



Factors limiting consumer's preference towards the online shopping; a critical analysis

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Abstract. Many consumers worry about the safety of their personal and financial information when making online transactions. Cases of data breaches and cyber-attacks have made some people hesitant to share their details online, which can act as a significant deterrent. Another key factor is the inability to physically inspect products. Unlike traditional brick-and-mortar stores, online shoppers can't touch, feel, or try on items before purchasing them. This lack of physical interaction can lead to uncertainty about the quality and suitability of the products, making some consumers hesitant to buy. Shipping and delivery issues can also be limiting factors. Consumers may worry about delays, shipping costs, or the possibility of receiving damaged or incorrect items. The convenience of online shopping can be offset by these concerns, leading some individuals to prefer in-store purchases where they can take their items home immediately. Additionally, the absence of face-to-face interactions with sales associates can limit consumers' ability to ask questions, seek advice, or receive personalized recommendations. While online retailers provide chat support and customer service, some customers may still miss the in-person assistance offered by traditional stores. Finally, for some consumers, the digital divide is a significant limitation. Not everyone has access to the internet, the necessary devices, or the digital literacy required for online shopping. This lack of access can exclude a portion of the population from participating in e-commerce. In conclusion, while online shopping offers many advantages, factors such as security concerns, the inability to physically inspect products, shipping issues, the absence of in-person interactions, and the digital divide can limit some consumers from fully embracing this retail method. Addressing these concerns and enhancing the online shopping experience is essential for e-commerce platforms to attract a broader customer base.

Keywords: Social media, offer and Discount, Advertising, online shopping and consumers.

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1 Introduction

The contemporary individual resides within a digital realm. Historically, the internet primarily functioned as a communication tool; nevertheless, in contemporary society, it has become an indispensable aspect of everyday life. The World Wide Web serves as an interconnected platform that facilitates the integration of business activities, social interactions, and consumer transactions. Due to the shift in individuals' behaviours from analogue to digital, an increasing number of individuals are resorting to online platforms for their shopping needs. The act of purchasing goods or services directly from a seller over the internet, without the involvement of intermediaries, is sometimes referred to as "online shopping" or "internet commerce." Consumers have the opportunity to purchase a diverse range of products and services at reduced rates through online shopping platforms. Additionally, they can conveniently compare these prices with those offered by other intermediaries, enabling them to make informed decisions and pick the most favourable option. The increasing allure of online shopping, driven by its ease and accessibility, is attracting a growing number of customers away from traditional brick-and-mortar retail establishments. The consumer's online purchasing experience might vary in terms of satisfaction, ranging from positive to negative. Despite the multitude of benefits associated with online shopping, extant studies have indicated that a considerable portion of customers remain unconvinced about adopting it as their predominant mode of purchasing.

2 Background for the study

The objective of this study was to ascertain the challenges encountered by clients during online purchase transactions [3]. A significant proportion of participants have reported both favourable and unfavourable encounters with online shopping. Numerous obstacles have been experienced by clients in the realm of online buying. Individuals who are undecided about engaging in electronic commerce might be influenced through many means, and it is the responsibility of merchants to discern the apprehensions of their customers and offer remedies to address those worries [5]. The efficacy of an e-commerce platform is contingent upon the caliber, variety, aesthetics, and assortment of brands it offers. In order to regain the trust of customers, it is imperative for a business to initially enhance the standard of product quality. In this manner, clients may enhance their decision-making process by acquiring a comprehensive grasp of the vendor, so enabling them to make more educated choices. Furthermore, organisations may employ marketing strategies such as the implementation of a secure and user-friendly website that enhances the ease of product exploration and navigation for consumers [11]. Consumer's exhibit enhanced capability in making well-informed purchasing decisions when they possess comprehensive access to specific information pertaining to the product or service under their consideration. The enhancement of consumers' informed decision-making can be facilitated by the provision of supplementary visual aids, including photographs, videos, and three-dimensional models. Furthermore, our company offers a range of simple payment options, including cash on delivery, as well

as refund and exchange policies that are customized to meet the specific needs of our clients. Additionally, we pride ourselves on our efficient shipping processes, which ensure lightning-fast delivery times. In their study, Jadhav (2016), examined strategies for enhancing the probability of purchase on an electronic commerce platform. A significant number of people exhibit caution when it comes to divulging their financial information on any given website. Customers are more likely to experience a heightened sense of ease while engaging in financial transactions on a website if they are presented with a diverse range of payment alternatives, including but not limited to cash on delivery, delivery after inspection, Google Pay, Paytm, or other payment gateways. In order to cultivate a sense of consumer confidence in online purchasing, it is advisable for a business to provide customers with access to a transparent security policy, privacy policy, and a secure transaction server. In addition to procuring essential commodities, online consumers frequently engage in the acquisition of premium luxury goods. Customers may exhibit a preference for engaging in online shopping activities on websites that demonstrate prompt responsiveness to their requests and provide comprehensive information within a reasonable timeframe, often within 24 hours. The availability of internet-enabled goods and services is a fundamental need for the operation of online merchants. In order to attract and retain consumers, retailers may employ risk-mitigating strategies such as implementing customer-friendly return and exchange policies. Moreover, shops have the potential to rival the convenience offered by conventional consumers through the provision of post-purchase services.

3 Previous notable studies

In order to enhance the prospect of engagement between consumers and retail trust has been demonstrated to be a significant determinant in consumer buying behaviour, particularly in situations when customers are unable to physically examine the transactional item, such as in the online retail setting [5]. Customers often rely on information obtained from reputable sources. Due to the channel's consistent nature and the high caliber of its material, customers are likely to develop a greater level of trust in it. The level of customer confidence in a firm is likely to increase, but their inclination to engage in commercial transactions with such company is expected to decline. Based on the findings of Bilgihan (2016), et al. inferred that the level of confidence consumers have in a brand has a positive impact on their inclination to utilize the brand's chosen distribution channel. Lim et al. (2014) et al. explored that the level of trust that customers have in a specific brand or product significantly influences their likelihood of engaging in a purchase. This study provides new insights into the methodology for investigating customer channel choice. Previous research on consumer channel preferences has primarily utilised qualitative methodologies, such as theoretical speculation or empirical analysis of causal relationships between variables using statistical software. However, these studies have failed to extensively explore the intricate network of interactions among these factors. In order to enhance the existing body of research on consumer channel choice behaviour, this article suggests employing a structural equa-

tion modelling. To enhance the probability of engagement between retailers and consumers, enhance consumer loyalty to various channels, and reduce operational expenses for businesses, online retailers operating across multiple channels can derive advantages from examining the determinants that impact consumers' online decision-making [12]. This study holds significant practical consequences due to the observation that conventional retail organisations frequently encounter inefficiencies in their online channel operations when implementing a multi-channel retail strategy [6].

4 Research Problem

An important research problem in the context of online shopping could be to investigate the factors influencing consumer trust in e-commerce platforms. This problem aims to explore the key elements that contribute to consumers' trust or mistrust in online retailers, focusing on aspects such as website security, privacy protection, product quality, and customer reviews. Understanding these factors and their impact on trust is essential for e-commerce businesses seeking to build and maintain consumer confidence, as well as for policymakers interested in consumer protection in the digital marketplace. This research problem is particularly relevant given the increasing reliance on online shopping and the need to address trust-related issues in the digital retail environment.

4.1 Objectives and Research Methodology

The objective of the study was to ascertain the prevailing concerns among consumers while engaging in online transactions, along with the underlying factors that contribute to their hesitancy in doing so [3]. The investigation employed a descriptive methodology with 250 sample respondents through convenient random sampling method. Descriptive studies refer to investigations conducted on people or groups with the purpose of characterizing their attributes [11]. The individuals included in this study will have engaged in transactions using an e-commerce platform [2]. The survey respondents mostly consisted of faculty members and graduate students.

5 Analysis, Findings and Results

5.1 Perception of consumers preference towards the online shopping

The initial phase entails enhancing value marketing strategies and enhancing client retention rates. The proliferation of e-commerce and the evolving competitive environment have posed challenges for retailers in their efforts to sustain consumer loyalty through a strategy of continually offering cheap pricing. The evaluation of the price-to-cost ratio holds significant importance for merchants. In addition, merchants have the potential to enhance consumer loyalty through the dissemination of product updates, promotional events, brand image representation, and related information across official platforms, influential bloggers, and various communication channels. Furthermore, it

is imperative for online retailers to priorities content marketing and place greater emphasis on consumer engagement.

Table 1. Consumer's preference towards the online shopping

Factors	Mean	Std. Deviation
Price Comparisons	3.15	0.817
Variety and Selection	3.61	0.758
Ease of Returns and Refunds	3.48	1.215
User Reviews and Ratings	3.19	1.132
Convenience	4.18	1.111
Environmental and Social Factors	3.28	1.165
Contactless Shopping	3.65	1.184
24/7 Availability	3.33	1.232
Loyalty Programs and Rewards	3.97	1.341
Personalization	2.72	1.436

The result from the above table shows that the respondents give much importance to the Convenience (4.18). Loyalty Programs and Rewards is mostly considered by the respondents (3.97) as it is their most expected factor followed by (3.30), is ranked third. Consumer preferences towards online shopping have evolved significantly in recent years, largely driven by changing lifestyles, technology advancements, and the convenience offered by e-commerce. Generally, consumers' perceptions towards online shopping are increasingly positive. Variety and Selection: E-commerce platforms offer an extensive range of products and brands, often more than what can be found in a single physical store. Consumers appreciate the diverse selection and the ability to find niche or hard-to-find items online. Price transparency is a big draw for consumers seeking value for their money [3]. User Reviews and Ratings: Many online retailers feature customer reviews and ratings for products, helping consumers make informed purchase decisions based on the experiences of other buyers. This transparency enhances trust and influences purchasing choices [1]. Personalization: Online shopping platforms use data and algorithms to personalize product recommendations and shopping experiences for individual consumers. This personalization tailors the shopping journey to their preferences, increasing satisfaction. 24/7 Availability: Online stores are open around the clock, providing flexibility for consumers

to shop whenever it suits them, including outside of regular store hours. Ease of Returns and Refunds: Many online retailers offer hassle-free return policies, assuaging consumer concerns about purchasing items without physically inspecting them. This convenience fosters trust and encourages online shopping. Contactless Shopping: In the wake of the COVID-19 pandemic, the contactless nature of online shopping gained additional appeal due to health and safety concerns. This perception is likely to persist as a preference for some consumers. Loyalty Programs and Rewards: Many online retailers offer loyalty programs and rewards, incentivizing repeat purchases and further encouraging consumer preference for online shopping. Environmental and Social Factors: Some consumers appreciate the environmental benefits of reduced travel and packaging waste associated with online shopping. Additionally, there is a growing awareness of supporting local and small online businesses. In conclusion, consumers' preferences towards online shopping have largely become positive, with the convenience, variety, price transparency, and personalization being key factors driving this shift. As technology continues to advance and e-commerce platforms enhance their services, online shopping is likely to remain a preferred method for many consumers.

5.2 Perception and the nature of the respondents

The calculation of the total perception score is derived from the aforementioned dimensions. The perception might vary depending on the characteristics of the personnel. Taking this into consideration, the link is examined in the following manner.

Table 2. Perception according to the age

Age	N	Mean	Std. Deviation	F	Sig.
Young	87	34.3812	6.15324	2.325	0.079
Middle	91	33.6158	6.58725		
Old	72	31.3125	6.32541		
Total	250	33.8785	6.12570		

From the table 2, it can be observed that respondents belonging to the middle age group (34.3812) exhibit a higher level of perception compared to individuals in other age groups. However, the observed disparity in the means among the various age groups does not exhibit statistical significance. The F value from the ONE WAY ANOVA is 2.325 and p value is 0.079 (>0.05). It is concluded that the perception of the employees do not differ much according to their age.

Table 3. Perception according to the gender

Gender	N	Mean	Std. Devia- tion	Z	Sig.
Female	110	31.270 3	6.73377	0.575	0.571
Male	140	32.657 4	6.25789		
Total	250	30.314 7	6.45120		

The finding from the Table 3 indicates that the perception of the male respondents (32.6574) is better than female respondents (31.2703). The Z score is less than 1.96 and p value is 0.571 (>0.05). Therefore, it may be inferred that there is no significant difference in the mean perception scores between male and female respondents.

Table 4. Perception according to the level of income

Income level	N	Mean	Std. Devia- tion	F	Sig.
Low	84	32.152 4	7.56872	0.279	0.779
Middle	41	34.811 6	6.32547		

High	12	31.258	6.25874		
	5	1			
Total	25	33.890	6.55613		
	0	0			

The Table 4 reveals that the perception of the respondents who earn moderately (34.8116) is more than other income group respondents. The F value (0.279) is less than the table value. The p value is 0.779 (>0.05). Based on the findings, it can be inferred that there is no statistically significant variation in perception across different income groups.

6 Implications of the study

The limitations and concerns associated with online shopping can have significant implications for both consumers and e-commerce businesses. Security concerns may lead to decreased trust, hindering consumers from making online purchases, while the inability to physically inspect products might result in higher return rates, impacting retailers' operational costs. Shipping and delivery issues can frustrate consumers and deter repeat business, potentially affecting customer loyalty. The absence of in-person interactions can limit the personalized shopping experience, potentially impacting sales for businesses. Finally, the digital divide, which excludes some individuals from online shopping, may result in missed market opportunities for e-commerce companies. It's essential for businesses to address these limitations and provide solutions to enhance consumers' online shopping experiences and build their trust in this retail channel.

7 Suggestions

In the contemporary Omni channel marketplace, customers frequently seek out certain information from diverse sources, prioritizing the consumption of visually captivating and engaging content during their information-seeking process [1]. In conjunction with e-commerce platforms, retailers have the opportunity to leverage the evolving business infrastructure to provide expedient and effortless product search channels such as Mini Programmes, official accounts, and life accounts. [5]. These channels allow for the presentation of products and brands through various mediums including text, pictures, short videos, and live broadcasts. Implementing differentiated content marketing strategies aligned with the brand's strategy has the potential to yield a higher return on investment in terms of capturing the attention of customers across different consumer categories, while requiring less effort [15]. The success of online enterprises can be attributed to the extensive confidence placed in them by the general public. Customers are more inclined to exhibit positive search and buy intentions when they possess a heightened level of confidence in the channel [9].

8 Conclusion

Consumer preference for online shopping has grown significantly in recent years, driven by a combination of factors that have reshaped the retail landscape [8]. The convenience of shopping from the comfort of one's home or on the go, 24/7 availability, and the ability to browse and make purchases at one's own pace have made online shopping increasingly appealing [17]. The vast array of products and brands available online, often at competitive prices, offers consumers a level of variety and value that can be hard to match in physical stores. Additionally, the transparency of product reviews and ratings, along with personalized recommendations, empowers consumers to make informed choices [6]. The ease of comparing prices, contactless shopping, and hassle-free return policies further contribute to the preference for online shopping [2]. As technology and e-commerce platforms continue to evolve, it's likely that consumer preference for online shopping will continue to rise, making it a fundamental part of the modern retail experience.

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