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Factors Affecting the Online Purchase Decision in the Nepalese Context

Raju Bhai Manandhar

Faculty of Management Tribhuvan University, Nepal raju.manandhar@pyc.tu.edu.np

Padam Dongol

Faculty of Management Kathmandu Bernhardt College padamdongol2000@gmail.com

Dhan Raj Chalise*

Assistant Professor Tribhuvan University, Nepal chalisedr@shankerdevcampus.edu.np

Eirika Manandhar

Research Scholar University of Wolverhampton, UK e.manandhar@wlv.ac.uk

Milan Katwal

Computer Engineer Kantipur City College milankatwal@kcc.edu.np

Corresponding Author* Original Research

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Abstract

Background: Online shopping has made it simpler to purchase a wide variety of products and get them delivered directly to the doorsteps. It has been growing due to the expansion of Internet facilities and the busy schedule of people. The study was conducted to identify the influencing factors of online purchase decisions.

Methods: The study was conducted among the 447 consumers living in the Kathmandu Valley. The study was based on the quantitative descriptive and explanatory research design.

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The study adopted the simple random sampling technique to select the respondent. The structured survey questionnaire was used to collect the data. Validity and reliability were ensured by measuring the Cronbach's Alpha test (.825). Frequency distribution, mean, and regression are used to analyze the data.

Results: Results show positive perceptions across key dimensions, including convenience, well-designed websites, time-saving, security, and diverse product variety in online shopping. However, there is room for improvement in after-sales service and product quality. The ANOVA results show a statistically significant relationship between convenience, product quality, and website (p < 0.001), and other predictors like security, after-sales services, and product varieties (p < 0.005).

Conclusion: The overall positive sentiment, as indicated by the average mean score, underscores the favorable outlook of respondents towards the online shopping experience, providing businesses with insights into areas of strength and potential enhancement.

Novelty: the study has statistically measured the effect of different factors on online purchase decisions. These insights can help businesses optimize online shopping experiences and drive consumer engagement.

Keywords: Convenience, product quality, product variety, security, time-saving, websites

1. Introduction

Online Shopping in Nepal is still in the primitive stages. Online shopping has made it simpler to purchase a wide variety of products and get them delivered directly to the doorsteps. It is still in practice of searching, comparing, and evaluating products and services before purchasing inside Kathmandu Valley, it is getting accepted by many where smaller startupstry to earn their place. In the context of Nepal, people living outside the valley still prefer to see and feel the goods before buying them.

Online shopping behavior in Nepal has been growing due to the expansion of Internet facilities, cost reduction by Internet service providers, and the changing lifestyle of the urban teenage population. The major online companies (e-commerce) in Nepal are working as Business-to-Consumer (B2C) or Consumer-to-Consumer (C2C) model businesses (Vaidya, 2019). A study found that 66.0% of people believe that there are challenges while shopping online in Nepal (Devkota et al., 2021). Some of the main challenges include product delivery issues and the quality of products delivered (Vaidya, 2019). Convenience is the most attractive and influencing factor for online shoppers in Kathmandu Valley, followed by security and timesaving. Besides that, website design and features are important concerns among online shoppers in Nepal (Gaudel, 2019). Similarly, the service quality provided by online companies has made Nepalese customers prefer online shopping. Online shopping preferences among experienced and inexperienced customers have been studied, revealing differences in their choices and behavior. Some of the problems faced by customers while online shopping in Nepal include the delivery of wrong products and issues with product quality (Vaidya, 2019).

Numerous research articles have examined the factors influencing decisions to make purchases online. Purchase decisions are heavily influenced by brand image, pricing, word-of-mouth, and advertisement, according to a Bekasi Shopee survey (Syahtidar et al., 2022). Price, promotion, product design/style, product quality, brand image, information availability, seller credibility, product diversity, simplicity of use, and service quality were all found to be significant

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influencing factors in another study on online clothes purchases (Purwaningtyas & Rahadi, 2021). In addition, a study on on-page search engine optimization emphasized the importance of psychological variables including motivation, perception, attitude, integration, and learning in the decision-making process of online shoppers (Sujata et al., 2016). Businesses and marketers aiming to comprehend and enhance the online purchasing decision-making process will find great insights in these studies. A study by Kidane & Sharma, (2016) acknowledged factors impacting purchasing decisions in the realm of online shopping, as identified in various literature, include elements like trust, satisfaction, return policy, cash on delivery, after-sale service, cash-back warranty, business reputation, and both social and individual attitudes. According to the study of Melamphaid et al., the key personal factors that influence consumers' buying behavior via online media include product factors, price, distribution channels, marketing promotion, and technology acceptance. These factors affect the decision to buy products via online media, such as Instagram, and can impact the overall success of ecommerce strategies, Meedanphai et al., (2023). Santhosh, (2021) study identified three key determinants shaping online consumers' decision-making processes in the realm of men's fashion accessories. First, product information and involvement play a pivotal role, with consumers considering factors like product features, quality, and price, alongside their connection or need for the item. Second, external stimuli, encompassing advertising, promotions, and recommendations from friends or family, significantly impact consumer choices. Lastly, social influence emerges as a crucial factor, with online reviews, social media influencers, and celebrity endorsements wielding substantial sway over consumers' preferences in men's fashion accessory purchases.

<u>Kidane and Sharma (2016)</u> investigates the e-commerce purchasing behaviors of customers across various locations and cultures and incorporates trust, satisfaction, return policy, cash on delivery, post-sales service, refund guarantee, business reputation, and societal and personal perspectives to be causal within a structured framework derived from research on online purchasing behavior. The studies validate these characteristics restricts the research, making their impact difficult to evaluate.

Wen (2009) highlights the significance of client trust, perception of attitude, and pleasure in the design of e-commerce websites. The study elucidates how website design influences online travel purchasing behavior. The study's rigorous methodology in digital commerce within a specific industry guarantees its robustness, making it particularly beneficial for hotel and tourism firms. The findings may not be applicable beyond the travel industry, as various industries may be influenced by distinct factors affecting online purchasing.

<u>Chalise (2021)</u> analyzes the role of relationship marketing in securing banks' return on equity (ROE). The identifies close connection between banks and society, positing that relationship marketing is essential for financial success. Study further reflects that relationship marketing's impact on financial performance, which is a significant advantage and emphasis on external macroeconomic factors influencing ROE constrains its financial success potential.

The research gap in the existing findings is evident in the limited exploration of the specific factors contributing to the online purchase decision in Nepal. While the study by <u>Devkota et al.</u>, (2021) acknowledges a substantial percentage (66.0%) perceiving challenges in online shopping, it broadly mentions issues such as product delivery problems and product quality

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without delving into the root causes or specific dimensions of these challenges. There is a gap in understanding the influencing factors of online purchase and its impact on purchase decisions. So, the major problem of this research is to identify the influencing factors of online shopping and its impact on online purchase decisions. More specifically, this study is concerned with answering the following questions.

- 1. What are the influencing factors for consumers during online purchase decision in Nepal?
- 2. Do the demographic factors affect consumer online purchase decisions?
- 3. Do the Convenience, Website Information, Time, Security, After Sales Service, Product Quality, and Product Varieties affect the online purchasing decision among Nepalese consumers?

2. Methodology

The study is based on a quantitative research design. The descriptive research design is adopted for fact-finding and searching for adequate information about factors affecting online shopping. The population of this study was those people who were involved in online shopping. The study selected a representative sample size from the target population. The study has calculated the sample size considering the 95% confidence level, 5% margin of error, and 50% prevalence so the total sample size is 384 for the questionnaire survey, but the study collected 20% additional data to minimize the measurement error, among the total collected clean data became 447 so the same number of respondents were considered as a final sample size. The study adopted the simple random sampling technique to select the respondent who are different users of online shopping, who has complete knowledge and experience about online shopping. Some academics have examined how one or more factors affect internet purchases. Data was collected via questionnaires and analyzed using factor and regression analysis (Hong et al., 2020). Thus, this study uses descriptive research and regression analysis.

The major source of data was primary data. The primary data were collected through survey questionnaires, which consisted of structured questions (Manandhar, 2021). In this study, the primary source of data was collected from the consumers involved in online shopping. Data was collected from the face-to-face interviews with respondents following the guidelines of the survey questionnaire. The measurement item of the selected variables was adopted from Parasuraman, Zeithaml, and Berry (1988), Wei and Xiao (2011). These instruments were modified to capture the perception of the Nepalese context. It took almost three months to collect 447 data. The study has performed a reliability test by calculating the Cronbach's Alpha test. The statistical value of Cronbach's Alpha is .825 (82.5%) which ensured the adequacy of sample size as well as excellent internal consistency of data.

The collected data is logically and systematically recorded into the SPSS and statistically analyzed as the requirement of the research objective. Statistical models like frequency distribution, mean calculation, and regression were done to analyze the descriptive status as well as to identify the inter-correlation between the influencing factors, and the purchase decision.

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3. Results

The study has measured the frequency distribution of each statement; it measures from strongly disagree to agree on a point Likert scale. Each statement's mean or average score is calculated based on the responses. The mean is a numerical representation of the overall sentiment or perception of respondents regarding each statement. In this case, it appears to be on a scale where higher values indicate a more positive perception of online shopping convenience.

3.1.Demographic Profile of the Respondents

The data presented in Table 1 gives the frequency and percentage distributions offer insights into the distribution of individuals across different categories of sex, education, and employment while the descriptive statistics provide a summary of the central tendency, variability, and distribution of age and monthly income in the given sample.

Table 1

Demographic information of respondents

Demographic information of respondents									
				Gender		_			
		M	Male			Total			
Frequer	ncy	2	23	224		447			
Percer	nt	49	49.9			100.0			
_		Education							
	Under	SEE/SLC	+2	Bachelor	Master &	Total			
	SEE	Pass			above				
Frequency	46	141	163	68	29	447			
Percent	10.3	31.5	36.5	15.2	6.5	100.			
				Employment					
		Employ	ved .	Unemploye	d	Total			
Frequenc	y	276		171		447			
Percent		61.7		38.3		100.0			
	Descriptiv	e Statistics o	f Age and I	Monthly Incor	ne				
	Minim		ximum	Mean	Std.	Std. Deviation			
Age	16.0	00 6	6.00	26.737		8.833			
Monthly Income	800	00 40	00000			7226.15			

Source: Field Survey 2023

Table 1 shows a demographic profile of 447 persons with two numerical variables: Age and Monthly Income as well as three qualitative variables: Sex, Education, and Employment. Men account for 49.9% and women for 50.1%, hence the sample shows almost equal gender distribution. Education levels vary; SEE/SLC Pass and +2 are the main categories; 31.5% and 36.5% of the sample respectively. Employment figures show that 38.3% of people are unemployed and 61.7% of people are working. With a mean of 26.74 and a standard deviation of 8.83, descriptive data for age show a range from 16 to 66 years, therefore exhibiting modest variability.

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Monthly income exhibits considerable variability, with figures spanning from 8,000.00 to 400,000.00. The average income is 27,937.72, with a standard deviation of 37,226.15, reflecting significant economic variability within the sample. Although speed is significant, businesses should equilibrate it with product reliability and robust customer support to improve overall service quality.

3.2.Descriptive Analysis of the Study Variables

Convenience

Convenience is one influencing factor of online shopping, which is measured by this study. Convenience plays a pivotal role in online shopping, serving as a key motivator for consumers to engage in digital retail experiences. The allure of convenience lies in the ability of online platforms to offer a seamless and time-efficient shopping process. Consumers appreciate the freedom to browse a diverse array of products from the comfort of their homes, eliminating the need for physical travel to brick-and-mortar stores. The ease of navigation, user-friendly interfaces, and swift transaction processes contribute to the overall convenience of online shopping. Additionally, advancements in technology, such as mobile apps and responsive websites, further enhance the accessibility of online retail, allowing consumers to make purchases at their convenience, irrespective of time or location. The convenience factor extends beyond the purchase stage, encompassing efficient delivery services, hassle-free returns, and responsive after-sales support. In essence, the symbiotic relationship between convenience and online shopping has reshaped consumer behavior, making digital platforms an indispensable and preferred choice for modern consumers seeking streamlined and time-saving retail experiences.

Table 2

Descriptive Statistics of Convenience

SN	Statements	SD	D	N	A	SA	Mean
		Conve	nience				
1.	I get on-time delivery by shopping online	3.4%	19.5%	30.6%	30.0%	16.6%	3.3691
2.	Detail information is available while shopping online	2.2%	15.4%	31.5%	27.1%	23.7%	3.5459
3.	I can buy the products anytime	1.1%	7.4%	20.4%	35.6%	35.6%	3.9709
4.	online shopping is available 24 hours a day	4.5%	18.1%	20.8%	31.1%	25.5%	3.5503
5.	It is easy to choose and make comparisons with other products while shopping online	0.9%	14.1%	50.8%	23.3%	11.0%	3.2931

Source: Field Survey 2023

To illustrate using the first statement (I get on-time delivery by shopping online), the majority of respondents (30.6%) strongly agree that they get on-time delivery by shopping online, followed by 30.0% who agree, 16.6% who are neutral, 19.5% who disagree, and 3.4% who strongly disagree. The mean score for this statement is 3.3691, suggesting a generally positive perception of on-time delivery in online shopping.

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Website Design/Features

Table 3 provides insights into users' perceptions of website design and features, indicating their preferences and attitudes towards online shopping experiences. The table presents survey responses related to customers' perceptions of website design and features in online shopping. Each statement (SN) addresses specific aspects of website functionality, and respondents provided feedback on a five-point scale ranging from strongly disagree (SD) to strongly agree (SA). In the first statement (SN 6), 3.1% of respondents strongly disagreed, 28.2% disagreed, 35.3% were neutral, 33.3% agreed, and the mean score was 3.9888. Similarly, the subsequent statements (SN 7-10) cover topics such as safety, ease of order, website layout, familiarity with the website, and information about product quality. For instance, in SN 9, the majority of respondents strongly agreed (53.9%) that familiarity with the website reduces the risk of online shopping. Overall, the mean scores provide a numerical summary, indicating the average level of agreement or disagreement for each statement. The findings suggest that respondents generally value website features that enhance product search, safety, layout, familiarity, and information provision, offering insights into key factors influencing online purchasing decisions.

Table 3Descriptive Statistics of Website Design/Features

SN	Statements	SD	D	N	A	SA	Mean
		Website	Design				
6.	The website design helps me search the products easily		3.1%	28.2%	35.3%	33.3%	3.9888
7.	While shopping online, I prefer to purchase from a website that provides safety and ease of order	0.4%	5.1%	42.5%	25.5%	26.4%	3.7226
8.	The website layout helps me in searching and selecting the right product while shopping online	0.2%	5.4%	36.2%	31.8%	26.4%	3.7875
9.	I believe that familiarity with the website before making an actual purchase reduces the risk of shopping online	1.1%	6.5%	17.9%	20.6%	53.9%	4.1969
10.	I prefer to buy from a website that provides me with adequate information about the quality of products	0.9%	6.5%	34.5%	26.6%	31.5%	3.8143

Source: Field Survey 2023

The "Mean" column represents the average score for each statement, with higher values indicating stronger agreement with the statement. For instance, statement 9 (I believe that familiarity with the website before making an actual purchase reduces the risk of shopping online) has the highest mean score of 4.1969, indicating strong agreement with the belief that familiarity with the website reduces the risk of online shopping.

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Time-Saving

Time-saving was taken as one influencing factor of online shopping and asked three questions under this variable. Online purchasing saves time for consumers through its convenience, accessibility, and efficient features. The ability to shop from anywhere at any time eliminates the need for physical travel to stores, and advanced search options make finding products quicker and more straightforward. Online platforms enable swift comparisons of products, prices, and reviews, facilitating faster decision-making. With 24/7 availability, consumers can shop at their convenience, and the streamlined checkout process, along with features like virtual shopping carts and wish lists, reduces the overall time spent on transactions. Additionally, home delivery services eliminate the need for consumers to make separate trips to pick up their purchases, further enhancing the time-saving benefits of online shopping. Overall, the online shopping experience is designed to cater to the fast-paced lifestyles of consumers, offering a time-efficient alternative to traditional brick-and-mortar stores.

Table 4Descriptive Statistics of Time-Saving

SN	Statements	SD	D	N	A	SA	Mean	
	Time-Saving							
1.	Online shopping takes less time to purchase		4.5%	31.3%	31.1%	33.1%	3.9284	
2.	Online shopping doesn't waste time	0.2%	19.0%	29.1%	25.5%	26.2%	3.5839	
3.	I feel that it takes less time to evaluate and select a product while shopping online	1.1%	11.2%	35.6%	28.0%	24.2%	3.6286	

Source: Field Survey 2023

The majority of respondents either agree or strongly agree that online shopping takes less time to purchase, with 33.1% strongly agreeing. The mean score of 3.9284 suggests an overall positive perception that online shopping is time-saving for purchasing. Similarly, the majority of respondents either agree or strongly agree that online shopping doesn't waste time, with 26.2% strongly agreeing. However, there is a noticeable portion (29.1%) of respondents who are neutral on this statement. The mean score of 3.5839 indicates a generally positive perception that online shopping is not time-wasting. Additionally, A significant portion of respondents (35.6%) is neutral on whether online shopping takes less time to evaluate and select a product. However, there is a positive sentiment among those who agree or strongly agree, with 28.0% agreeing and 24.2% strongly agreeing. The mean score of 3.6286 suggests a moderately positive perception of time-saving in the process of evaluating and selecting products online.

In general, respondents generally perceive online shopping as time-saving, with positive sentiments toward various aspects of time efficiency in the online shopping process. However, there are variations in the level of agreement across different statements.

Security

Security of life and property is one major concern of people so people try to be safe during

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shopping time. People may guess the economic status of people evaluating their shopping capacity so negative people may follow with a negative plan. In this concern, online shopping has ensured the safety and security of people by providing door-to-door service through online systems. Online shopping platforms employ various measures to ensure customers' personal and financial information security. Secure Socket Layer (SSL) encryption technology is commonly utilized to encrypt data transmitted between the user's device and the online store, safeguarding sensitive information such as credit card details. Two-factor authentication adds an extra layer of protection by requiring users to verify their identity through a secondary method. Reputable online retailers also invest in robust cybersecurity systems and regularly update their software to defend against evolving threats. Secure payment gateways, such as those provided by trusted financial institutions, further contribute to transaction security. Additionally, privacy policies and terms of service are in place to inform customers about how their data will be handled and protected. Regular monitoring for suspicious activities, prompt customer support for security concerns, and educating users about best practices for online safety collectively contribute to a secure online shopping environment, instilling confidence in customers and encouraging a safe and trustworthy digital shopping experience.

Table 5Descriptive Statistics of Security

SN	Statements	SD	D	N	A	SA	Mean	
	Security							
1. I feel personal safety and security while shopping online		0.9%	16.8%	41.4%	22.8%	18.1%	3.4049	
2.	Online Shopping protects my financial security.	3.8%	27.3%	32.2%	21.3%	15.4%	3.1723	
3.	Privacy is assured in online transactions.	0.9%	17.0%	42.3%	31.5%	8.3%	3.2931	
4.	I like to shop online from a trustworthy website.	0.9%	3.6%	18.3%	30.2%	47.0%	4.1879	

Source: Field Survey 2023

The majority of respondents either agree or strongly agree that they feel personal safety and security while shopping online, with a higher percentage in the neutral category. The mean score of 3.4049 suggests a generally positive perception of personal safety and security in online shopping.

There is a notable portion of respondents (32.2%) in the neutral category regarding the statement that online shopping protects their financial security. However, a majority still either agree or strongly agree, with a mean score of 3.1723 indicating a positive overall perception of financial security in online shopping.

A significant portion of respondents (42.3%) is neutral about the assurance of privacy in online transactions. However, a majority still either agree or strongly agree, with a mean score of 3.2931 indicating a moderately positive perception of privacy assurance in online transactions. The majority of respondents strongly agree that they like to shop online from a trustworthy website. The mean score of 4.1879 indicates a very positive perception of the importance of trustworthiness in online shopping.

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After-sales service

Table 6 provides a detailed breakdown of respondents' opinions on various aspects of aftersales service, offering insights into areas where the company may be performing well or where improvements might be needed. After-sales services play a crucial role in online shopping, contributing significantly to customer satisfaction and loyalty. One of the key aspects is customer support, which addresses post-purchase inquiries, concerns, and issues. Responsive and effective customer support helps build trust, ensuring that customers feel supported even after the transaction is completed. Additionally, after-sales services encompass product warranties, guarantees, and return policies, offering consumers a safety net in case they encounter problems with their purchases. This assurance can encourage hesitant customers to make a purchase, knowing that they have options for resolution if needed. Moreover, aftersales services contribute to the overall customer experience, influencing a buyer's decision to repeat business with a particular online retailer. Positive after-sales experiences can lead to favorable reviews and recommendations, which are valuable in the competitive online marketplace. In essence, after-sales services not only address potential issues but also contribute to the long-term success of an online business by fostering customer trust and loyalty.

Table 6Descriptive Statistics of After-sales service

SN	Statements	SD	D	N	A	SA	Mean
		After-sal	es service	e			
1.	They provide the warranty/Guarantee card for purchased goods	18.6%	54.6%	17.7%	6.7%	2.5%	2.1991
2.	There is a facility for returns or replacement	11.0%	25.3%	27.3%	22.8%	13.6%	3.0291
3.	There is a facility for assistance in maintenance or installation	28.2%	33.8%	27.5%	8.9%	1.6%	2.2192
4.	They regularly do follow up to know the functional status of the purchased goods	3.8%	22.6%	44.5%	25.3%	3.8%	3.0268

Source: Field Survey 2023

Table 6 presents survey data on after-sales service, with each statement assigned to define the after-sales service. Notable findings include a majority agreement (54.6%) that warranty/guarantee cards are provided for purchased goods, while there is a mixed response regarding the availability of returns or replacement facilities. Assistance in maintenance or installation receives a relatively positive response with 33.8% agreement. The highest mean value (3.0268) is associated with the statement about regular follow-ups on the functional status of purchased goods, suggesting a generally favorable sentiment. Overall, the data offers insights into specific strengths and areas for improvement in the company's after-sales service, highlighting the importance of regular follow-ups as a notable positive aspect.

Product Ouality

Product quality is a paramount factor that significantly influences and motivates customers to engage in online shopping. High-quality products not only meet but exceed customer

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expectations, fostering trust and confidence in the online retail platform. When customers are assured of the quality of the products they are purchasing, they are more likely to feel satisfied with their online shopping experience and develop a positive perception of the brand. Positive word-of-mouth recommendations and online reviews from satisfied customers further enhance the credibility of the online store. Repeat business is also influenced by product quality, as customers who receive high-quality items are more likely to become loyal patrons, returning for future purchases. Conversely, poor product quality can lead to negative reviews, returns, and a loss of trust, adversely affecting the reputation and success of the online retailer. Therefore, ensuring and promoting product quality is not only essential for meeting customer expectations but is also a key driver in motivating and retaining customers in the competitive landscape of online shopping. In this concern, this study measured the effect of product quality in online shopping. Four questions were asked about product quality, as presented in Table 7.

Table 7Descriptive Statistics of Product Quality

SN	Statements	SD	D	N	A	SA	Mean	
	Product Quality							
1.	I can get the original product	4.9%	19.0%	37.6%	29.5%	8.9%	3.1857	
2.	Images of products given on							
	the website are the same in reality	5.8%	18.1%	25.3%	42.7%	8.1%	3.2908	
3.	Goods are durable	0.4%	3.8%	54.4%	30.2%	11.2%	3.4787	
4.	Internal materials are used as expected by consumers	1.3%	16.8%	52.8%	23.7%	5.4%	3.1499	

Source: Field Survey 2023

Table 7 provides comprehensive outlines of respondents' perspectives on various facets of product quality. Notably, in terms of obtaining the original product, there is a significant neutral stance (37.6%), but a notable 29.5% agree that they can indeed acquire the original product. Regarding the alignment of product images on the website with reality, a substantial 42.7% of respondents agree, reflecting a positive sentiment. The highest mean value is associated with the statement on the durability of goods, indicating a prevalent positive perception among respondents. Similarly, respondents have expressed confidence (52.8%) that internal materials align with their expectations. While confidence in originality and internal materials is moderately positive, the overall sentiment toward product quality is notably favorable, particularly emphasizing durability and the accuracy of product representations on the website.

Product Varieties

The importance of product varieties in online shopping cannot be overstated, as it directly impacts the overall customer experience, satisfaction, and competitiveness of an online store. A diverse range of products provides customers with a wide selection to choose from, catering to different tastes, preferences, and needs. This variety enhances the likelihood of customers finding precisely what they are looking for, increasing the chances of successful conversions. A broad product assortment also contributes to customer retention, as shoppers are more likely to return to a platform that consistently offers new and diverse options. It helps in building a loyal customer base by accommodating the diverse preferences of a broad audience.

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Furthermore, product variety is crucial for tapping into different market segments and demographics. Online shoppers have varied interests and requirements, and a well-curated selection of products ensures that the online store can attract a diverse customer base. In terms of marketing and competitiveness, a wide product range allows online retailers to differentiate themselves from competitors, demonstrating their ability to meet a broad array of consumer needs. This can lead to increased visibility, customer acquisition, and ultimately, business success.

Table 8

Descriptive Statistics of Product Varieties

SN	Statements	SD	D	N	A	SA	Mean
]	Product	Varieties				
1.	There are varieties of products available in the online shopping market	0.7%	2.5%	16.3%	31.8%	48.8%	4.2550
2.	I can choose the items based on their shape, size, color, brand, and quality in the online market.	0.4%	5.1%	24.8%	29.1%	40.5%	4.0403
3.	There is an availability of economical products in the online market	1.8%	15.7%	43.4%	27.7%	11.4%	3.3132
4.	There is no difference between an online display product and an actual physically obtained product.	2.2%	17.4%	28.9%	41.4%	10.1%	3.3960

Source: Field Survey 2023

Table 8 provides a comprehensive overview of respondents' perceptions regarding product varieties in the online shopping market. According to the data, a significant majority (48.8%) strongly agree that there are diverse product offerings available, as reflected in the notably high mean value of 4.2550. Respondents express a considerable level of satisfaction with their ability to select items based on various attributes such as shape, size, color, brand, and quality, with a substantial 40.5% strongly agreeing and a high mean value of 4.0403. Regarding the availability of economical products, a significant 43.4% agree, contributing to an overall positive sentiment with a mean value of 3.3132. Furthermore, respondents are generally confident that there is a minimal disparity between the online display of products and the physical items obtained, as indicated by the 41.4% agreement and a relatively high mean value of 3.3960. In summary, the data underscores a positive perception of the online shopping market, highlighting the abundance of product varieties, the ease of selection based on diverse criteria, the availability of economical options, and the alignment between online displays and actual products.

Overall, the importance of product varieties in online shopping lies in its ability to enhance customer satisfaction, retention, market reach, and competitiveness, making it a vital aspect of

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a successful online retail strategy.

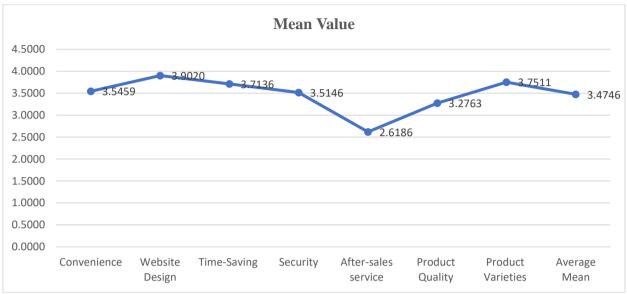


Figure 1

Mean value of influencing factors of online shopping

Source: Field Survey 2023

The graph represents the mean scores assigned by respondents to various factors related to their online shopping experience. Here is an interpretation of each factor:

Convenience (3.5459): Respondents, on average, find online shopping to be convenient, suggesting that factors such as ease of navigation and accessibility contribute positively to their experience.

Website Design (3.9020): The high mean score indicates that respondents perceive online shopping websites as well-designed, possibly emphasizing the importance of an intuitive and visually appealing interface.

Time-Saving (3.7136): The average score suggests that respondents believe online shopping saves them time, underscoring the efficiency and convenience associated with this mode of shopping.

Security (3.5146): The moderate score indicates a reasonably positive perception of the security measures implemented in online shopping platforms, emphasizing the importance of trust and safety in the online shopping experience.

After-sales service (2.6186): The lower mean score suggests that respondents, on average, are less satisfied with after-sales service. This could indicate room for improvement in areas such as warranty support, returns, and customer assistance.

Product Quality (3.2763): While still positive, the lower mean score compared to some other factors suggests that respondents perceive online product quality slightly less favorably, highlighting potential areas for enhancement.

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Product Varieties (3.7511): The high mean score indicates that respondents appreciate the variety of products available online, emphasizing the importance of a diverse product selection in shaping their online shopping experience.

Average Mean (3.4746): This is the overall average mean score, reflecting the aggregated sentiment across all factors. With a score above 3, it suggests an overall positive perception of the online shopping experience among respondents.

The effect influencing factors on online shopping decision

The regression analysis presented in Table 8 explores the relationship between various predictor variables (Convenience, Website, Time, Security, After Sales, Product Quality, Product Varieties) and the dependent variable Purchase. The model's summary indicates an R Square of 0.270, signifying that the predictor variables collectively account for 27% of the variance in the Purchase variable. The adjusted R Square, considering the number of predictors, is 0.258. The standard error of the estimate is 2.33609, representing the average difference between the observed and predicted values.

Table 9 *Effect of Influencing Factors on Online Shopping Decision*

	Model Summary									
Model R Square Adjusted R Square Std. Error of the										
					Estimate					
	1	.519a	.270	.258	2.33609					

a. Predictors: (Constant), Product Varieties, Convenience, Product Quality, Security, After Sales, Website, Time

	ANOVA ^a								
Model		Sum of Squares	Df	Mean Square	F	Sig.			
	Regression	884.672	7	126.382	23.158	.000 ^b			
1	Residual	2395.771	439	5.457					
	Total	3280.443	446						

a. Dependent Variable: Purchase

b. Predictors: (Constant), Product Variety, Convenience, Product Quality, Security, After Sales, Website, Time

		Co	efficients ^a			
Model		Unstandardized		Standardized	t	Sig.
		Coeff	icients	Coefficients		
		В	Std. Error	Beta		
	(Constant)	9.056	1.356		6.680	.000
	Convenience	.169	.044	.178	3.862	.000
	Website	.164	.064	.120	2.574	.010
1	Time	.114	.066	.085	1.713	.087
1	Security	.140	.057	.116	2.447	.015
	After Sales Service	.122	.053	.104	2.306	.022
	Product Quality	.214	.057	.164	3.769	.000
	Product Varieties	.139	.064	.097	2.165	.031
a. Dep	endent Variable: Onlin	ne Purchase D	ecision			

Source: Field Survey 2023

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The ANOVA results indicate that the regression model is statistically significant (F = 23.158, p < 0.001), suggesting that the predictor variable significantly influences the dependent variable. The regression coefficients provide insights into the strength and direction of these influences. Notably, Convenience, Product Quality, and Website show statistically significant positive relationships with Purchase, as evidenced by their low p-values (p < 0.001). This implies that as Convenience, Product Quality, and Website satisfaction increase, Purchase tends to increase as well. Other predictors, except Time-saving, other variables such as Security, After Sales services, and Product Varieties, also show significant p-values (p < 0.005) but comparatively smaller standardized coefficients, suggesting their lesser impact on Purchase. In summary, the regression analysis identifies key predictors contributing to online purchase decisions, with Convenience, Product Quality, and Website satisfaction playing prominent roles in influencing consumer behavior.

4. Discussions

This study's results provide a comprehensive review of the factors influencing online purchasing decisions. The regression analysis indicates that consumer purchasing behavior in e-commerce is significantly influenced by convenience, website design, security, after-sales service, product quality, and product variety. Among the variables, convenience (β = 0.178, p = .000) and product quality (β = 0.164, p = .000) emerged as the strongest predictors. In alignment with previous research highlighting the importance of trust and usability in online purchasing, website design (β = 0.120, p = .010) and security (β = 0.116, p = .015) significantly influence outcomes. Time (β = 0.085, p = 0.087) was found to be statistically insignificant, suggesting that time efficiency may not be a primary concern for online shoppers.

The findings of this study can be discussed in similar previous studies. The findings indicate that respondents generally have a positive perception of online shopping, particularly in terms of convenience, website design, time-saving, security, after-sales services, product quality, and product varieties. These findings align with a study by (Mofokeng, 2021) that highlighted the impact of online shopping attributes on customer satisfaction, emphasizing factors such as product delivery, perceived security, and product information quality. Additionally, the importance of consumer satisfaction in the online shopping sector is underscored, with a focus on factors that influence satisfaction, such as perceived risk, uncertainty, and price (Rao et al., 2021). Similarly, (Pandey & Parmar, 2019) identified perceived ease of use, website design, and social media as factors affecting consumer's online shopping behavior. (Tamanna, 2015) highlighted the importance of price, trust, and security in influencing customer purchasing decisions in online shopping.

The findings align with the work of <u>Kidane and Sharma (2016)</u>, which identified trust, contentment, return policies, and corporate reputation as key factors influencing online purchasing decisions. This study affirms the significance of security and after-sales service, while also highlighting product quality and diversity as additional pertinent factors, which were not examined in Kidane and Sharma's approach.

Similarly, (<u>Daroch et al., 2021</u>). indicated that factors such as availability, low prices, promotions, comparisons, customer service, user-friendliness, and variety to choose from significantly influence online shopping behavior. Additionally, (<u>Mofokeng, 2021</u>) stated that the impact of online shopping attributes on customer satisfaction was influenced by product

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delivery, perceived security, information quality, and product characteristics. (Deng et al., 2021) found that online trust, perceived benefits, and channel trust were identified as important factors affecting consumers' online choice intention and purchase intention. The discussion of the presented findings in the context of these related studies provides valuable insights into the factors influencing consumer perception and satisfaction in the online shopping environment. Wen (2009) emphasized the significance of consumer trust, website design, and customer satisfaction in influencing online travel purchasing behavior. This research highlights the importance of website design and security, as a coherent and organized platform significantly affects consumer perception. This study expands upon Wen's research, which focused on the travel and tourism sector, by incorporating general e-commerce, thereby enhancing the significance of the findings. This study corroborates existing research and provides novel insights into the role of product-related attributes in online purchasing decisions. While security, trust, and website design remain crucial, ease, product quality, and variety have now attained equal significance. Future research may explore variations in consumer preferences across other e-commerce sectors and cultural contexts.

5. Conclusion and Recommendation

The findings affirm the overall positive perception of online shopping among respondents, highlighting its convenience, efficient website design, time-saving attributes, and the availability of diverse product choices. The study underscores the importance of addressing specific areas, notably after-sales service, to further enhance the online shopping experience. Recognizing the positive sentiment among respondents offers valuable guidance for businesses to refine their strategies and improve customer satisfaction. As online shopping continues to evolve, understanding and responding to consumer preferences in areas such as service quality and product assurance will be crucial for businesses aiming to thrive in the digital marketplace.

The findings of this study provide important insights for e-commerce businesses, marketers, and policymakers aimed at improving online shopping experiences and influencing consumer purchase decisions. Maintaining high product quality and diversity through rigorous quality control, precise product descriptions, and consumer feedback is essential for attracting and retaining customers. Furthermore, enhancing website usability and security through investments in intuitive navigation, rapid page loading, encrypted payment systems, and fraud detection technologies can foster consumer trust. An integrated shopping experience characterized by straightforward checkout processes, effective after-sales support, and adaptable delivery options can enhance customer satisfaction and foster loyalty.

While speed is important, organizations must balance it with product reliability and strong customer support to enhance overall service quality. Targeted marketing methods emphasizing product quality, security, and customer service improve consumer engagement and conversion rates. Fostering enduring relationships through loyalty programs, membership incentives, and proactive client interaction can augment repeat business. Policymakers must establish clear regulations concerning product quality, return policies, and data privacy to ensure customer safety and enhance the adoption of e-commerce.

Further research could delve into the relative importance of these factors in different consumer segments, allowing businesses to tailor their strategies based on the specific preferences of their target audiences. Among the study variables, convenience and website are the most influencing factors on online consumer buying behavior. Hence, shopping centers are suggested to focus

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on convenience to consumers and incorporate sufficient information on the website.

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