



DETERMINANTS OF ONLINE PURCHASE INTENTION OF APPAREL PRODUCTS IN INDIA

Ms.Thriveni Chowdary* Ms.Sejal Y* Dr.D.Shanti Revathi,**

* 2ND YEAR BBA IB, School of Management, Nehru Arts & Science College, Coimbatore

**Assistant Professor, School of Management, Nehru Arts & Science College, Coimbatore

Abstract

This study investigates factors (perceived usefulness, perceived ease of use, privacy concerns, trust, innovativeness, and perceived benefits) affecting Indian consumers' attitudes towards online purchasing and their intention to purchase online. Data collected from 416 online shoppers were analyzed using regression analysis. All the factors affect attitude towards online purchasing except trust and privacy concerns which were not supported. In addition, results show that attitude toward online purchasing affect online purchase intention. This study is the first to empirically examine factors influencing online purchase intention towards apparel products in India. The study provides insight from an overlooked emerging country, India.

Keywords: *apparel Products, Attitude toward Online Purchasing, India, Online Purchase Intention .*

Introduction

The acceptance and usage of advanced technologies became a universal practice as people are keener to adopt a novel technology in their everyday lives (Natrajan, Balasubramanian, & Kasilingam, 2018). As a consequence of the technological advances in the marketplace during the past decades, online shopping has recorded enormous growth (Rubin, et al., 2020). This spectacular change in the consumer purchasing landscape has marked the naissance of online shopping (Faqih, 2016). The growth of online shopping has increased as businesses prefer to have an online presence (Rahman, et al., 2018). This act supports them to gain a competitive advantage relative to other companies in the market (Adnan, 2014). The new method of shopping helps consumers to purchase at any time, and wherever, to save money, and to search and access more information about the product (Al-Debei, et al., 2015).

Despite the benefits of online shopping, transactions over the internet are followed by some concerns which could discourage people and result in their unwillingness to engage in any form of online transactions (Beldad, et al., 2010). The perceived lack of human contact, lack of financial security and privacy, intangible products, failure of technology, and unfamiliar service encounters are some of the main reasons why consumers do not use online shopping (Aldhmour, 2016). When companies increasingly rely on the internet to deliver their goods and services, they should know how to maintain and develop their online presence (Beldad, et al., 2010). The key drivers that motivate customers to make an online transaction should be identified by the companies so that they can formulate strategies to enhance purchase intention (Adnan, 2014). A full understanding of the factors that motivate and deter consumers to buy online may provide novel insights that result in the growth of B2C e-commerce (Rahman, et al., 2018).

In Many businesses in India have started to operate online by offering several kinds of products via websites or social media pages as the online environment is cheaper. The popularity of online shopping in India as a developing country has not received much acceptance from local consumers. The new format of business conducted over the internet has not received much reputation and acceptance because perhaps consumers in developing countries are not quite set yet to admit this technology as it seems risky and insecure (Faqih, 2016). Moreover, since it is crucial to comprehend how consumers react to online shopping based on determining factors; consumers' attitude should be explored as it helps in the formation of a favourable direction, or not, toward online shopping. Based on this, our study aims to develop an apprehension of the factors that affect Indian consumers' attitude and to detect the influence of that attitude toward online purchase intention of Indian consumers to broaden the knowledge of companies in order to better develop their marketing strategies and secure their online presence from failure. Accordingly, there is a need to analyse the factors behind the shift of consumers' behaviour toward using online markets (Aref & Okasha, 2020).

Our study draws on the commonly applied Technology Acceptance Model (TAM) (Davis, 1989), originally introduced in the organizational behaviour domain, and applied widely in the online behaviour (Aldhmour, 2016; Ben Mansour, 2016; Chiu, et al., 2005; Faqih, 2016). The two central elements of the TAM, namely perceived usefulness and perceived ease of use are included in our research model to study their influence on Indian consumers' attitudes. The modification of the TAM is mandatory because the model was established for a broad description of the factors influencing computer acceptance rather than for the peculiar behavioural intentions of online purchasing (Chiu, et al., 2005). Many information



systems researchers have agreed on the validity of TAM in predicting the person's acceptance of several corporate information technologies but the constructs of TAM do not entirely represent the particular effects of technological and usage aspects that could shape the user acceptance of such technology (Ben Mansour, 2016). Consequently, we also employed the IDT by studying the influence of innovativeness on consumers' attitudes as suggested by previous research (Chiu, et al., 2005; Crespo & Del Bosque, 2008b; Huseynov & Yildirim, 2015). The compatibility between the TAM and the IDT helps to better explain the adoption of users for a specific information system because such a combination may be proficient to offer a stronger model rather than standing alone (Cheng, 2013). The research model includes also privacy concerns, trust, and perceived benefits to study their impact on consumers' attitudes. Previous literature asserts the importance of the impact of those elements on consumers' attitudes (Agag & El-Masry, 2016; Al-Debei, et al., 2015; Anic, et al., 2019; Faqih, 2016; Rahman, et al., 2018). These aforementioned factors are vital in influencing consumers' attitudes towards online purchasing. However, there is a lack of research applied on the Indian virtual market concerning this topic. Also, the effect of Indian consumers' attitude on Indian consumers' purchase intention is examined in our study to uncover the importance of attitude in affecting purchase intention over the internet.

Finally, apparel products are selected for the scope of this study. The attitude toward online shopping for sensory experiential products, such as apparel, is less strong than cognitive products, such as books and computer software (Kim & Kim, 2004). Most apparel shoppers are reluctant to make purchases online and prefer to shop in physical stores (Kim & Forsythe, 2007). By identifying which attributes are essential to online shoppers, retailers can develop better effective strategies for apparel products that make customers highly rate them better against not only competitors but also physical stores with no online presence (Kim & Kim, 2004). Accordingly, the current study is conducted in India and a model is developed to test factors affecting Indian consumer's attitudes and their effect on online purchase intention in the case of apparel products, specifically, clothes and footwear. Those factors are perceived usefulness, perceived ease of use, privacy concerns, trust, innovativeness, and perceived benefits.

Literature Review

Technology Acceptance Model (TAM)

TAM was driven by cognitive psychology theories, namely, the theory of planned behaviour (TPB) and the theory of reasoned action (TRA) (Ajzen, 1991). Developed by Fred Davis, it is considered the most accepted and used model to examine the acceptance and user's usage of specific information system applications, for example, internet banking, mobile applications, e-commerce systems, and online shopping websites. Initially, the model was established to describe the adoption of technology with an organization, but the constructs of TAM help also to explain the adoption of technologies by consumers used in their everyday lives (Natrajan, et al., 2018). The TAM has been built on two main building blocks which are perceived usefulness as well as perceived ease of use. According to Davis (1989, p. 320), perceived ease of use is "the degree to which a person believes that using a particular system would be free of physical and mental effort", and perceived usefulness is "the degree to which a person believes that using a particular system would enhance his/her job performance".

TAM is considered a valuable model in predicting consumer online shopping behaviour (Cho, 2016). It explains the attitude toward information systems as well as predicting the use intention (Bigne-Alcaniz, et al., 2008). An individual attitude toward using an innovative system is mainly shaped by the ease of use and usefulness of the system (Aref & Okasha, 2020).

Regardless of the broad use of the TAM model in the field of research about the adoption of information technology, TAM was criticized for providing only general information on a person's views of innovative technology without taking into account individual characteristics (Agarwal & Prasad, 1999). Accordingly, there is a need for a more in-depth identification of the factors that cause the acceptance of the internet as a shopping medium (Bigne-Alcaniz, et al., 2008).

Innovation Diffusion Theory (IDT)

The IDT, introduced by Rogers (1962), is considered one of the most widely used theories to justify technological innovation. According to Rogers (1983, p. 5), an innovation is "an idea, practice, or object that is perceived as new by an individual or unit of adoption". In addition, diffusion is the process of "communicating a new technology through certain channels within a social system" (Rogers, 1983, p.5). According to Johnson et al. (2003), diffusion indicates how innovations are transferred among people within a society and how they adapt or reject it over time (Johnson, et al., 2003). The theory has been used to examine different innovative contexts ranging from agricultural activities to high-tech products (Yi, et al., 2006).



According to the theory, the rate of adoptions depends on the perceived attributes and features of innovation, which referred to innovation characteristics and suggests many attributes possibly essential within different innovation adoption realms (Yi, et al., 2006). Furthermore, the IDT explains how attitude is formulated, how it is translated into the ultimate adoption or refusal decision, and how innovation features match this process (Karahanna, et al., 1999). The IDT claimed that prospective users build their decisions to reject or adopt an innovation according to beliefs formed about the innovation (Agarwal & Prasad, 1999). Substantial empirical support to the IDT has been received in justifying consumer acceptance in various disciplines, notably online shopping (Agag & El-Masry, 2016).

Apparel Products Over the Internet

The market share of online apparel retailing is growing considerably (Nasibov, et al., 2019). The profound diffusion of the internet caused by technological advancement and low-cost data rates led to growth in online apparel purchases (Kaushik & Dhir, 2019). Despite this, high purchases from physical stores indicate that apparel websites are not supplying consumers with the required product descriptions and presentations to aid them in their decision-making (Boardman & McCormick, 2019). In online retail, the role of touching the product is diminished which causes uncertainties that reside in the consumers' minds (Rathee & Rajain, 2019). Besides this, clothing is categorized as an experienced good that differs extensively according to quality, body fit, price, and taste (Hansen & Jan, 2009). The inability to test the product in addition to the limited description available on the website may increase the uncertainty of the outcome associated with in-home shopping, specifically; for apparel products (Khakimjanova & Park, 2005). Accordingly, consumers began to shop via online and offline channels together with the aim to eradicate the lack of physical experience (Nasibov, et al., 2019). The available data about apparel products over the internet in India is limited or non-official. No previous official statistics were published about the percentages of sold apparel products online in India.

Perceived Usefulness

Based on Davis (1989), perceived usefulness is “the degree to which a person believes that using a particular system would enhance his/her job performance” (Davis, 1989, p. 320). Usefulness deeply influences a user's tendency to use a specific tool of technology (Natrajan, et al., 2018). Perceived usefulness reflects consumer's perception that using a website for shopping will enhance the outcome of the shopping process. In other words, comparing prices and placing tracking orders will boost the effectiveness and efficiency of the process of shopping (Aref & Okasha, 2020). Those perceptions affect consumers' attitudes toward online shopping (Monsuwe, et al., 2004).

The usefulness of the system can influence consumers' attitudes and the decision whether they select an online store for purchasing or not (Al-maghrabi, et al., 2011). A simplified process and fewer steps involved would encourage consumers to use and to accept the internet to shop online (Aldhmour, 2016). According to Agag and El-Masry(2016), there is a positive relationship between perceived usefulness and consumers' attitude (Agag & El-Masry, 2016). Perceived usefulness of the electronic medium for shopping is positively correlated with attitude towards online shopping (Vijayarathy, 2004).

Perceived ease of Use

Perceived ease of use represents “the degree to which a person believes that using a system is free from physical and mental effort” (Davis, 1989, p. 320). Ease of use represents the non-complexity and friendliness of technology and the degree to which the internet is seen as effortless (Aldhmour, 2016). If the process was easy and does not require extra effort, shoppers are likely to use online websites to shop (Aref & Okasha, 2020). As much as a web facilitates the transaction and is easy to operate, consumers are more expected to accept it (Pavlou, 2003). Perceived ease of use depends on the navigation structure of the website, which is represented by the product indices, site maps, search functions, and the design and organization of the website (Beldad, et al., 2010).

In assessing attitude towards online shopping, perceived ease of use is highly related to that attitude (Vijayarathy, 2004). Perceived ease of use has a positive impact on the attitude of consumers because if the process of purchasing online was simple, the evaluation of online shopping by the consumer will be positive (Agag & El-Masry, 2016). A significant positive association exists between perceived ease of use and consumers' attitude (Bigne-Alcaniz, et al., 2008). A system characterized by ease of use would generate a positive attitude (Aref & Okasha, 2020). On the other side, the results of Crespo and Del Bosque (2008a) documented that perceived ease of use does not affect attitude.

Privacy Concerns

Privacy concerns represent a serious barrier in front of consumers to participate in an online transaction such as online shopping, the reason behind this is that consumers have to disclose personal information (for example, home telephone



number, credit card information, date of birth, etc.) (Gurung & Raja, 2016). Online shoppers consider that companies are responsible to safeguard their personal information and are most sensitive when companies fail to do so (Anic et al., 2019). Privacy concerns represent the fear of losing privacy as a result of entering personal information to accomplish an online operation (Dinev & Hart, 2005). Due to issues concerning privacy in the e-commerce setting, some consumers are reluctant to purchase online (Huseynov & Yildirim, 2015). With the unauthorized use of personal information and the limited ability of consumers to monitor any kind of those actions, consumers are considered vulnerable and there is an inherent hesitation to engage in an online transaction (Gurung & Raja, 2016).

Successful implementation of the features that permit consumers to manage their privacy within the online website is highly needed (Al-Debei, et al., 2015). Privacy concerns can result in severe problems to the safety and wellbeing of online activities, and it is necessary to be reduced to enhance attitude toward online purchasing (Faqih, 2016). High privacy concerns are deemed to negatively influence consumer's attitudes towards online shopping (Rahman, et al., 2018). Online privacy concerns negatively affect attitudes toward online purchases (Anic, et al., 2019).

Trust

Trust in the website is a major matter in order to reduce the uncertainty of the online environment (Weisberg, et al., 2011). Trust is the degree of trustworthiness that an individual has about others and can be determined by their perceived benevolence, integrity, and competence (Lin, 2011). In the online environment, online companies are considered the trustee parties, whereas consumers are the trustor party (Gurung & Raja, 2016). The acceptance of an online transaction relies on the customer's trust in the online transaction, in the other partner of an online transaction, and the technology used to complete the transaction (Beldad, et al., 2010). Online companies are responsible for developing consumers' trust by being fair and keep the consumers' best interests in mind while performing an electronic transaction (Gurung & Raja, 2016).

The lack of buyer's trust is considered as a hitch faced by sellers to do business online (Akhlaq & Ahmed, 2015). Consumers' attitudes and trust are positively related in order to shop online (Monuwe, et al., 2004). Trust remains a significant factor in modeling the attitude of consumers (Gurung & Raja, 2016). When consumers trust an online retailer, they will likely hold a positive attitude toward this retailer (Agag & El-Masry, 2016). Violation of trust in an online environment, in terms of misusing personal information, will negatively affect attitude toward online shopping and deter consumers to buy online (Monuwe, et al., 2004).

Innovativeness

Innovativeness represents the "degree to which an individual is relatively earlier in adopting new ideas than other members of a system" (Rogers, 1983, p. 241). Innovativeness in information technology is seen as a symbol of risk-taking propensity that characterizes some persons (Lu, 2014). Persons with personal innovativeness characteristics can handle high levels of improbability, as well as dealing with uncertainty since they are more ready to accept and try new technology (Rogers, 1983). Information technology innovativeness is essential in determining the adoption of innovation because it captures the natural inclination of an individual to try novel technologies (Lu, 2014).

Innovativeness has a strong influence on consumers' decision to adopt new technologies so that consumers become more aware of new technologies and their adoption of them depends on personal traits such as personal innovativeness (Dewi, et al., 2019). Moreover, Huseynov and Yildirim (2015) suggested that there is a positive association between innovativeness in new technology and attitude toward online shopping. Innovativeness is a personality characteristic that can facilitate the formation of a favourable attitude toward online shopping (Limayem, et al., 2000). On the other hand, Crespo and Del Bosque (2008b) in their study concluded an insignificant relationship between innovativeness and attitudes toward internet shopping.

Attitude and Intention in the Online Purchase Setting

Attitude is deemed as one of the key indicators that contributed significantly to the prediction of intention (Aldhmour, 2016). Attitude refers to an individual's relatively steady evaluations, feelings, and propensities toward an object or idea (Wu, 2003). As for Anic et al. (2019), attitudes towards online shopping indicate consumers' evaluations containing beliefs and psychological states about the perceived outcome of online purchases (Anic, et al., 2019). To increase consumers' intention to shop online, companies should work hard to increase consumer's positive attitudes towards online shopping so that sales of products via the internet will increase (Aldhmour, 2016).

Consumer purchase intention is considered to be fundamental in forecasting consumer behaviour (Ariffin, et al., 2018). Intentions are the degree of how much effort people are willing to exert; they are the indications of how people are planning



to try as well (Ajzen, 1991). If a consumer feels “good” about online activity, then he/she is more likely to shape intention to use it for shopping (Al-maghrabi, et al., 2011). A positive attitude towards online shopping will result in an intention to use the internet for purchasing (Kim & Park, 2005). Attitude towards online shopping contributes significantly to the intention to shop online (Limayem, et al., 2000). The measurement of attitudes is important as it is considered an influencer factor as well as having a positive impact on online purchase intention (Akroush & Al-Debei, 2015).

Conceptual Framework

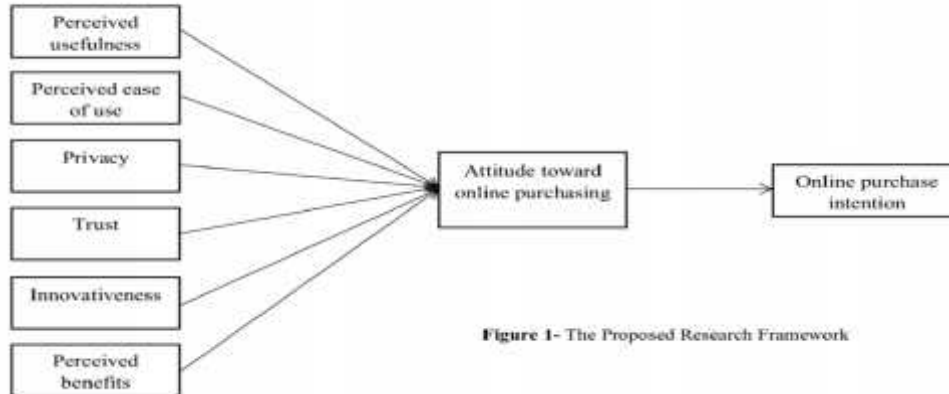


Figure 1- The Proposed Research Framework

Conclusion

The purpose of this study was to examine the factors affecting Indians attitude toward online purchasing for apparel products, as well as examining the link between attitude toward online purchasing and online purchase intention. Six factors that affect consumers’ attitudes toward online purchasing are selected from previous literature: perceived usefulness, privacy concerns, trust, perceived ease of use, innovativeness, and perceived benefits.

Four independent variables are found to affect attitudes toward online purchasing which are perceived usefulness, perceived ease of use, innovativeness, and perceived benefits. However, privacy concerns and trust were found to have an insignificant relationship with attitude toward online purchasing. In addition, the link between attitude and intention in the online purchasing environment was found to be significant and positive.

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