

## Consumer Buying Behavior Towards Online Shopping: An Empirical Study on Developing Country

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### **Abstract**

*Online shopping is one of the world's fastest-growing trends. Also, online businesses are proliferating in Bangladesh. Because of the digitization of the industry, online purchasing has grown popular. This research study examines the influence of online shopping on customer satisfaction in a retail organization. It has been observed that online delivery has boosted the retail market's operations. Most retail organizations have shown innovation by integrating online purchasing. The current survey was conducted among Khulna City consumers. The convenience sampling approach was used to choose the sample. A self-created questionnaire was used to obtain primary data from 150 respondents. Excel and SPSS software were used to examine the collected data. There are several factors for a rise in online sales. Due to time and resource restrictions, however, this article addresses certain relevant aspects such as Facebook, website design, reviews, and Covid-19. The response was very favorable, with 63.5% of those polled confirming several advantages such as efficiency in online shopping facilities that are lacking in conventional purchasing. Almost 58.7% of the chosen participants strongly think that online shopping facilities or e-commerce portals provide extra details and information about the products than conventional shops and stores. 58.8% of the participants said that the sites are moderately secured. Among the respondent, 9.90% experienced free shipping/delivery most of the time. 42.8% of respondent customers frequently opinion need to be fast delivery time.*

**Key Words:** Online shopping; influential factors; e-commerce; consumers; products.

### **1. Introduction**

Online shopping is the most significant part of customer attraction as well as customer compensation. In this technological world, most companies use online shopping for making satisfy the customer and to attract more customers as well. This research paper is based on the impact of online shopping on improvising the customer's opinion in the retail company. The focus of this research paper has been to identify the effects of online shopping on the retail business. Apart from this aim, the research paper also has some other dreams which such areas to determine the customers' satisfaction towards the products and services of the retail companies. The internet has played a significant role in people's daily life through its varied service from communicating to trading (Katawetawarak & Wang, 2011).

Meanwhile, internet shopping has been widely accepted as a way of purchasing products and services, it has become a more popular means in the web world (Bourlakis, Papagiannidis, & Fox, 2008). It also provides consumer more information and choices to compare product and price, more choice, easier to find anything online (Butler & Peppard, 1998). Online shopping has been showed to provide more satisfaction to modern consumers seeking convenience and speed (Zhou, Dai & Zhang, 2007). Electronic commerce is not a fashionable word. E-commerce is a platform that involves the exchange of goods and services using electronic networks, including the internet and other computer networks.

Electronic commerce is expanding quickly as a remarkable example of the global village. One significant prospect for the local and global trade development of LDCs, including Bangladesh, is the fast growth of e-commerce. Since the internet's widespread use, the volume of transactions performed electronically has increased significantly (Mohiuddin, 2014). Web site design aesthetics, dependability, timeliness, and trust are important factors that influence total service quality and client happiness (Lee & Lin, 2005). Customers that use an online platform get substantial savings on high-end goods and services. All sides gain from these transactions since these benefits both the buyer and the seller by enabling them to develop new client acquisition strategies and business models (Liao, Chu, Chen, 2012). Customers place emphasis on the following factors: information quality, website design, product qualities, transactional ability, security/privacy, payment, delivery, and customer service. Response time has little to no impact on any of these factors (Liu & Gao, 2008). The number of individuals purchasing online has grown dramatically over the course of the year in this digital age, having a stronger influence on company (Vasi, Kilibarda, & Kaurin, 2019). According to Vasi, Kilibarda, and Kaurin (2019), this is the proper format.

More Internet users feel comfortable shopping online, as shown by the fact that the number of online shoppers has increased more than the number of Internet users (Gurleen & Kanwal, 2012). Due to the availability of the internet, which encourages consumers to pick the online shopping medium to acquire their things, this brand-new functionality of shopping online has only continued to grow (Katawetawarakas & Wang, 2011). The Internet, as a means for both organizations and individuals to conduct business, is nowadays one of the most widely used non-store formats (Saprikis, Chouliara & Vlachopoulou, 2010). Businesses are now more conscious of the value of e-business in gaining a competitive advantage in the global market thanks to recent developments in the business sector and the rise in Internet use (Mansori, Liat & Shan, 2012).

Prothom Alo estimates that in 2014, between 1.5 and 2 million individuals made annual online purchases, and that the market was expanding by 15% to 20%. Internet users in Bangladesh have 1 billion utilized items worth BDT14,700 crores (\$1.9 billion as of 2014), according to Metrix Lab. By 2014, over 100 crore transactions were carried out using mobile banking accounts, according to the Bangladesh Bank, which estimates that 1 million customers have access to mobile banking. According to The Independent Transactions, e-commerce produces yearly transactions worth about BDT 1,000 crore (US\$123 million as of 2017).

Retail businesses have had tremendous success as a result of online purchasing. Customers may choose another choice right away if they don't like a certain brand's goods. One of the most important features of online buying is the company's delivery of the bought goods to the consumers' doors. As a result, it can be said that online purchasing has a significant influence on consumer involvement and satisfaction. The general objective of the study is to consumer buying behavior towards online shopping. The study's precise goals are to: (1) examine how online shopping affects how businesses interact with their consumers; (2) ascertain how satisfied customers are with the firms' goods and services; and (3) assess how online shopping affects how satisfied customers are at retail businesses.

## **2. Methods**

### **Study design and Method**

By creating a self-constructed questionnaire with the research purpose in mind, we undertook a descriptive study via a survey to understand the customer behavior of recently introduced online

shopping in Bangladesh. Convenient non-probability sampling method has been adopted in this study to acquire data from respondents in Khulna city in Bangladesh. A convenient sample technique is more often used in IS research that receives a greater response rate since it is simple to use, affordable, and effective (Eze, Manyeki, Yaw, & Har, 2011; Ritchie, Lewis, Nicholls, McNaughton & Ormiston, 2014). A total of 200 respondents from a range of age groups, including students, workers, business owners, and homemakers, were our target for a personal interview. 186 of them took part in the survey, yielding a 93% response rate. However, 150 pertinent and reliable replies were chosen for further investigation after sorting. Data that was accumulated was examined using the Microsoft Excel and SPSS program.

### **3. Results and discussion**

#### **3.1 Socio-demographic characteristics**

We found that 46% of the responders were male and 54% were female. we can interpret that majority of the respondents were between 18-25 years old. 22% of respondents were between the ages of 26 and 35. 10% of responders are between the ages of 36 and 50. The remaining 6% of responders are above the age of 50. **(Figure 1)**.

#### **3.2 Respondents shopping facilities**

After gathering primary data of the age and gender of respondents, the respondents were asked whether online shopping facilities can provide more benefits and facilities than conventional shopping procedures. The feedback was quite positive as 63.5% of the chosen respondents confirmed multiple benefits like efficiency in online shopping facilities that lack traditional shopping. 16.3% of the respondents do not agree as they do not believe that the shopping scenario is changed due to online facilities. The remaining 20.2% of the respondents remained silent in this question **(Figure 2)**.

#### **3.3 Respondent's product Information**

Participants discuss whether online buying facilitates customers' access to every aspect of the ultimate product, from its maker to its components or chemicals. At the same time, a strong result came in favor of the online facility. According to the findings, 58.7% of those polled believe that online shopping facilities or e-commerce platforms give more data and information about items than traditional shops and stores. Of the participants, 21.2% of the respondents believe moderately that online shopping facilities sometimes offer additional info about the effects that the customers desire to buy .1% of the respondents failed to respond as they chose the option neutral for this question. 19.2% of the respondents disagreed with them as they believe that online shopping does not provide more information about the products **(Figure 3)**

#### **3.4 Respondent's service to the customer**

From Figure 7, it is observed that 58.7% of the chosen participants strongly think that online shopping facilities or e-commerce portals provide extra details and information about the products than conventional shops and stores. 21.2% of the respondents believe moderately that online

shopping facilities sometimes offer additional info about the customers' products. 1% of the respondents failed to respond as they chose the option neutral for this question. 19.2% of the respondents disagreed with them as they believe that online shopping does not provide more information about the product. **(Figure 4)**

### 3.5 Respondent's safe and security

The question was about the security and safety of the users of online shopping systems of e-commerce portals. The respondents provided positive feedback for online shopping facilities. 16.3% of the respondents mentioned that online shopping portal or systems are highly secure as their sole responsibility is to protect the customers' vital information. There is also the meager chance of losing information like card numbers to a third party. 58.8% of the participants said that the sites are moderately secured. They believe that few places do not provide strong security for the customers. These sites are easily breached. Thus, they chose the option moderately secured. 22.1% of the respondents were neutral to the question. 4.8% of the participants confirmed that these online sites are often affected by malware and viruses, and the sole objective of these sites is to steal vital information from the users. Thus, they chose the option not secured. 1% of the remaining respondents denied the security aspects of the online shopping portals. They chose the option very unsafe **(Figure 5)**. It is observed that 10.20% of respondent customers prefer online shopping only timesaving, 7.30% respondent customers prefer online shopping for only easily accessible, 07.50% shop only verity of product, and 75% of customers prefer online shopping both of three. **(Figure 6)**

### 3.6 Respondent's shop from Facebook platform

From Figure 10, it is observed that 23.5% of respondent customers do online shopping most of the time from the Facebook platform, 52.5% shopping sometimes, 10.50% shop only from the Facebook platform, and 11.50% of customers never shopped from the Facebook platform **(Figure 7)**. Among the respondent, 9.90% experienced free delivery most of the time, 31.30% experienced sometimes, 20.8% experienced occasionally, 21.40% experienced very rarely, and 14.5% never experienced during online shopping. **(Figure 8)**

### 3.7 Respondent's online shopping during covid-19

Figure 12 shows that 61.5% of respondent consumers have increased online shopping during Covid-19 than before. There are 15.5% of consumers who start online shopping for the very first time from the effect of Covid-19. And 22.4% of consumers respond as almost the same as before. **(Figure 9)**

### 3.8 Respondent's faces any kind of fraud

From Figure 13, it is observed that 42% of respondent customers faced fraud during online shopping and 58% said they never faced any kind of fraud **(Figure 10)**. We can see that 34.2% of respondent customers are satisfied, 42.8% of respondent customers frequently opinion need to be fast delivery time, and 15.9% of customers are dissatisfied. **(Figure 11)**. It is observed that 35% of respondent customers directly recommended her friends and family, 24% customers recommended her friends and family most of the time, 28% of respondent customers say that they recommend online shopping sometime and 10% of respondent customers directly say no they did not recommend online shopping their friend and family. **(Figure 12)**

#### **4. Conclusion**

Majority of the participants confirmed multiple benefits in online shopping compared to traditional shopping as because of getting extra details of the products. The online shopping provides information about the customer's choice as well as save time and money. The online shipping from social media platform is popular to the customers and get free delivery which reduce extra cost. The online shopping market is getting population and large now a day in high income to middle income families and even low middle income families of urban Bangladesh. Government should take time sensitive steps to ease the entrepreneurs to operate the business with safe and security.

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## Appendix

Figure 1. Distribution of age of participants

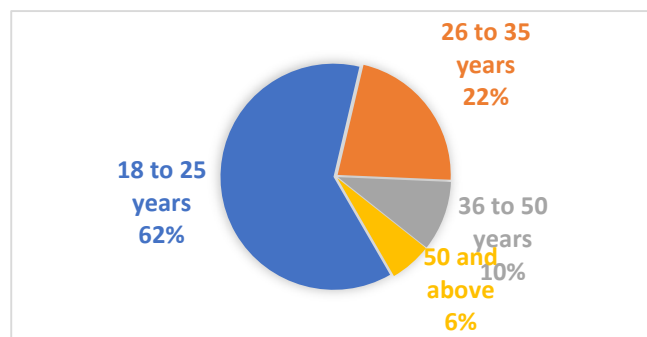


Figure 2. online shopping can provide more facilities than conventional shopping methods.

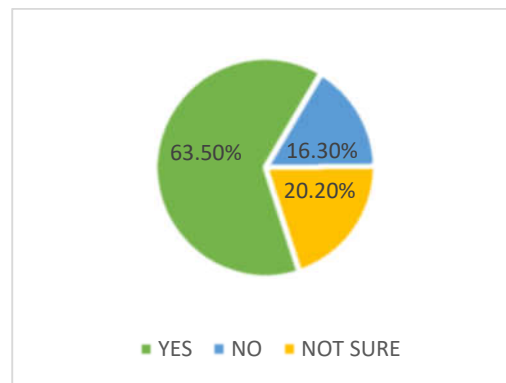


Figure 3. online shopping enables you to get more information about the product than the traditional shopping.

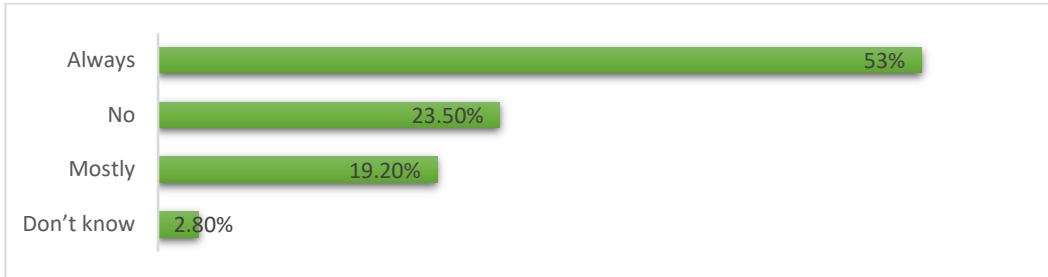


Figure 4. online shopping can help companies provide more comprehensive service to the customer

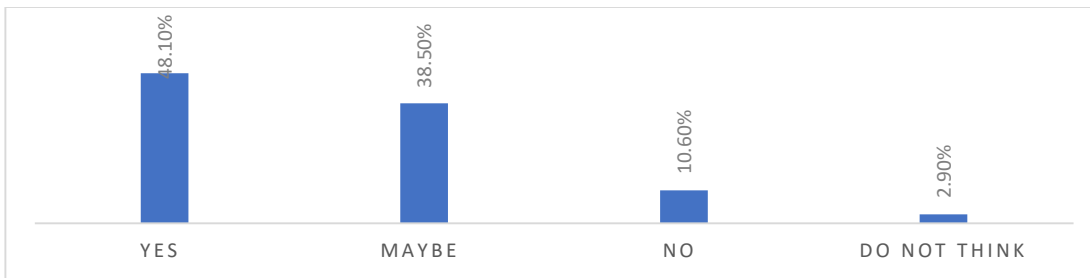


Figure 5. online shopping is safe and secure.

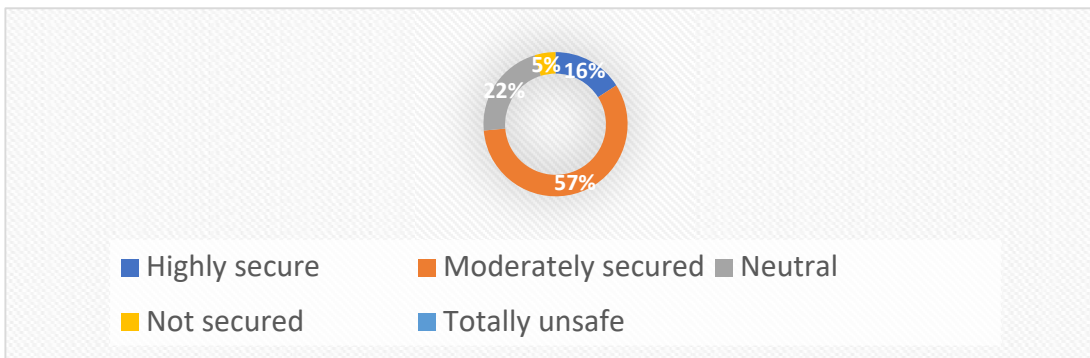


Figure 6. preference online shopping

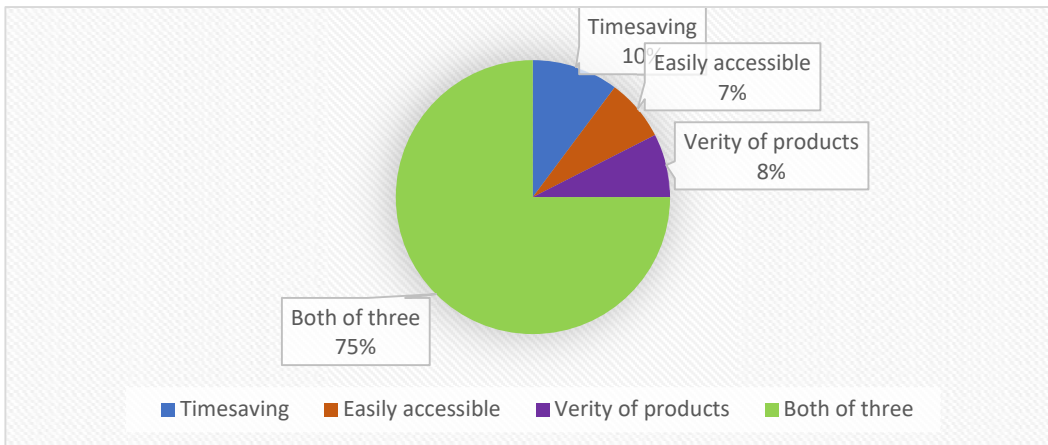


Figure 7. Shopping experience from Facebook platform.

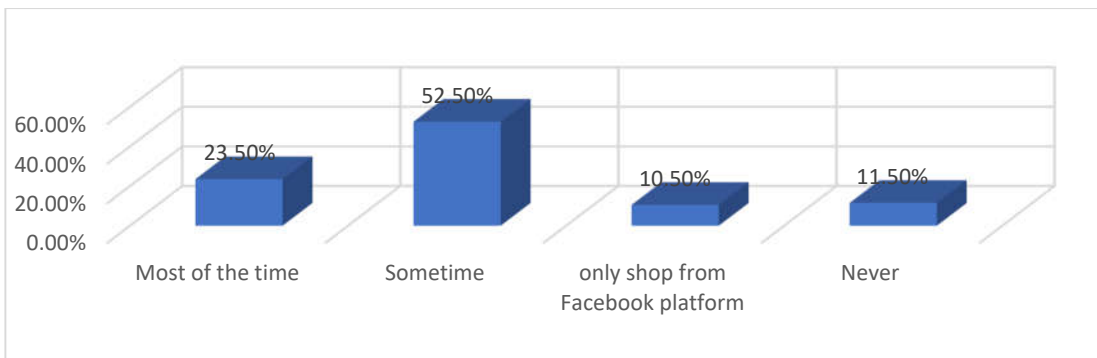


Figure 8. experience free delivery during online shopping.

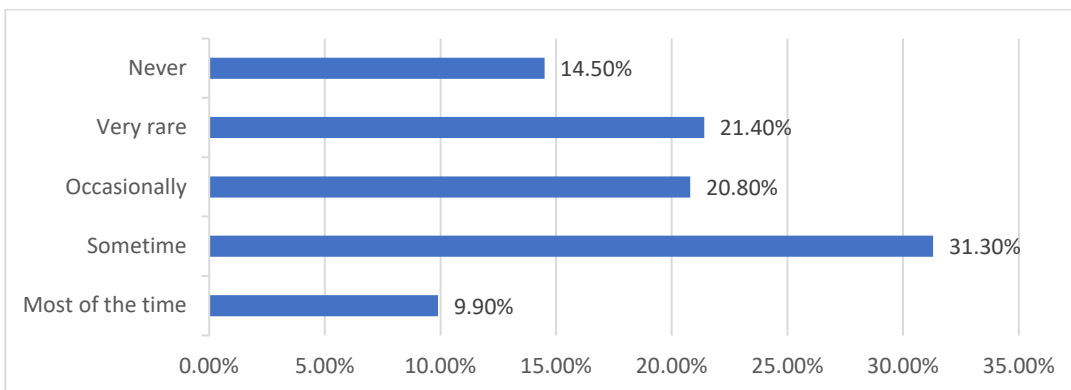




Figure 9. online shopping during Covid -19.

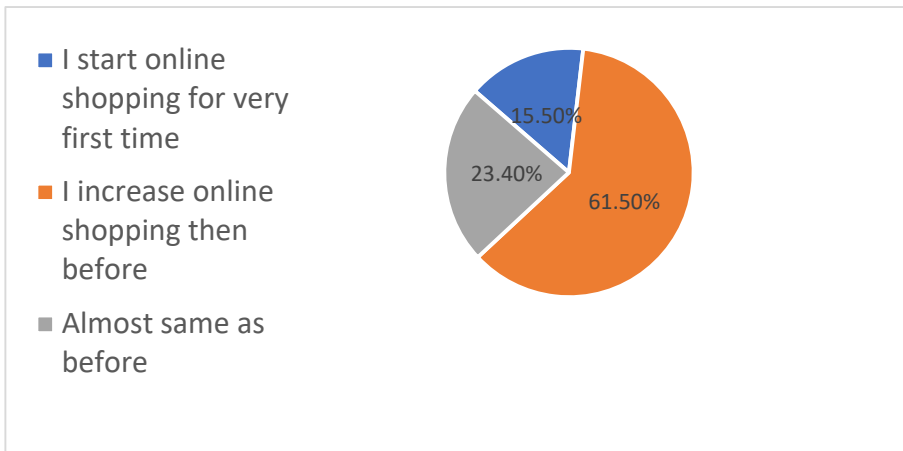


Figure 10. faced any kind of fraud online shopping

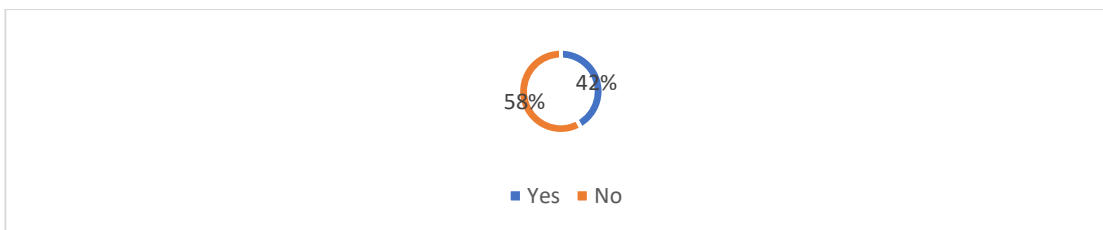


Figure 11. opinion about product or service delivery time.

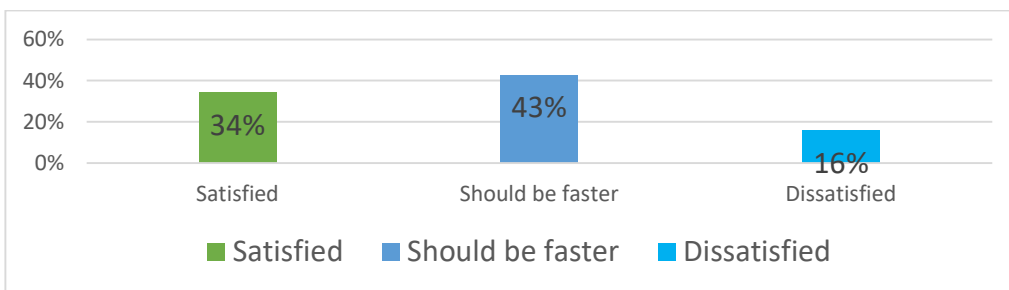


Figure 12. recommend online shopping to your friends and family.

