Our Heritage

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B2c Digital Shopping – Structuralequation Modeling Analysis

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ABSTRACT

Digital shopping is the need of the hour. Numerous transactions are made every day in online about both products and services. Online shopping is the term used for the purchases made through the internet. With a lot of inventions and facilities like laptops, tablets, and smartphones the purchase in the global market is made in a fraction of seconds. Consumers' satisfaction is not a compromise here too. Needs and wants are met with the ultimate intention to retain the consumers thereby gaining loyalty. The present study was made to find out the impact of the product-related factors on buying behavior. Primary data was collected with an interview schedule from the online shoppers in two districts namely Erode and Tiruchirapalli. The data collected was analyzed using the Structural Equation Modeling and results were interpreted. The behavior of customers in respect of satisfaction towards the product features to the district, with which they are transacting, varies according to the districts namely, Erode and Trichy.

KEYWORDS: Online shopping, Buying Behavior, Satisfaction

1. INTRODUCTION

Business to consumer model shows the relationship between the firm and the company about the consumer. Through the digital platform, the consumers are much aware of the latest products and trends making them much comfortable. Global products are put up under a single roof providing the buyers with ample product choices. Online marketing with attractive product features, offers, reasonable prices, good quality and reliability, delivery on time, type of product payment acts as a few factors gaining the attention of the prospective consumers.

2. OBJECTIVES OF THE STUDY

- To study the demographic profile of the respondents
- To find a positive impact of the product features on Buying Behaviour

3. REVIEW OF LITERATURE

Arpita Khare et al., (2010) assessed online shopping behavior and innovativeness/ novelty-seeking behavior of the Indian youth. The results reveal a positive correlation between online shopping and novelty-seeking behavior. The latest information, convenience, and flexibility influenced the Indian youth to make an online purchase. Cash is considered as a comfortable mode because of insecurity in shopping online. Talal Al-Maghrabi et al., (2011) conducted a study to examine the factors that determined the level to which continuance intention of e-shopping exists. The results proved that perceived enjoyment has been the most influential factor

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followed by perceived usefulness and social pressure which has a positive influence over the continuance intention of the e-shoppers. The study also proves that young people are much influenced by the opinion of others compared with the older groups. The study concludes that while creating a website, strategy for e-tailing both direct and indirect effects of age differences should be taken in to account.

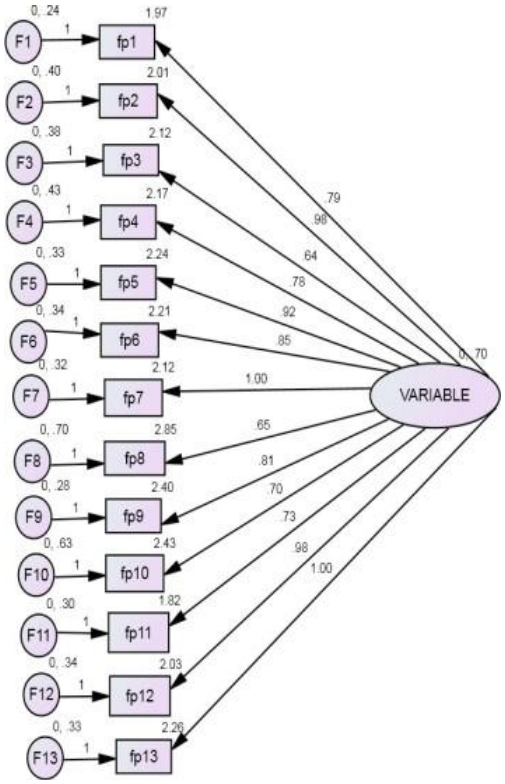
4. METHODOLOGY

The nature of the research is descriptive. Primary data was collected using an interview schedule. The study covered the online buyers of Erode and Trichy district. The sample size constituted 412 respondents 224 from Trichy district and 188 from the Erode district. The data collected was analyzed using Structural Equation Modelling (SEM).

5. ANALYSIS

Structural Equation Modeling (SEM) has two basic elements; a measurement model and a structural model. The measurement model describes the association between indicators (observed measures) of the latent variables whereas the structural model delineates the direct and indirect effects among the latent variables and between measured and latent variables. An SEM is divided into two parts viz., a measurement model and a structural model. The straight arrows from each of the latent constructs to their respective indicators. Each of the arrows from the construct to their observed variables will have a computed coefficient, namely, a factor loading (similar to the loading in the exploratory factor analysis) which simply shows the amount of correlation or variance shared by the construct and indicators.

6. STRUCTURAL EQUATION MODELING DIAGRAM (ERODE AND TRICHY)



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However, it is a common practice in the measurement component of the SEM to fix one of the indicators (only one) to a value of one. This is technically required to give the construct an interpretable scale. The measurement model also includes an error component to each of the indicator variables. In the measurement model, a value of 1 should be obtained by squaring the corresponding factor loadings and similarly squaring uniqueness (error) i.e., (factor loading) 2 + (error) 2 =1. Similarly, to find out the correlation between any two indicators, simply we need to multiply their respective path coefficient. In this study, three sets of equations will be developed: one, the path between service quality to loyalty; two, the path between service quality to service satisfaction and three, the path between service satisfaction to service loyalty. The overall model fits the observed data reasonably well (chi-square=3482, df=100, p=0.36 (not significant), CFI=0.92, GFI=0.92, RMSR=0.91, RMSEA=0.05, TLI=0.91, and AGFI=0.86). The direct impact of SQ on SL (0.63) and the impact of SQ on SS (O.S9) are well explained. The mediating role of SS between SQ and SL (0.44) is also clearly explained. Thus SEM has acted as a system for specifying the interrelationships among observed and latent variables with greater specificity than simpler models such as correlations and multiple regressions. Using this method, the hypotheses set for the study were tested and the results of those hypotheses testing are presented below. Since the measurement model resulted in a very good fit and all the indicators of standardized (path) coefficients of all the three paths (0.63: 0.86; 0.44) are significant at 0.05 levels, the alternate hypotheses are accepted. And it can be concluded that Product features of the website had a positive impact on buying behavior.

7. FINDINGS

Multivariate analysis of variance was run to find out the difference in the buying behavior of customers according to the websites and the results are presented in the following section.

Table 1 MULTIVARIATE AND UNIVARIATE ANOVA TEST RESULTS ON THE PRODUCT FEATURES

PRODUCT FEATURES	MEAN (SD) SCORES		UNIVARIATE F	MULTIVARIATE F	WILK'S LAMBDA
	Erode	Trichy			
Comparison of the products is easier	3.83 (0.60)	4.02 (0.72)	4.4*	31.1*	0.40
Price of the product purchased through online is less	3.11 (0.55)	3.03 (0.88)	5.3*	39.80*	0.72
Latest styles and variety of products are known	2.84 (0.84)	3.42 (0.11)	13.8*	77.70*	0.60
Latest styles and variety of products are known	2.84 (0.84)	3.42 (0.11)	13.8*	77.70*	0.60
Detailed and accurate Product Information	3.65 (0.52)	3.50 (0.41)	2.29	53.90*	0.80
Product quality and descriptions are the same	4.42 (0.66)	4.60 (0.39)	2.60	42.54*	0.55
Product is delivered in the prescribed time	4.60 (0.90)	3.95 (0.59)	7.80*	81.19*	0.66
The life span of the product is good	2.85 (0.42)	2.92 (0.65)	3.02	49.70*	0.77
Always prefer branded product items on the website	3.04 (0.78)	3.30 (0.40)	6.05*	52.00	0.64
Mode of Payment is easier in online shopping	2.80 (0.54)	4.06 (0.80)	7.53*	62.30*	0.50

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*significant at 0.05 level

It is inferred from the above table that the univariate F is found to be significant for both the buying behavioral indicators i.e., the product features. Hence it can be inferred that the Buying Behavior indicators are found to be significantly different in the intention of customers of Erode and Trichy districts.

8. CONCLUSION

The customers' behavior of buying behavior will vary according to their districts. Since the results of the Wilk's Lambda and Bartlett's Test of Sphericity significant statistics are significant at 0.05 levels, the above-mentioned hypothesis is accepted. Hence it can be concluded that the behavior of customers in respect of satisfaction towards the product features to the district with which they are transacting, varies according to the districts namely, Erode and Trichy.

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