study contained both closed questions and a Likert scale. This study was carried out at Birendranagar's Surkhet valley. Only respondents who used the internet were chosen. The non-probabilistic convenience sampling technique was used, and samples were collected from 408 respondents. Moreover, information was gathered from the respondents via individual interviews. To analyze data, descriptive analysis, one-way ANOVA, t-test, and f-test were used in the study.

7. RESEARCH HYPOTHESIS

The main goal of this study is to identify the factors affecting online shopping in Birendranagar, Surkhet.

H_{01} : There is a significant impact of product factors on consumer online shopping buying behavior.

H_{02} : There is a significant impact of ease factors of consumer online shopping buying behavior.

H_{03} : There is a significant impact of price factors on consumer online shopping buying behavior.

8. DATA ANALYSIS AND FINDINGS

Profile of the Respondents

This section presents demographic components, i.e., age, gender, educational background, marital status, and occupation of the respondent.

Table 1

Profile of Respondents Based on Personal Characteristics

Table 1 provides information on the number and percentage of respondents across different personal characteristics such as age group, gender, marital status, educational background, and occupation.

Demographics	Respondents (percent)	Demographics	Respondents (percent)
Age		Occupation	
11-25 year	159 (38.97)	Student	160 (39.21)
26-40 year	219 (53.68)	Housewife	6 (1.47)
41-55 year	29 (7.11)	Employee	230 (56.37)
56-70 year	1 (0.24)	Businessman	12 (2.94)
Total	408 (100)	Total	408 (100)
Gender		Marital Status	
Male	235 (57.59)	Unmarried	186 (45.58)
Female	173 (42.41)	Married	222 (54.42)
Total	408 (100)	Total	408 (100)
Educational Qualification			
Up to Secondary	102 (25)		
Graduate	173 (42.4)		
Master and above	133 (32.6)		
Total	408 (100)		

For this survey, the ages of the respondents are divided into four groups: 11-25 years (39 per cent), 26-40 years (53.7 per cent), 41-55 years (7.1 per cent), and 56-70 years (0.2 per cent). The majority of the respondents were in the 26-40 years age group.

The distribution of gender clearly shows that 57.6 per cent of respondents were male, whereas 42.4 per cent were females. Many of the respondents were males.

Similarly, out of the 408 respondents, 45.6 per cent were single, whereas the married respondents were 54.4 per cent. So, most of the people who answered were married.

Further, respondents are also classified in terms of their educational background. Twenty-five per cent of the respondents were up to secondary level, 42.4 per cent were bachelor level, and 32.6 per cent were master and above. Thus, most of the respondents belonged to bachelors.

Finally, the respondent is also classified according to their occupation. 39.2 per cent of respondents were students, 1.5 per cent of respondents were homemakers, 56.4 per cent respondents were employees, and 2.9 per cent were businesspeople. Thus, most of the respondents were employees.

9. DESCRIPTIVE ANALYSIS

This section examines the findings of the aggregate analysis of the factors influencing specific variables to evaluate the relative significance of each of the 16 claims. On a 5-point Likert Scale, the respondents were

asked to rate how much they agreed or disagreed with each of the 16 statements concerning how online shopping affects consumer buying behavior.

Table 2

Factors Influencing Consumer Buying Behavior Towards Online Shopping

Product factors	Mean	SD
Online shopping offers good quality products and services.	3.61	0.94
It also provides goods to customers who want low-priced goods at their respective prices .	3.8	0.88
Online shopping provides product suggestions, reviews/ /ratings, which help me a lot to arrive at a purchase decision	3.19	1.14
Online shopping provides me with a product guarantee.	3.81	0.97
You can get clear information about the online product	3.2	1.1
The product ordered online is the same quality as the product purchased in a store.	3.92	0.83
Ease factors	Mean	SD
Online shopping consumes relatively less time and effort.	4.1	0.78
Online shopping helps to buy at convenient times (after some time, on travel, during vacations).	3.94	0.81
Online shopping helps to order, receive and shop from a convenient place.	4.09	0.73
Online shopping offers convenient return and replacement services.	3.32	1.08
Online shopping provides brand information.	3.62	1.00
Online shopping payments are safe.	3.95	0.75
Price Related Factors	Mean	SD
The cost of online shopping is less than physical presence shopping.	3.59	1.09
Online shopping significantly reduces the cost of goods compared to physical presence shopping.	3.36	1.04
Online shopping offers discounts and gift vouchers.	3.6	1.00
Online shopping provides detailed information about the prices of different brands of goods.	3.91	0.85

Furthermore, an analytical study of factors affecting online shopping has been analyzed using regression analysis. For this purpose, univariate, bivariate, and multivariate regression have been used. The following section presents the result of the regression analysis.

Univariate Analysis

This table reports the univariate regression of the factors affecting online shopping based on pooled cross-sectional data with total product, ease, and price factors. In this section, online shopping is regressed with the study's independent variables separately in each model.

Table 3

Results of Univariate Analysis

Model	Intercept	Product Factors	Ease Factors	Price Factors	Adj R²	F -test	N
1	1.843 (15.235)**	0.506 (15.216)**			0.362	231.54	408
2					0.364	233.06	408

1.384 (9.201)**	0.592 (15.266)**				
1.947 (18.391)**		0.473 (16.458)**	0.399	270.877	408

3

Note: The figure in the parentheses is a t-value, *N* represents the no of observations, ** represents the 5 percent level significance, *R*² represents the online shopping intercept term represents the beta coefficient, *TP* represents the total product, *TE* represents total ease, *TP* represents the total price

Table 3 shows the results of univariate analyses of factors affecting online shopping in Birendranagar Surkhet. The three significant variables, i.e., total product, price, and ease factors, have been taken as independent variables. Consumer buying behavior towards online shopping has been taken as the dependent variable. The result indicates that all variables have a positive impact on online shopping. All coefficients are statistically significant. It means that consumer buying behavior toward online shopping highly depends on TP, TE, and TP. Though the value of adjusted *R*² is low, the p-value of the F test confirms the model's fitness.

Table 3 shows the significant positive coefficient of TP on consumer buying behavior towards online shopping with adjusted *R*² 0.362 and F value 231.540 (significant at a 5 per cent level of significance), so model I is the best fit.

Similarly, the result in Table 3 shows the significant positive correlation coefficient of TE with consumer buying behavior towards online shopping with adjusted *R*² 0.364 and F value 233.060 (significant at a 5 per cent level of significance). Hence, model II is the best fit.

Similarly, Table 3 shows the significant positive coefficient of TP on consumer buying behavior towards online shopping with adjusted *R*² 0.399 and F value 270.877 (significant at 5 per cent significance), so model III is the best fit.

Bivariate Regression Analysis

Table 4 shows the results based on pooled cross-sectional data of 408 respondents by using a cross-sectional regression model. In this section, factors affecting online shopping are regressed with the study's independent variables by making combinations of two independent variables in each model.

Table 4
Bivariate Regression Analysis between an Independent and Dependent Variable

Model	Intercept	Product Factors	Ease Factors	Price Factors	Adj R ²	F -test	N
1	1.252 (8.672)**	0.294 (6.657)**	0.352 (6.834)**		0.425	151.156	408
2	1.449 (12.403)**	0.295 (7.935)**		0.318 (9.583)**	0.478	187.588	408
3	1.096 (8.004)**		0.364 (8.86)**	0.323 (10.31)**	0.495	200.001	408

Note: The table in the parentheses is t-values, N represents the no of observations, ** represents the 5 per cent level significance, R^2 represents the online shopping intercept term represents the beta coefficient, TP total product, TE total ease, and TP total price.

Table 4 shows the results of bivariate analyses among TP, TE, TP, and consumer buying behavior toward online shopping. At 5 per cent of significance level and 95 per cent of confidence level, the results showed that-

The result in Table 4 shows a significant positive correlation of TP and TE at the Adjusted R-Square 0.425. with the value of the F-test is 151.156. It indicates a significant positive impact of TP and TE on consumer buying behavior toward online shopping. So, model I is the best fit.

The result depicted in Table 4 shows a significant positive correlation between TP and TP. The value of the Adjusted R-Square is 0.478, with the F-test's value being 187.588. It indicates a significant positive impact of TP and TP on consumer buying behavior towards online shopping. So, model II is the best fit. The result depicted in Table 4 shows a significant positive correlation between TE and TP. The value of Adjusted R-Square is 0.495, with the value of the F-test being 200.001. It indicates a significant positive impact of TE and TP on consumer buying behavior towards online shopping. So, model III is the best fit.

Multivariate Regression Analysis

To identify the joint effect of all dependent variables on factors affecting online shopping with all independent variables (total product, total ease, and total price) of the study.

Table 5

Model Summary of Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.717 ^a	.515	.511	.37005

a. Predictors: (Constant), TP, TE, TP,

The above table shows the results of multivariate analyses. Here, the adjusted R^2 is 0.511.

10. SUMMARY AND CONCLUSION

This research looks at the factors influencing online shopping in Birendranagar, Surkhet. Various aspects of online shopping behavior have been studied for this purpose. This study relied on primary data collected in October 2022 from Surkhet, Valley, via a structured questionnaire. A survey design was used to collect primary data from 408 respondents involved in various sectors. For data collection, a set of surveyed questionnaires was used. The non-probability sampling approach was used for the investigation because the current researcher could not identify the study's total population. Convenience and purposive sampling were used to learn about consumer attitudes toward online shopping. The survey information was analyzed and interpreted. Descriptive and inferential statistics were used to analyze the primary data. For descriptive analyses, frequency, percentage mean, and standard deviation were used. One-way ANOVA and the t-test were used for inferential statistics. The current study's population consists of all consumers who live within the geographical territory of Birendranagar, Surkhet and are accustomed to making purchases online.

Following data analysis and presentation, the study concluded that all the independent variables have an inference on the study's dependent variable. As a result, product-related factors, ease of use, and price factors

significantly impact the purchasing behavior of all Birendranagar Surkhet consumers who used to go far online shopping.

Finally, the univariate, bivariate, and multivariate regression analysis reveals that the analytical study of factors influencing online shopping is influenced more by product-related factors, ease-of-use factors, and price-related factors. It means that all models have positive and significant relationships.

References

- Ali, Z., Shabbir, M. A., Rauf, M., & Hussain, A. (2016). Impact of social media marketing on consumer perception. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, (6), 69-77.
- Javadi, M. H., Dolatabadi, H. R., Nourbakhsh, M., Poursaeedi, A., & Asadollahi, A. R. (2012). An analysis of factors affecting on online shopping behavior of consumers. *International Journal of Marketing Studies*, 5-22.
- Kumar, M. N., Francis, M. D., & Ambily, D. A. (2017). Consumer behaviour towards e-marketing. *Jour of Adv. Research in Dynamical and Control Systems*, 1-24
- Mahalaxmi, K. R., & Ranjith, P. (2016, March). A study on the impact of digital marketing on customer purchase decisions in Trichy. *International Journal for Innovation Research in Science and Technology*, 2(10), 58-79
- Nagar, D. G., & Gopal, D. R. (2014). The effect of digital marketing communication on consumer buying. *International Journal of Management*, 5(3), 53-57.
- Sharma, K., Kumar, Y., & Khosla, R. (2021). An analytical study of factors affecting online shopping in Ambala. *11(4)*, 2307-2321.
- Thakur, S., & Aurora, R. (2015). Consumer perception: A study on e-marketing. *International Journal of Recent Research Aspects*, 2(2), 256-262.
- Vasic, N., Kilibarda, M., & kaurin, T. (2019). The influence of online shopping determinants on customer satisfaction in the Serbian market. *Journal of Theoretical and Applied Electronic Research*, 14(2), 70-89.