

## EXPLORING CUSTOMER PERCEPTIONS OF ONLINE SHOPPING: AN EMPIRICAL INVESTIGATION

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### Abstract

Online shopping refers to the process of purchasing goods or services over the internet through various digital platforms. It involves browsing and selecting products or services from online retailers, adding them to a virtual shopping cart, and completing the transaction through secure online payment methods. Online shopping provides consumers with the convenience of shopping from anywhere at any time, without the need to visit physical stores. This empirical study focuses on exploring customer perceptions of online shopping. The main objective of the research is to evaluate consumer perceptions on online shopping in relation to website design, delivery, responsiveness, price advantage, and convenience. The study adopts a descriptive research design to provide a comprehensive understanding of customer perceptions in the online shopping context. By collecting and analyzing data on consumer profiles and their perceptions of various aspects of online shopping, this research contributes to the existing literature on consumer behavior in the digital marketplace. The findings of this study can assist online retailers and marketers in enhancing their understanding of customer preferences and developing strategies to improve the online shopping experience for consumers.

**Keywords:** Online shopping, consumer perception, website design, responsiveness, convenience

### INTRODUCTION

Online shopping has become an integral part of many people's lives, offering convenience and a wide range of products (Morah, 2021). Through e-shopping, customers can make direct purchases from sellers using a computer browser and the Internet, eliminating the need for travel and providing a more extensive selection of goods compared to traditional offline retail (Taruna, 2018). The significant increase in online transactions can be attributed to various factors, including technological advancements, changes in consumer behavior, and external influences. The term "online shopping" refers to the process of buying and selling goods through digital platforms. Salespeople aim to attract and persuade potential customers while ensuring their satisfaction. The overall online shopping experience, including ease of access, browsing, purchasing, and completing transactions, reflects consumers' perception of online buying (Gaurav, 2017).

In today's global scenario, e-shopping is experiencing a remarkable surge in popularity as consumers worldwide swiftly embrace its convenience and benefits. This widespread adoption of online shopping has led to a significant transformation in consumer perceptions and buying behavior. With the ongoing process of urbanization, consumers are becoming increasingly attuned to the latest trends, making them more trend-conscious than ever before. The rapid rise of e-commerce platforms has empowered consumers to explore a vast array of options, compare prices, access product reviews, and make well-informed purchasing decisions, all from the comfort of their own homes. As a result, the concept of shopping has evolved,

allowing consumers to embrace a more trend-aware and personalized approach to buying goods and services, reshaping the retail landscape on a global scale.

Consumer perception encompasses the examination of individuals' purchasing behaviors, including their buying patterns, motivations, and decision-making processes. This field combines insights from various disciplines such as psychology, sociology, socio-psychology, anthropology, and economics (Bhattacharya & Sen, 2003). Moreover, consumer perception aims to evaluate the impact of social groups, including family, friends, reference groups, and society at large, on consumer behavior. Consumers can adopt subjective or objective perspectives, evaluating the persuasiveness of brand names and marketing tactics.

In recent years, the rapid advancement of technology and the widespread availability of the internet have revolutionized the way consumers engage in shopping activities. Online shopping, in particular, has experienced exponential growth, offering convenience, accessibility, and a wide range of products and services. However, online shopping is not without its concerns. Some common apprehensions include the risk of disclosing private and financial information, the inability to physically examine products before purchase, and concerns about making the wrong choice (Gaurav, 2017). These factors can contribute to consumer hesitancy and uncertainty when engaging in online purchases. As a result, understanding customer perceptions of online shopping has become increasingly important for businesses seeking to capitalize on this expanding market. This empirical investigation aims to explore customer perceptions of online shopping, with a specific focus on the variables of web design, delivery, responsiveness, price advantage, and convenience.

### **Objectives of the Study**

This study assessed the perceptions of consumers on online shopping. Specifically it aims to evaluate:

1. the profile of the respondents;
2. the perceptions of consumers on online shopping in terms web design, delivery, responsiveness, price advantage, and convenience.

## **METHODS**

### **Research Design**

This study adopts a descriptive research approach, which aims to gather quantitative data in order to obtain comprehensive information and characteristics about the population or phenomenon being studied. Descriptive research is employed to illuminate current issues or problems by utilizing a data collection method that provides a more comprehensive understanding of the situation than would be possible without this approach. By utilizing descriptive research, the researchers are able to capture a detailed snapshot of the participants' perceptions related to online shopping. The quantitative data collected allows for statistical analysis, enabling the researchers to draw meaningful insights and make objective conclusions

about the topic. This approach provides a rich and nuanced understanding of the current state of online shopping from the perspective of college students (Fox, W. & Bayat, 2007)

### **Research Environmen**

The study was conducted at North Eastern Mindanao State University, located in Tandag City, Surigao del Sur. The campus environment reflects a university setting, with its computerized enrollment system, contemporary offices, and well-equipped classrooms and laboratories. The choice of this location as the research locale stems from its suitability for assessing the effectiveness of the study on customers' perceptions towards online shopping. Specifically, the research study targets students from the Marketing Management program at the College of Business and Management, spanning from the first to fourth year levels.

### **Participants**

Faculty members and students from the university's four colleges are among the survey's respondents. A total of 370 people took part in the survey.

### **Instrument**

The research utilized an adapted questionnaire based on the study conducted by K. Rama Mohana Rao Chandra Sekhar Patro (2016) titled "A study on Consumer Perception towards E-Shopping" as a tool for data collection. The questionnaire was specifically tailored to gather information on the opinions and perceptions of Marketing Management students regarding online shopping. The questionnaire consisted of two parts. The first part focused on gathering the respondents' profile information, including demographic data such as age, gender, and educational background. The second part delved into the respondents' perceptions of online shopping, exploring key factors such as web design, delivery, responsiveness, price advantage, and convenience. This section aimed to capture the students' viewpoints on these factors and understand how they influence their perception of online shopping.

### **Data Analysis**

The demographic profile of the respondents was determined through the utilization of frequency counting and simple percentage counts, allowing for a comprehensive understanding of the characteristics of the sample population. Meanwhile, to assess the perception of consumers towards online shopping, a more nuanced approach was employed using weighted mean calculations. This method enables a more precise evaluation of the participants' perceptions by assigning appropriate weights to each response based on its relative importance. By incorporating this analytical technique, the research aims to provide a more robust and accurate analysis of consumers' perceptions in the context of online shopping.

## RESULTS AND DISCUSSION

**Table 1: Profile of the respondents**

Age	Frequency	Percentage
20 yrs. Old and below	49	31.4%
21-25 yrs. Old	99	63.5%
26 yrs. Old and above	8	5.1%
<b>Total</b>	<b>156</b>	<b>100%</b>
<b>Gender</b>		
Male	58	37.2%
Female	98	62.8%
<b>Total</b>	<b>156</b>	<b>100%</b>
<b>Monthly allowance</b>		
500 or less	63	40.4%
1,000 – 5,000	90	57.7%
5,000 above	3	1.9%
<b>Total</b>	<b>156</b>	<b>100%</b>

The table provided offers insights into the demographic profile of the respondents, specifically in terms of age, gender, and monthly allowance. The highest percentage of respondents falls within the 21-25 years old category, comprising 63.5% of the total respondents. On the other hand, the lowest percentage corresponds to individuals aged 26 years old and above, accounting for only 5.1% of the sample. This data suggests that the majority of respondents belong to the 21-25 age bracket, indicating their active engagement with online platforms, particularly in the realm of online shopping. Research by Smith (2015) emphasizes that consumers between the ages of 18 and 34, commonly referred to as millennials, play a dominant role in online commerce. They outspend other age groups and allocate a significant portion of their budget to online purchases, averaging around \$2,000 annually. Despite having lower incomes compared to older adults, millennials' affinity for online shopping is notable. Moreover, Wijayanti et al. (2018) underscore the heavy reliance of the younger generation on the internet. They have embraced online shopping applications and the online shopping community, resulting in a transformation of traditional shopping practices.

In terms of gender, the data reveals that females outnumber males among the respondents, with a total of 98 female respondents accounting for 62.8% of the sample. On the other hand, males constituted 58 respondents, representing 37.2% of the total. This suggests that the majority of respondents are female, indicating a higher inclination for online shopping among women. Research supports this finding, as Rajnerowicz (2022) notes that women tend to shop online more frequently than men, averaging seven times a year compared to five times for males. Women are more likely to engage in online shopping, make impulse purchases, and be influenced by sales and promotions (Business Women Media, 2022). Regarding the monthly allowance, the highest rank is attributed to the P1,000-P5,000 range, with 90 respondents comprising 57.7% of the sample. Conversely, the P5,000 and above range obtained the lowest rank, with only three responses accounting for 1.9%. This suggests that the majority of respondents have monthly allowances within the P1,000-P5,000 range. This may indicate that

their income or allowance falls within that bracket. Musyifah et al. (2016) found that individuals with higher monthly incomes are more familiar with and have a favorable attitude towards online shopping. As monthly income increases, online purchases become more frequent. Higher-income individuals tend to be brand-conscious, quality-conscious, open to discovering new products, and fashion-conscious, making them more likely to shop online when given a larger budget (Simanjuntak et al., 2016).

### Consumer Perceptions on Online Shopping

**Table 2: Website Design**

Indicators	Mean	Description
<b>Website Design</b>		
Categorizes the products for easy navigation	4.17	Agree
Updates the website with latest information.	4.04	Agree
Provides with easy-to-follow search paths	4.14	Agree
<b>Average Weighted Mean</b>	<b>4.11</b>	<b>Agree</b>

The ratings provided by consumers regarding website design criteria for online shopping indicate their perceptions and preferences. The highest-rated criterion, "Categorizes the products for easy navigation" (4.17), reflects the importance consumers place on intuitive and organized product categorization to facilitate seamless browsing and finding desired items. This aligns with the research by Liang and Huang (1998), who found that effective categorization enhances the efficiency and satisfaction of online shopping experiences. On the other hand, the lowest-rated criterion, "Updates the website with the latest information" (4.04), while still indicating agreement, suggests that consumers may prioritize other aspects of the online shopping experience over timely updates. However, it is worth noting that literature by Bhattacharjee (2000) emphasizes the significance of accurate and up-to-date information in building trust and reducing uncertainties in online shopping. The overall mean rating of 4.11 indicates that consumers generally value website design criteria that enhance navigation and search paths, aligning with the idea of user-centered design advocated by Nielsen (2000) for creating satisfying online shopping experiences. These findings highlight the importance of well-organized product categorization and efficient search paths in online shopping websites, while the specific impact of timely updates may require further exploration in the context of the targeted consumer base.

**Table 3: Delivery**

Indicators	Mean	Description
<b>Delivery</b>		
The products delivered are well packaged	3.81	Agree
Availability of free shipping for delivery of products	3.83	Agree
Products are not damaged or broken in delivery	3.83	Agree
<b>Average Weighted Mean</b>	<b>3.82</b>	<b>Agree</b>

The ratings provided by consumers regarding their perceptions of online shopping reveal important aspects related to product delivery. "Products are not damaged or broken in delivery" (3.83) got the highest rating. The results indicates the significance consumers place on

receiving products in good condition. This is in consonance with the findings of research by Liu and Arnett (2000), which emphasize the importance of reliable and secure product delivery for building trust and customer satisfaction in online shopping. On the other hand, the lowest-rated criteria, "The products delivered are well packaged" (3.81) and "Availability of free shipping for delivery of products" (3.83), while still indicating agreement, suggest that consumers may have slightly lower expectations in these areas. However, it is important to note that literature by Jarvenpaa and Todd (1997) highlights the impact of packaging quality and shipping costs on consumers' purchase decisions and satisfaction. The overall mean rating of 3.82 indicates a general agreement among consumers regarding the importance of these product delivery criteria in online shopping. These findings emphasize the need for careful attention to packaging quality, minimizing damage during delivery, and considering the availability of free shipping options to enhance consumer satisfaction and loyalty in the online shopping context.

**Table 4: Responsiveness**

Indicators	Mean	Description
<b>Responsiveness</b>		
Provides with timely and real-time information	4.04	Agree
Prompt response to customer enquiries and queries	4.19	Agree
Provides fair user or experts reviews on the product	4.17	Agree
<b>Overall Mean</b>	<b>4.13</b>	<b>Agree</b>

Table 4 shows the ratings provided by consumers regarding their perceptions on responsiveness aspect in online shopping. The highest-rated criterion, "Prompt response to customer inquiries and queries" (4.19), indicates the significance consumers place on receiving timely and helpful responses to their questions. This finding aligns with the research by Kim and Lennon (2008), who emphasize the importance of effective customer service in building trust and loyalty in online shopping. Similarly, the criterion "Provides fair user or expert reviews on the product" (4.17) receives a high rating, suggesting that consumers value access to reliable and unbiased information to aid their purchasing decisions. This aligns with the findings of research by Dholakia et al. (2004), which highlight the role of online reviews in influencing consumer perceptions and behaviors. The overall mean rating of 4.13 indicates a general agreement among consumers regarding the importance of responsiveness in online shopping. These findings underscore the significance of prompt and helpful customer service, as well as the availability of fair and informative product reviews, in enhancing customer satisfaction and trust in the online shopping experience.

**Table 5: Price Advantage**

Indicators	Mean	Description
<b>Price Advantage</b>		
Availability of various modes of payments	4.16	Agree
Provides attractive discounts and exchange offers	3.47	Agree
Offers the products relatively at a lower price	4.39	Strongly Agree
<b>Overall Mean</b>	<b>4.00</b>	<b>Agree</b>



Table 5 indicates the perceptions of consumers regarding price advantages in online shopping. The highest-rated criterion, "Offers the products relatively at a lower price" (4.39), suggests that consumers strongly agree that competitive pricing is an important factor in their online shopping decisions. This finding aligns with the literature by Li et al. (2011), which highlights the significance of competitive pricing as a key driver of online purchase intentions. On the other hand, the criterion "Provides attractive discounts and exchange offers" (3.47) receives a relatively lower rating, indicating that consumers agree, but to a lesser extent, with the importance of such promotional offers. However, it is worth noting that literature by Xia et al. (2015) emphasizes the role of discounts and promotions in influencing consumer purchase behavior in the online shopping context. The overall mean rating of 4.00 indicates a general agreement among consumers regarding the importance of price advantages in online shopping. These findings underscore the significance of offering competitive pricing and potentially attractive discounts to meet consumer expectations and enhance their satisfaction and purchase intentions.

**Table 6: Convenience**

Indicators	Mean	Description
<b>Convenience</b>		
Online purchase takes less time	3.83	Agree
Provides accessibility to wide range of product	4.21	Strongly Agree
Purchase the products anytime (24/7) and any where	4.35	Strongly agree
<b>Overall Mean</b>	<b>4.13</b>	<b>Agree</b>

Table 6 provides the perceptions of consumers regarding convenience in online shopping. "Provides accessibility to a wide range of products" (4.21) receives the highest rating which indicates that consumers strongly agree that having access to a diverse selection of products is a significant advantage of online shopping. This finding aligns with the literature by Chen and Chang (2003), which highlights the convenience of online platforms in offering extensive product options. Similarly, the criterion "Purchase the products anytime (24/7) and anywhere" (4.35) receives a strong agreement, suggesting that consumers highly value the flexibility and accessibility of online shopping. This aligns with the findings of research by Jarvenpaa and Todd (1997), which emphasize the convenience and convenience-related factors as motivators for online shopping. On the other hand, the criterion "Online purchase takes less time" (3.83) receives a slightly lower rating, indicating that consumers still agree but to a lesser extent regarding the time efficiency of online shopping. However, it is important to note that literature by Novak et al. (2000) highlights the time-saving benefits of online shopping compared to traditional retail. The overall mean rating of 4.13 indicates a general agreement among consumers regarding the convenience of online shopping. These findings underscore the significance of offering a wide range of products and ensuring anytime, anywhere access to enhance consumer convenience and satisfaction in the online shopping experience.

## CONCLUSIONS AND RECOMMENDATIONS

This empirical investigation sheds light on the diverse factors that shape customer perceptions of online shopping. The findings underscore the significance of web design, delivery services, responsiveness, price advantage, and convenience in influencing customer satisfaction and loyalty. By understanding and addressing these factors, businesses can enhance their online shopping platforms, optimize the customer experience, and build long-term relationships with their customers in the dynamic and ever-growing e-commerce landscape.

The study examined the profile of the respondents, providing valuable insights into the demographic characteristics of the participants. This information helps in understanding the diversity and representativeness of the sample, providing a foundation for the subsequent analysis. The study reveals that the younger demographic, particularly individuals aged 21-25, demonstrate a strong inclination towards online shopping. This insight underscores the significance of targeting and engaging with this specific age group in the online retail industry. Online retailers and marketers should capitalize on this opportunity by tailoring their marketing strategies, web design, and promotional activities to appeal to the preferences and behaviors of these young consumers. By understanding their unique needs and expectations, and delivering personalized experiences, online retailers can effectively capture the attention and loyalty of this key demographic, ensuring sustained growth and success in the dynamic online shopping market.

The web design aspect emerged as a significant factor, indicating that an intuitive and visually appealing website layout plays a crucial role in attracting and retaining customers. A user-friendly interface, latest information, and easy navigation were identified as key components contributing to a positive online shopping experience.

The study also highlighted the importance of efficient and reliable delivery services. Customers emphasized the need for accurate and secure packaging and free delivery service. Satisfying these expectations can enhance customer satisfaction and loyalty, as well as reduce potential concerns about order fulfillment.

Additionally, the study examined consumer perceptions of responsiveness, which encompassed prompt customer support and effective communication. Providing timely responses to inquiries, addressing customer concerns, and providing fair user or experts reviews on the product found to positively impact the overall perception of online shopping.

Price advantage was another crucial dimension assessed in the study. Customers expressed a strong inclination towards lower prices, availability of various modes of payments, discounts, and exchange offers. This finding highlights the significance of pricing strategies and the role they play in influencing customer perceptions and purchase decisions.

Lastly, convenience emerged as a key factor driving customer perceptions of online shopping. The ability to shop anytime, anywhere, and the convenience and accessibility to a wide range of product were highly valued by participants. This underscores the importance of providing a seamless and hassle-free shopping experience to meet customer expectations.



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