

Determination of Purchase Intention in Online Shopping through Consumer Decision Making Styles: An Empirical Approach

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Abstract: *The technological innovation is driving consumers to an online world and it is fetching value to the retailers. E-commerce market in India is growing drastically in the past recent by upgrading it to social commerce and Facebook commerce. Consumers' shopping through online mode is growing and the revenue is increased year by year. According to Forbes 2018, E-commerce sector was enlarged to 11.4% which is high when compared with the previous year. One of the latest trend in online shopping is multi-channel retailing where it creates a positive impression in the minds of the consumer and drags them to sale point. Shopping behavior of consumers is different when they do purchase in online mode rather than in offline mode. Hence this study aims to examine the impact of decision making styles of consumers on online purchase intention among online shoppers in Vellore district. Data is collected from 240 online shoppers in Vellore district. Regression analysis using SPSS is carried out to determine the purpose. The outcome of the study revealed that shopping styles such as quality, fashion, impulsiveness, brand-loyal, hedonistic, confused with over choice, brand, and price consciousness positively influences online purchase intention of consumers. Limitations and future research is delineated and suggested.*

Index Terms: Facebook, Impulsiveness, Purchase intention, Price consciousness, Technological innovation.

I. INTRODUCTION

E-commerce has become one of the effective medium for any retailers to sell their products online. Consumers started to scour products in online where it is convenient and easier to purchase the products. It also enables the consumer to know about the performance of the product through customer reviews and ratings. The online retailers started to integrate e-commerce with mobile commerce where huge traffic (62%) arouses from mobile commerce as per shopping index of sales force. One of the fast moving product in e-commerce is mobiles where large number of customers are prone to purchase mobile phones by making comparison shopping. As per record of e-marketer, the sale of mobile phones reached to \$156 billion in 2017 and it is increased to \$206.51 in 2018. It is predicted that online sales is expected to grow to 20% within 2018 to 2022.

Consumers are offered with broad range of products in online retail store. Due to more number of product choices, decision making of consumers becomes difficult. Not only

product choices, there are many factors that affect the decision making styles of consumers. Each and every style of consumer is becoming important due to augmented customer power and lifestyle up gradation. Previously research has been carried out in exploring CDMS in offline context but yet the consumers studies lack in exploring CDMS in online context specifically in online shopping. Hence this study empirically determines the influence of CDMS on PI of consumers in online shopping context.

II. LITERATURE REVIEW

Past literatures on Internet shopping posited that the behavior of consumer is solely depends on their attitude, characteristics, and motivation. Internet shopping drives consumer's personality and purchase pattern. Consumers with varied kinds of shopping styles are influenced by online shopping behaviour. As the online platform provides best deals and attractive products, it grabs the attention of consumers and which in turn persuades the PI of consumers. Consumer decision making styles are of eight types

HQC: Consumers are more quality conscious in purchasing the product. They also tend to make comparison shopping where they can able to compare and get best quality products.
BC: Consumers are brand conscious and tend to purchase the product which has a good fame. These consumers tend to buy fast moving and nationalized brands.

NFC: Consumers are more fashion conscious and they always wants to be updated with the current styles and trends. They tend to purchase more fashionable products which should be unique from others.

RHC: These consumers always view shopping as exciting and fun. They also gain pleasure from shopping and are more hedonistic in their purchase.

PC: Price conscious consumers are more value oriented and always composed to buy for best the money's worth. These consumers tend to do comparison shopping which benefits them to make purchase within the planned budget.

IC: Impulsive shoppers tend to do unplanned purchases and they are attracted with the products advertised by the retailers. Whenever they like the product, without concerning about the performance, reviews, and ratings of the product consumer will make a purchase in online shopping.

COC: These consumers get confused with information overload or bulk of product choices. Consumers tend to purchase the product based on some criteria.

HBL: These consumers are more brand loyal to the brand. Once the consumer gets satisfied with the performance of the product,



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they tend to buy through online medium.

The author [1] determined the extent of SAT and PI of consumers in shopping mall by keeping CDMS as predictors. The outcome showed that CDMS i.e. BC, RHC, PC, IC, COC, HBL positively leads to PI in shopping mall. Also HQC, BC, NFC, RHC, PC, COC, HBL positively leads to SAT. The researcher [2] investigated the impact of CDMS on OGBPI. The results depicted that NFC and PC positively leads to OGBPI whereas HQC negatively leads to OGBPI. Also the author [3] investigated the impact of CDMS and OGBPI among Millennials' in Germany. The outcome revealed that Millennials who are BC, PC, IC, NFC engages in OGB. Whereas HQC negatively leads to OGBPI. The researcher [4] examined the persuasion of CDMS on PI of organic food. The outcome revealed that HQC, BC, RHC, PC, HBL, EC, HC positively leads to PI of organic food products. Research model of the study is given below

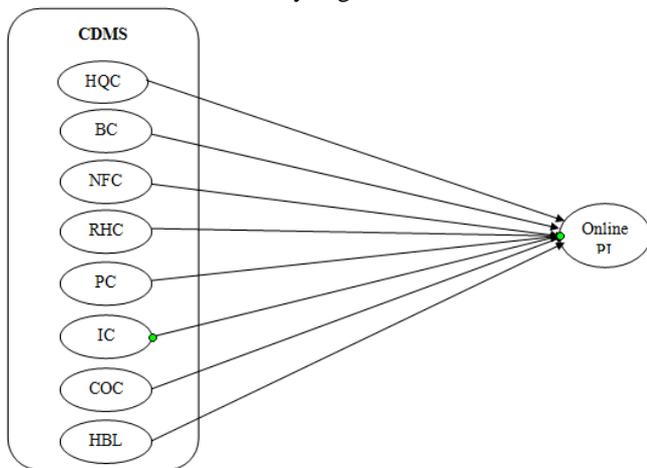


Figure 1: Research model

Based on research model, research hypotheses are framed for the study

- H₁: HQC positively leads to online PI.
- H₂: BC positively leads to online PI.
- H₃: NFC positively leads to online PI.
- H₄: RHC positively leads to online PI.
- H₅: PC positively leads to online PI.
- H₆: IC positively leads to online PI.
- H₇: COC positively leads to online PI.
- H₈: HBL positively leads to online PI.

III. METHODOLOGY

This study studies about the influence of CDMS on online PI. The type of research design followed in this study is descriptive research as it explains about the variables. The instrument is designed with personal details of online shoppers in Vellore district and nine constructs such as HQC, BC, NFC, RHC, PC, IC, COC, HBL, and PI. The scales of HQC (8 items), BC (7 items), NFC (5 items), RHC (5 items), PC (3 items), IC (5 items), COC (4 items), HBL (4 items) were adopted from [5] and PI consists of 4 items that is espoused from [6]. All constructs were estimated using Likert scale and the sample size is calculated based on the ratio of 1:5. A total of 260 questionnaires are administered to the online shoppers of Vellore district. A valid sample of 240 was retained for further analysis by neglecting the response bias. The statistical tool used in this study is SPSS and regression analysis is performed to determine the relation between

CDMS (HQC, BC, NFC, RHC, PC, IC, COC, and HBL) and PI.

IV. RESEARCH RESULTS

A. Profile of online shoppers

Table 1: Online shoppers' details

Profile	N	%
Gender		
Male	135	56
Female	105	44
Age		
18-22	82	34
23-27	40	17
28-32	25	10
33-37	53	22
38-42	28	12
Above 42	12	5
Educational Qualification		
SSLC	14	6
HSC	13	6
Diploma	23	10
UG	75	31
PG	85	34
Doctorate	30	13
Marital status		
Married	85	36
Unmarried	95	40
Divorced	20	8
Widowed	20	8
Separation	20	8
Regularity of online shopping in a month		
1-2 times	130	54
3-4 times	100	42
More than 4 times	10	4
Online shopping spending		
Rs. 0-1000	170	70
Rs. 1001-2000	30	13
Rs. 2001-3000	30	13
Above Rs. 3000	10	4

The personal profile of online shoppers is projected in Table 1. It is clear that majority of online shoppers are males (56%) in the age group of 18-22 (34%). Most of the online shoppers holds a PG degree (34%) followed by UG degree (31%). Also many online shoppers are unmarried (40%) succeeds by married shoppers (36%). These shoppers used to shop 1-2 times in a month (54%) and some shoppers will shop 3-4 times in a month (42%). Also they used to spend around Rs. 0-1000 in a month (70%) for purchasing the products.



B. Reliability and correlation analysis

Table 2: Results of reliability and correlation analysis

	Cronbach's Alpha	HQC	BC	NFC	RHC	PC	IC	COC	HBL	PI
HQC	0.854	1								
BC	0.832	0.788**	1							
NFC	0.890	0.773**	0.808**	1						
RHC	0.876	0.764**	0.796**	0.726**	1					
PC	0.900	0.786**	0.728**	0.690**	0.802**	1				
IC	0.881	0.779**	0.731**	0.698**	0.798**	0.719**	1			
COC	0.810	0.745**	0.747**	0.715**	0.754**	0.707**	0.772**	1		
HBL	0.846	0.766**	0.710**	0.746**	0.696**	0.658**	0.751**	0.894**	1	
PI	0.866	0.825**	0.817**	0.791**	0.773**	0.709**	0.815**	0.826**	0.875**	1

**Significant at 0.01 level (p<0.01)

The reliability and correlation results are projected in table 2. From the table, it is obvious that the Cronbach's Alpha of all the nine constructs are above 0.80 which meets the threshold level and it is acceptable. This result is in line with the work of the author [7] who found that the Cronbach's Alpha value above 0.80 is good and acceptable. The correlation results confirms that HQC (r=0.825, p<0.01), BC (r=0.817, p<0.01), NFC (r=0.791, p<0.01), RHC (r=0.773, p<0.01), PC (r=0.709, p<0.01), IC (r=0.815, p<0.01), COC (r=0.826, p<0.01), HBL (r=0.875, p<0.01), and PI are positively related.

C. Regression Analysis

Table 3: Regression results of CDMS on PI

Relationships	β	t	Sig	R ²
HQC----->PI	0.675	17.546	0.000*	0.456
BC----->PI	0.781	29.872	0.000*	0.553
NFC----->PI	0.612	16.923	0.000*	0.432
RHC----->PI	0.739	26.314	0.000*	0.698
PC----->PI	0.547	13.427	0.000*	0.387
IC----->PI	0.653	16.727	0.000*	0.421
COC----->PI	0.723	23.485	0.000*	0.526
HBL----->PI	0.856	35.671	0.000*	0.693

*Significant at 5% confidence level (p<0.05)

The estimated results of influence of CDMS on online PI are projected in Table 3. From the table it is clear that HQC ($\beta=0.675$, $t=17.546>1.96$, $p=0.000<0.05$), BC ($\beta=0.781$, $t=29.872>1.96$, $p=0.000<0.05$), NFC ($\beta=0.612$, $t=16.923>1.96$, $p=0.000<0.05$), RHC ($\beta=0.739$, $t=26.314>1.96$, $p=0.000<0.05$), PC ($\beta=0.547$, $t=13.427>1.96$, $p=0.000<0.05$), IC ($\beta=0.653$, $t=16.727>1.96$, $p=0.000<0.05$), COC ($\beta=0.723$, $t=23.485>1.96$, $p=0.000<0.05$), and HBL ($\beta=0.856$, $t=35.671>1.96$, $p=0.000<0.05$) positively persuades PI. The R² value is calculated to determine percentage variation in dependent variable explained by the independent variable. Hence from the table 45.6% of variation in PI is explained by HQC, 55.3% of variation in PI is explained by BC, 43.2% of variation in PI is explained by NFC, 69.8% of variation in PI is explained by RHC, 38.7% of variation in PI is explained by PC, 42.1% of variation in PI is explained by IC, 52.6% of variation in PI is

explained by COC, and 69.3% of variation in PI is explained by HBL.

V. DISCUSSIONS AND IMPLICATIONS

CDMS in online context interests most of the researchers where there is a dearth of studies in online perspective. Also studying CDMS in online shopping is very crucial as it varies across cultures and product categories. This study aims to explore the effect of CDMS on PI in online shopping context. The hypotheses results are given below

Table 4: Hypotheses results

S.NO	Hypotheses	Results
H ₁	HQC positively leads to online PI	Accepted
H ₂	BC positively leads to online PI	Accepted
H ₃	NFC positively leads to online PI	Accepted
H ₄	RHC positively leads to online PI	Accepted
H ₅	PC positively leads to online PI	Accepted
H ₆	IC positively leads to online PI	Accepted
H ₇	COC positively leads to online PI	Accepted
H ₈	HBL positively leads to online PI	Accepted

As per the hypotheses results displayed in table 4, HQC and online PI are positively related in online shopping aspect. This infers that quality conscious consumer tend to purchase products in online as they perceive that they will get the best quality products in online store and they have the ability to visually scan the quality of the product. This finding is in line with the results of [4] who found that HQC leads to PI. The results also show that BC leads to PI. This infers that consumers are more brand conscious in purchasing the fast moving brands and they will also analyze the market to know which brand is performing well. If that same brand is available in online, they have a positive mindset to purchase that brand. This finding is in line with the results of [2] where the researcher established that BC is related to PI. The results also depicted that NFC leads to PI. This infers that consumers are more fashion oriented and if the retailer offers a variety of fashionable products they hold a positive PI to buy products in online store. Also they have a benefit to



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read reviews, ratings, and recommendation of the product. This is one of the added advantage in online shopping. This result matches with the result of [2]. It is obvious from the table that RHC leads to PI. This infers that hedonistic consumers considers shopping as fun and loves to do shopping in online. These consumers love to read comments about the product which in turn drives the PI. This is same as the findings of [4] where RHC leads to PI. Also PC consumers have a positive PI in online. These consumers are keen enough in buying products for money's worth. They also makes a comparison shopping in e-commerce platform. Consumers are more attracted towards price deals of the day and hence these kind of consumers have a positive PI. This finding is similar to the study of [4] who found that PC leads to PI in online. The results also states that IC positively leads to online PI. Consumer becomes more impulsive if they see the products which they like. They are least concerned about the price as they buy the products without analyzing them. These consumers enjoy and gains pleasure from online shopping. This result is congruent with the findings of [1] where the researcher found that IC positively leads to PI in online. Consumers who are confused with over choice of products also have a positive PI. Consumers even though they are confused with number of product choices, they select the products based on some criteria either in terms of quality, price, product information etc. That in turn creates a positive intention to purchase the products. This is consistent with the results of [1] where COC positively leads to PI. The result also shows that HBL consumers have a positive online PI. This infers that consumers are more obsessed in purchasing the brands which they are actually satisfied with it in the previous purchase. As they like the brands, they tend to buy the same brand in online shopping. Henceforth, the past purchase drives the PI of HBL consumers. This finding is reliable [1] where HBL leads to PI.

These findings provides implications for the online retailers and marketers to better focus on different styles of consumers and the strategies to grab them to make purchase in online store. Consumers possess different type of styles when purchasing products. For those consumers, the retailers should provide good quality and satisfactory products for HQC consumers, ameliorate the brand information and brand website for the BC consumers, provide more fashionable and current trend products, offer more online contests to make shopping as fun for RHC consumers, provide best price deals for PC consumers, provide more product choice for IC consumers, provide more filter options to handle with more number of products for COC consumers, increase the availability of preferred brands by HBL consumers.

VI. CONCLUSION AND FUTURE WORK

Online shopping has become one of the effective way of shopping for consumers where they can do shopping from any place as per their convenience. It benefits the consumers by providing product information, reviews and ratings of the product and product recommendations. In turn, it increases the intention of consumers if the product holds a good image in the minds of the consumers which will be reflected through the review and rating. This study determined online PI of products through different types of decision making styles in Indian context. The results revealed that CDMS such as HQC, BC, NFC, RHC, PC, IC, COC, HBL positively influences

online PI of consumers. These findings enrich the consumer behavior studies where marketers and retailers will understand the preferences of each and every consumer style. The style of consumers will change to specific product categories. Hence it is necessary for the marketers to formulate strategies as per the style and requirement of the consumers.

This study determined the influence of CDMS on online PI of consumers. As this study was explored in online context, future research can determine the impact in offline context and in other SNSs platform. This study was restricted to online shoppers in Vellore district. Further research can be carried out in other parts of the countries and cities to generalize the results of present study. The researcher can also particularly focus on the millennial generation to specifically find out the impact of CDMS on PI in any online medium. Moderators such as payment options, product reviews, ratings and mediators such as motivations, attitude can be added to the research model. As this study examined the influence between CDMS and PI in online context, future research can determine the impact in any specific product category e.g. apparels, footwear, organic food products etc.

Abbreviations

CDMS-Consumer decision making styles, HQC-Perfectionism, high quality consciousness, BC-Brand consciousness, NFC-Novelty-fashion consciousness, RHC-recreational, hedonistic consciousness, PC-Price consciousness, IC-impulsiveness, carelessness, COC-Confused by over choice, HBL-Habitual, brand-loyal consciousness, PI-Purchase intention, OGB-Online Group Buying, OGBPI-Online Group Buying Participation Intention, SAT-Satisfaction.

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