



# **iJRASET**

International Journal For Research in  
Applied Science and Engineering Technology



---

# **INTERNATIONAL JOURNAL FOR RESEARCH**

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

---

**Volume: 8      Issue: VIII      Month of publication: August 2020**

**DOI: <https://doi.org/10.22214/ijraset.2020.31007>**

**[www.ijraset.com](http://www.ijraset.com)**

**Call:  08813907089**

**E-mail ID: [ijraset@gmail.com](mailto:ijraset@gmail.com)**

# Sri Lankan Online Buyer Behaviour: A Study on Psychological Trigger Components inducing Online Purchasing Intention

Aroshan Indujeeva

Doctoral Candidate, University of Kelaniya

**Abstract: Purpose :** As per Google India the market potential for e-commerce in Sri Lanka is estimated at LKR 3Bn , approximately 1% of its' retail market spend, with an annual growth projection of 25-30% p.a until the dawn of 2020. The concept of e-commerce is now gaining fast popularity in Sri Lanka , where it is imperative that the internet marketers and e-tailers clerly identify the the imperative for developing e-commerce for the Sri Lankan consumer. This study attempts to identify the online purchasing determinants of the youth in procuring consumer electronics.

**Design / Methodology / Approach**

Via a detailed literature review, the consumer's online purchasing intention shopping orientation factors will be investigated based on the responses received via 50 respondents

**Findings-** The research established that impulse purchasing orientation , prior online purchasing experience and the online trust have have significant impact on the online purchasing intention. Males apparently seem to be more keen to be engaged in online purchasing than females.

**Keywords:** Online purchase intention, shopping orientation, online trust, Internet shopping, buying behaviour retailing

## I. INTRODUCTION

With the introduction of the Internet , many believed that there would be huge explosion in global retail marketing, where a barrier free transaction super highway will be created. Many retail B2C giants such as Amazon, ebay, Rakuten, Alibaba became successful via their innovative strategy. Although it is the popular thought that e-commerce has been steadily penetrating the traditional brick and mortar retail transactions, even two decades after the introduction of e-commerce , yet it is unable to grab more than 8% of the total retail market. Even developed countries such as U& US the rates barely exceed the 18% threshold. More intriguingly, at the point where Amazon celebrates its second decade in business , a critical strategic decision had been arrived at by their management to open a physical retail store at Amazon's birthplace in Seattle. The most fundamental business concept of brick and mortar presence being challenged by Amazon, two decades down the line has been challenged. The e-commerce foundation has published a report on global B2C e-commerce. As per the report the value of e-commerce based transaction value is 7% of the total value of retail goods being transacted.

The total B2C e commerce turnover is estimated at 2,671Bn, where 1,436Mn of online shoppers which represent around 26% of global population over 15 years. Out of the total e-commerce turnover 38% constitute of services and the balance 62% consist of goods. Asia Pacific (fueled by China) takes the major part of the cake by having a transaction value of over 1,057Bn, closely followed by North America 644Bn and Europe in 03<sup>rd</sup> position at 505Mn.

The top 10 list of countries, China currently leads with a total transaction value of 766Bn, USA 595Bn and UK at 174Bn. Focusing on the trend, Germany has lead the band wagon in 2012, followed by Japan, Canada in 2014 and by 2016 end UK might lead the online market as per the projections.

In the world, Sweden is being ranked as the best performing economy. For 18 consecutive years, the Swedish retail market has been experiencing strong positive retail growth where almost 40% of the expenditure is on retail from an average household income stream. Still in Sweden the e-commerce ratio to the total retail expenditure is lying merely at 6% (SEK 50Bn) and only has shown a growth of 19% from 2006 to 2015.

Before 2010 predominantly, the majority of online purchases were on the purchasing of airline tickets, where the airlines also have been in an attempt to get rid of the traditional general service agents. However, with increased smartphone penetration in Sri Lanka , the tendency to move towards e & m commerce is extremely high.

#### A. *Relevance of the Research and its Contribution*

The objectives of our study would be

- 1) To review the past literature on the concepts and constructs under this specific subject
- 2) To empirically test the role of shopping orientation , prior online purchasing experience , online trust on the customer's online purchase intention among Sri Lankans.

## II. LITERATURE REVIEW

As per Wikipedia, the phenomenon of E-tailer shopping more affectionately now referred to as e-tailing , was a phenomenon which flourished in 1980's. The re-known English entrepreneur Michael Aldrich is believed to be the founder of e-tailer shopping in 1979. His systems ensured connectivity with a customised television set to a real-time transaction processing computer via communication line. Aldrich was of the opinion that this invention of a modified domestic TV technology with a simple menu-driven interface, was a "new, universally applicable, participative communication medium — the first since the invention of the telephone". This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for emessaging and information retrieval and dissemination, later known as e-business. His definition of the wide communication media as 'participative' was fundamentally different from the traditional definitions of mass communication and mass media and a precursor to the social networking on the World Wide Web 25 years later. In March 1980 he launched Redifon's Office Revolution, which allowed consumers, customers, agents, distributors, suppliers and service companies to be connected on-line to the corporate 3 systems and allow business transactions to be completed electronically in real-time. During the 1980's he designed, manufactured, sold, installed, maintained and supported many e-tailer shopping systems, using AV technology. These systems which also provided voice response and handprint processing pre-date the Word Wide Web and the World Wide Web, the IBM PC, and Microsoft MS-DOS, and were installed mainly in the UK by large corporations.

The first World Wide Web server and browser, created by Tim Berners-Lee in 1990, opened for commercial use in 1991. Thereafter, subsequent technological innovations emerged in 1994: e-tailer banking, the opening of an e-tailer pizza shop by Pizza Hut, Netscape's SSL v2 encryption standard for secure data transfer, and Intershop's first e-tailer shopping system. The first secure retail transaction over the Web was either by Net Market or Word Wide Web Shopping Network in 1994. Immediately after, Amazon.com launched its e-tailer shopping site in 1995 and eBay was also introduced in 1995. Alibaba's sites Taobao and Tmall were launched in 2003 and 2008, respectively. Retailers are increasingly selling goods and services prior to availability through "pretail" for testing, building, and managing demand. Internet based retailing, customer perceptions towards e-tailing and related studies on behavioural habits and trends In 1995, according to Burstein and Kline , as sighted by Javenpaar & Todd referred to the Word Wide Web as the "marketing superhighway", which many to this date tend to embrace as an all- time sooth saying. The initial cannon to the traditional brick and mortar dominated retail space was fired by the introduction of "as seen on TV" shopping , popularly referred to as infomercials invented by Ron Popeil , the ig Nobel Price laureate for consumer engineering 1993 (source: [www.ronpopeil.com](http://www.ronpopeil.com), accessed on 23/12/16). However, the Word Wide Web soon surpassed the catalogue and TV infomercial landscape due to the two way communication capability being offered by the former according to Hoffman, Novak and Chatterjee , 1996).

The e-commerce sales globally will be most probably hit the USD 2 trillion mark as per eMarketer magazine , sighted by [www.statistica.com](http://www.statistica.com) accessed on 23/12/2016, a magnanimous growth compared to the counterpart figure merely two decades ago fairing at a disappointing USD 132 million. 4 As per Javenpaar & Todd (1995), the factors which influence the consumers to shop through electronic shopping mechanisms, product perceptions, shopping experience and customer service. As per Darden and Lusch , " The perceptions of the products to be found at a given vendor are one key determinant of where consumers choose to shop". Perceptions include Price , Product Quality, and Product Variety as sighted by Javenpaar and Todd , referencing the work of many researchers in their article " Consumer reactions to electronic shopping on the world wide web". Low prices generally tend to attract a customers to try new products or new ways of purchasing . Product quality is the standard expected of the product or the service. Variety is the assortment or range of products / services available from a given retailer. The shopping experience is described by Halt as an important social and personal activity. Javenpaar & Todd have concluded that for electronic retail channels the shopping experience factors might be translated in to effort , compatibility and playfulness. Park and Kim in their work on "Identifying key factors affecting consumer purchasing behaviour in an e-tailer shopping context" argue that information quality , user interface quality and security perceptions affect information satisfaction and relational benefit that in turn are significantly related to each consumer's site commitment and actual purchase behaviour. As per Uzun and Poturak , the consumers consider convenience and trust as two of the most important variables in deciding whether to purchase from a web mall. Price and quality of the product



become the next important factors. If the Word Wide Web and the physical store's prices are similar, the consumers will then look at the selection of goods available at each of the options.

Furthermore, they argue that the consumer's experience from the previous interaction with the site. Hong Yul Ha in his paper argues that security, privacy, brand name, word of mouth recommendation, and impressive experience of specific websites contribute to building a strong brand trust online. Boulay, Faultrier and Feenstra sight an interesting phenomenon on the purchasing habits of six to twelve year olds, where the respondents in the said category actually seem to prefer the offline / brick & mortar stores as against e-tailer shopping. Very disturbingly these digital natives perceive e-tailer shopping as something very negative and dishonest.

Online trust needs to be there when personal financial information and personal data is shared while making a purchase online (Egger, 2006). Online trust is based on the perception of the risks or benefits of the online transaction (Teo and Liu, 2007). In the Indian context, the influence of the online trust as of mediating effect has been studied on customer online purchase intention (Ganguly et al., 2009).

In an article by Jose Costa the group president of driven brands quotes that "while the effect of the digital revolution ignited by the brick-and-mortar retail has been considerable, as the dust begins to settle all of us see that this age-old model is undeniably here to stay". As per the article, Sandeep Mathrani, CEO, of General Growth Properties, announced the possibility of Amazon looking at potentially opening 300 to 400 in-real-life storefronts. The e-tailer giant Amazon have not explicitly endorsed back the claim, and indications are evident that they might enter the space in much cautioned pace. Most of the readers will recall bookstore chains like Borders, B. Dalton and Crown Books with affectionate memories, but those brands have largely become obsolete in the modern age. Much peculiarly Amazon is now looking at the void to play in the vacuum they left behind.

Online purchases are still considered to be risky compared to offline retail purchases (Laroche et al., 2005). In an online shopping environment, prior online purchase experience leads to the reduction of uncertainties and eventually leads to an increase in the customer purchase intention (Shim and Drake, 1990). Online shoppers who have bought products online are more open and inclined to shop online than others (Lee and Tan, 2003). Shim et al. (2001a, b) found that past satisfactory online purchase will lead to future online purchase. Shopping orientations and customer online purchase orientation Shopping orientations are defined as a general disposition toward the acts of shopping (Brown et al., 2001). Swaminathan et al. (1999) asserted that shopping orientation is one of the prime indicators of making online purchases. The concept of shopping orientation refers to a specific segment of lifestyle that is operationalized by various activities, interests and opinion statements relevant to shopping (Li et al., 1999). Being regarded as a multi-dimensional construct, shopping orientation comprises of many constructs referring to different attitudes and opinions. Vijayasarathy and Jones (2000) segmented the shoppers into seven distinct varieties namely: in-home shoppers, economic shoppers, mall shoppers, personalized shoppers, ethical shoppers and convenience shoppers. They found in-home shoppers more inclined to online purchase and having higher purchase intention than the rest of the classes. Seven shopping orientation types identified by Gehrt et al. (2007) are recreation, novelty, impulse purchase, quality, brand, price and convenience. Of all the seven shopping orientations, impulse purchase orientation, quality orientation and brand orientation were perceived as more important from the web retailer perspective and often investigated together (Ling et al., 2010). These three orientations were chosen for this study. a. Impulse purchase orientation. Impulse purchase behavior happens when a customer feels the urge to purchase something at the very instant without any more evaluation (Rook, 1987). According to Piron (1991), Impulse purchase behavior is an action done without any prior plan as a result of a stimulus. With the rampant growth of online shopping, the studies made by Donthu and Garcia (1999) have found that impulse purchase orientation is a default characteristic of an online shopper. Brand orientation, In internet transactions, customers use trusted corporate and brand names in place of product information while purchasing online (Ward and Lee, 2000). Jayawardhena et al. (2007) have established from their study that there is a significant effect of brand orientation on customer online purchase intention. On Quality orientation. Bellenger and Korgaonkar (1980) found that one of the things that recreational shoppers tend to take into consideration is quality when choosing stores for shopping. In an online shopping context, Gehrt et al. (2007) found that customers who shop for recreation online are significantly associated with quality.

It can be easy, while embracing this new digital economy, to short circuit the concept of face-to-face transactions that occur in the bowels of a physical building. From Circuit City to the Virgin Megastore, brick-and-mortar retail has been able to sustain more than its fair share of sad casualties in recent decades. Many of those affected in the process, while ushered along through the new digital era, were actually a market-based catalyst. In some cases, it was always problems with the specific companies, and not the business model, were to blame. We can also consider the story of Tower Records, recounted in the 2015 documentary All Things Must Pass. The documentary unwinds the tale of a mainstream brand that was short-circuited by a digital file sharing and the rise of Napster and, later iTunes. But, it also carefully outlines the brand's imminent failures, including to a somewhat stubborn reluctance to enter

the digital space that it could have owned, its misguided growth projections, unrealistic pricing strategies, uncontrollable generational shifts and not in the least its bad investment decisions in the long run.

Intelligence on the Sri Lankan cyber market space Quite contrarily, the cyber market space in Sri Lanka isn't deserted now as it was many a few years ago. As per Google India, the total Sri Lankan e-commerce market potential value by 2015 end was around LKR 3Bn which is around 1% of the total Sri Lankan retail market size of LKR 300Bn. As per a research conducted by Kaymu.lk ([www.daraz.lk/research](http://www.daraz.lk/research), accessed on 27/12/2016) Sri Lanka approximately has 4.8Mn World Wide Web users, and having a penetration rate of almost 22%. Kaymu has established that the 25-34 years age bracket is the most interested age group in e-commerce for Sri Lanka which is almost 45% of the total e-commerce interested population. It is closely followed by the 35-44 year age bracket which stands at around 20%. Gender wise the male population dominates the e-commerce savvy population by almost 68%. Colombo dominates the total volume of e-commerce transactions by almost 60%, and Kandy and Galle follows closely with 15% and 12% respectively. Popular search strings for e-commerce in Sri Lanka include purchasing consumer electronics & mobile phones, followed by used motor vehicles, employment, apparel & accessories, real estate/residential properties for sale, education/post-secondary education, travel/hotels & accommodations, dating services, computers & peripherals and motor vehicles by brand respectively.

The ecommerce market in Sri Lanka has been growing steadily where in 2014 the YoY growth was recorded at approximately 30%, and 2015 and 2016 projections touching the 50% and 70% mark respectively. Starting with Anything.lk & Wow webmalls by Suntel, today an average facebook account of a private user is bombarded with almost five sponsored or tagged adverts of webmalls selling everything from USB powered mini ACs to the 24000BTU inverter air conditioners, and the all time sweetener being the deep discounted prices.

On screen the web malls were deep discounting the prices of electronic merchandise by magnanimous rates of around 50%, certainly would incentivise the most skeptic electronic buyers out there. In my quest to explore the e-tailing market in Sri Lanka, I placed orders for items less than USD 10/- in three webmalls. The first order, at retail genius.com was placed for a in car vacuum cleaner at a deep discounted price of USD7/- . The payment was collected, two days past the quoted delivery date, nothing turns up. The contact number of the etailer is not being picked up and the promise quoted in the website for a maximum 24 hour 7 response time is overdue by atleast another 24 hours. After six emails, countless short messages and emails, two google reviews carrying a single star for service, and a demanding mail to the Bank who apparently was co-advertising the deal, received a short email note asking for my account number for the amount to be re-imbursed with not even an apology for the inconvenience caused. Being soured with the initial experience a second order was being placed at mydeal.lk for another car vacuum cleaner. Carrying the unfriendly experience in the initial order the cash on delivery method was used.

However, the order could be clearly tracked in the system and as promised the merchandise arrived and delivered via a reputed courier entity which was yet 24 hours late, additional delivery charge and to add to that, the product colour was not what was being ordered. The third order being placed at catchme.lk which provided the best discount for the same item in comparison to three other web malls, ensured same day delivery and compliant to the exact specification being ordered. However, challenge was to venture in to process of procuring a large television which is a high involvement product with a considerable fund outflow.

The e-tailers were deep discounting all mainstream brands, even than the reputed wholesale vendors who had reputation for customer friendly pricing. Yet, of many whose advice I sought, were advising me against making the purchase from a e-tailer. Critical points raised were in terms of product quality, reliability, authenticity, product warranty, trust, etc. The lack of brick and mortar presence was continuously brought forward, as a point where the risk / trust factors were at stake for a high involvement product. My experience with retail genius .com was not helping either as it was one of the main e-tailers offering significant discounts on large screen televisions. After a few references in the web, I was referred to wow.lk, sri lanka's first e-tailer and also the first to have a brick and mortar presence as well. The fully fledged showroom was being set up and all the merchandise which were appearing in the website, identical to the deep discounted prices in other webmalls the customers could come to the store, and were able to physically experience the product first-hand. The showroom's footfall visually was very impressive and a personalised service was offered to the clients who apparently were lining up at the set of public computers to place their order at the usual website channel. Wow.lk has been steadily recording a growth of almost 20% year on year, where they will surpass the 600Mn mark easily by the year end, marking revenue growth of 100Mn against last year which is a 22% growth. From being a fully fledged e-tailer wow sales has been more than quadrupled after the brick and mortar presence has been established.

In an interview conducted by Echelon.lk with the owners of mydeal.lk / mystore.lk, the article quotes that "It is established in the industry now, that if you want to succeed at ecommerce, you have to be omni-channel.". "We have the advantage of being omnichannel from day one." .[www.thumbsup.lk](http://www.thumbsup.lk) (<http://www.thumbsup.lk/top-10-ecommercesites-in-sri-lanka>, accessed on

27/12/16) ranks wow.lk , kapruka.com and mydeal.lk as the respective most popular e-commerce sites in Sri Lanka. A value approximation places wow's market share at approximately 30-35% of the total market. The phenomenon of the brick & mortar presence in the e-tail industry apparently has fared successful results for many e-tailers in the US. In article appearing in "The Guardian" (<https://www.theguardian.com/media-network/2016/jul/07/bricks-and-mortar-commerce-retail-digital>, accessed on 27/12/16) many successful e-tailers such as Warby Parker , Nastygal, Bonobos and Birchbox have doubled their success rate which is attributable to launching their brick and mortar presence from the e-tailer presence. The CEO of Warby Parker Neil Blumenthal in his interview quotes that "We believe the future of retail sits at the intersection of e-commerce and brick and mortar," , "The two experiences should be seamlessly integrated and complementary.

The ultimate goal for each shopping experience is the same: to make the process of buying glasses as easy and fun as possible." Warby Parker believes that their e-commerce portal prepares the consumer to visit the physical outlet and almost over 80% of store visitors have visited the website before- hand. Ari Bloom, the chief executive of Avametric quotes that "It's hard to present a compelling, sticky brand experience online, especially when selling non-utility items like apparel, accessories, home goods, and many companies actually lose money e-tailer and are still highly profitable offline. Many of us who come from the physical retail world have been waiting for the balance to tip – and I think we are finally see that happening, with more ecommerce first companies finally realising that physical retail is a crucial part of their brand experience and business," 9 In the article written by J.J. Colao to the Forbes magazine titled " The future of shopping in three trends"., quotes that "It turns out that customers buy way more stuff if they can actually see, feel and try on items in person. Andy Dunn of Bonobos, a men's clothing brand that started out as an e-commerce entity in 2007, told Bloomberg that only 5% of visitors to the entity's website make a purchase.

In its 10 stores, that number is 83%." He further elaborates on an argument that future brands will now focus on first having their e-tailer reputation built unlike the traditional super brands. He draws examples of Chloe & Isabel, Chubbies and Meundies as such examples. In an article by Inc.com (<http://www.inc.com/entrepreneurs-organization/5-challenges-ingoing-from-e-commerce-to-brick-and-mortar.html>, accessed on 27/12/16) , five challenges are being brought forward as obstacles for e-tailer firms to go brick and mortar which are rapid expansion being hard to manage effectively, inability to maintain healthy profits, managing effective liquidity, attracting and retaining the correct talent and proper fiscal management. Uptin Saiidi in his article to CNBC (<http://www.cnbc.com/2015/04/02/why-is-ecommerce-eyeing-brick-and-mortar.html>) asks the question "But how does an e-tailer vendor justify the cost of setting up a brick-and-mortar shop? One solution is testing the waters with pop-up stores, where the vendor can experiment with a physical location without committing to a long-term lease?" An oncoming vendor Frank & Oak, an e-tailer menswear start-up, has taken this approach.

The vendor gained early success exclusively through digital platforms by amassing 1.6 million members, at least \$15 million in funding and a partnership with Etsy. "A lot of clients see Word Wide Web as next-generation and brick-and-mortar as being traditional. The way we see it is as a physical space that we can provide leverage to announce the value of our brands," Ethan Song, F&O's CEO has mentioned once. The entity, which has several storefronts throughout Canada, is requesting its customers to decide the possible geographical locations of its next six pop-up shops from 12 possibilities. 10 The showrooms are being created more as experiences than just a place to procure garments. Identical to their effort in Canada, which have salons, baristas, and Frank & Oak's U.S. pop-ups approach will focus on a novel and creating a dynamic shopping experience. Song mentions that when a customer thinks about our target market, a creative millennial, there's something there to create in the physical space".

According to Stacey Widlitz, president of SW Retail Advisers, pop-up shops are preferable to a long-term lease solutions—spanning for a decade or so —which can feel extremely long for a cash strapped start up. Of course, there's also the true benefit of really being able to physically touch and try on a product which a client prefers. "Pop-up shops are one the most effective methods to test the retail waters and bring your product to the consumer in a low cost, short-term" as per Stacey. "The test might also help brands realize they are actually not ready for the physical world." The E-tailing goliaths going brick & mortar Amazon caught the quite the eye of many avid readers by announcing that they will be opening their first retail store in Seattle. Being the forefront runner in driving out publishing giants such as Barnes and Noble and being the most successful poster child to promote e-tailer marketing Amazon.com now had gone and opened their first brick and mortar store in Seattle USA.

For the city in the bowels of the Amazon.com , Seattle has a quite the number of stand-alone bookstores. From the prestigious Capitol Hill's Elliott Bay Book Entity, to the University of Washington's University Book Store, spanning to the Queen Anne neighbourhood's Queen Anne Book Entity, the traditional brick and mortar bookstores have – to date – survived and even flourished in the city that launched the entity that destroyed a thousand odd bookstores. 11 "This is a vicinity where customers live and want to support a traditional bookstore," says Tracy Taylor, general manager of the Elliott Bay bookstore. Many of her clients work for Amazon, she says, which actually helps since they exactly know and care about books. But Cady mentions a slightly

different version to the story. “Everyone’s had to adjust to Amazon online,” she says, “but having a store just down the street is a little different. We’re at ground zero. We’re in the blast.” University Book Store is less than a mile away from Amazon Books. Cady was not prepared to provide specific numbers on the specific impact Amazon Books has on the University Book Store’s sales, but she mentions a very clear shift in the “different spending patterns”.

A safe distance away from the megalith Amazon Books, the humble Elliott Bay Book Entity remains rather a protected oasis from the Amazon store’s costly influence. The quite spacious store in Seattle’s cultured Capitol Hill feels like the exact anti-particle of Amazon Books. At Amazon, kids are given a chance to play with Amazon Fire on a giant flat screen; at Elliott Bay, kids play inside a miniature GoT alike castle in the middle of the children’s section. Each book at Amazon will carry a label with an excerpt from a customer review and the aggregate customer rating from the website; at Elliott Bay, the select books have proper handwritten recommendations from their aficionado staff themselves. However, Taylor hasn’t noticed much of an issue on Elliott Bay’s sales since the goliath Amazon store have opened their doors to the public, but she says “the jury is still out” given the entity’s “unlimited resources” and sworn penchant for ultimate confidentiality.

“Is Amazon going to open more locations near other standalone bookstores?” she asks, citing the nervous sighs heard at University Book Store. “We’re definitely nervous.” Amazon Books doesn’t seem to be your average bookstore. Taylor, who visited soon after it opened, described her experience as being “sterile” and “not what a client may initially think of as a normal bookstore”. “It’s like a hybrid between an i store and an airport bookstore,” she said. 12 When analysing the available literature on e-tailing and related consumer behaviour, apart from the magazine articles, there has been no significant research effort being undertaken to validate the e-tailing consumer’s preference to shop at e-tailers having a brick and mortar presence or Omni channel as some refer to it.

From the above literature review the hypotheses drawn would be as below

- 1) *H1* – The increase in Consumer’s online trust will result in an increased online procuring intention
- 2) *H2* – The prior online purchasing experience will increase online procuring intention
- 3) *H3* – Higher impulse purchase orientation will lead to increased customer online purchase intention
- 4) *H4* – Stronger brand orientation will influence customer online procurement intention
- 5) *H5* – Intense orientation towards quality will influence consumer online procurement intention

### III. RESEARCH METHODOLOGY

A descriptive research design in being used in this area. The questionnaire was developed where it mainly consisted of two parts. The first part verified the gender , age category , internet usage per day, access to electronic payment mode, most frequent category of items purchased over the internet.

The second part of the questionnaire consists of questions which would gage the responses on a series of questions pertaining to the brand orientation, quality orientation, impulse purchase orientation, prior online purchase intention & online trust.

#### A. Sampling

A total of 60 participants were invited who were below retiring age and working for Dialog Axiata PLC were invited to take part in the survey, where the entire set of respondents were in the age range of 21-55. The response rate was over 84%. Out of the 50 respondents , 2 had not shopped online at all. The sample size of above 30 is sufficient to conduct ANOVA.

### IV. DATA ANALYSIS & RESULTS

#### A. Profile of Respondents

Variable	Categories	Frequency	%
Gender	Male	38	76%
	Female	12	24%
Age	Below 30	35	70%
	Above 30	15	30%
Education	Below Degree	10	20%
	Above Degree	40	80%



### B. Reliability Test

Reliability test was done on all constructs by calculating the cronbach's alpha which is shown in the below table. All Cronbach alpha figures exceed 0.5 indicates internal consistency of all scales being used for the survey.

### C. Validity Test

The SPSS output shows, the eigen values for all constructs are greater than 1, and all items are easily discriminated and grouped according to the respective constructs. There were no overlapping items which establish discriminant validity.

### D. Multiple Regression Analysis

The six assumptions of regression analysis is addressed prior to conduct the respective analysis.

- 1) Normality
- 2) Linearity
- 3) Independence of error term
- 4) Absence of multi-co-linearity
- 5) Absence of heteroscedasticity
- 6) Absence of outlier and influential observations

Factor Name	Variable	Eigen Value (Highest)	Cronbach Reliability
Impulse purchase orientation	When my intention is to merely browse through the website, I sometimes make a purchase	1.708	0.622
	I am impulsive when purchasing a product / service online		
	When I purchase products / service from an internet retailer I feel released		
Brand Orientation	It is important for me to buy a well know brand name	1.9	0.548
Prior online purchase	I feel comfortable using online shopping websites	1.7	0.618
	I am experienced with the usage of online shopping websites		
Purchase intention	I was happy with my online shopping		
	I was pleased with my online shopping	3.3	0.543
	I was satisfied with my online shopping		
	I like online shopping		
	Online shopping are a means of fit to buy products		
Online Trust	The Online retailer wants to keep his promises and obligations	3.22	0.533
	The website of this online retailer is dependable		
	Compared to other websites, this website of these online retailers are dependable		
	Compared to other websites these online retailers are secure and reliable		
	Websites of these online retailers offers to secure personal privacy		
Quality Orientation	The availability of high quality products / services provided by the web retailer is important to me	1.433	0.482
	My standards & expectations from the products / services I buy from the internet retailer is very high		

### E. Results Of Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	.825	.267		3.093
	VAR00005	.011	.025	.030	.442
	VAR00008	.015	.056	.023	.269
	VAR00009	.288	.028	.677	10.111
	VAR00016	.200	.044	.348	4.559
	VAR00021	.290	.069	.326	4.224



By looking at the p value , it is understood that both for H4 & H5 the p value is below 0.05, hence should be rejected

IV tested	Hypotheses	Outcomes
Online Trust	H1 : The increase in Consumer's online trust will result in an increased online procuring intention	Supported
Prior online purchase experience	H2 : The prior online purchasing experience will increase online procuring intention	Supported
Impulse purchase orientation	H3 : Higher impulse purchase orientation will lead to increased customer online purchase intention	Supported
Brand Orientation	H4 : Stronger brand orientation will influence customer online procurement intention	Not supported
Quality orientation	H5 : Intense orientation towards quality will influence consumer online procurement intention	Not supported

#### F. Managerial Implications

This specific study denotes that impulse purchase orientation, prior online purchase experience ,and online trust have significant impact on the customer's online purchase intention. This study will be important to e-tailers, marketing managers, internet marketers & the for the online retail customers as a whole in Sri Lanka.

Impulse purchasing orientations could be influenced via attractive one time deals , limited time bracket offers plus tagging such offers to loyalty schemes. Prior online purchasing experience , could be influenced via having easy interfaces to transact via the web, and encouraging opinion leaders to induce first time users to open up the arena to indulge in more web transactions. Online trust should be developed by e-tailers by offering SSN security certificates for customers, cash back guarantees, cash on delivery options, tying up with reputed online payment gateways etc.

#### G. Limitations And Future Areas For Research

As respective sample consists only of employed youth who predominantly are engaged in the info-tech and telecommunications sector, whether its' representation of the whole internet savvy population of Sri Lanka may be slightly questionable. In future a more wider level sample which reflects a better representative sample of all Sri Lankan internet savvy parties would make the understanding on the factors more uniform.

The reason as to why quality and brand orientation is not considered as salient , as against other factors in online purchasing should be tested in deep , as it is not in line with the practices of the western counties where identical studies have been carried out.

#### Notes

- 1) "Ecommerce Trends Sri Lanka | Report By Kaymu.Lk". *Daraz.lk*. N.p., 2017. Web. 27 Feb. 2017.
- 2) "Ecommerce Trends Sri Lanka | Report By Kaymu.Lk". *Daraz.lk*. N.p., 2017. Web. 27 Feb. 2017.
- 3) "Forbes Welcome". *Forbes.com*. N.p., 2017. Web. 27 Feb. 2017.
- 4) "Forbes Welcome". *Forbes.com*. N.p., 2017. Web. 27 Feb. 2017.
- 5) "Global B2C Ecommerce Sales To Hit \$1.5 Trillion This Year Driven By Growth In Emerging Markets - Emarketer". *Emarketer.com*. N.p., 2017. Web. 27 Feb. 2017.
- 6) "Retail Sales Worldwide Will Top \$22 Trillion This Year - Emarketer". *Emarketer.com*. N.p., 2017. Web. 27 Feb. 2017.

## REFERENCES

- [1] "Role of self-efficacy and website social-presence in customers' adoption of B2C online shopping: an empirical study in the Indian context", *Journal of International Consumer Marketing*, Vol. 20 No. 2, pp. 33-48.
- [2] Ajzen, I. and Fishbein, M. (1980), *Understanding Attitudes and Predicting Social Behavior*, Prentice-Hall, Upper Saddle River, NJ. Bollen, D.N. and Korgaonkar, P.K. (1980), "Profiling the recreational shopper", *Journal of Retailing*, Vol. 56 No. 3, pp. 77-92.
- [3] Ajzen, I. Fishbein M. (1980), *understanding attitudes and predicting social behaviour*, Prentice Hall, Saddle River, NJ
- [4] Baik, A., Venkatesan, R. and Farris, P. (2014c) 'Mobile shopper marketing: Assessing the impact of mobile technology on consumer path to purchase', *inShopper Marketing and the Role of In-Store Marketing*. Emerald, pp. 1-25.
- [5] Belleger D, Kargonkar PK (1980), *profiling the recreational shopper*, *journal of retailing*
- [6] Berkowitz, E.N., John, R.W. and Orville, C.W. (1979), "In home shoppers: the market for innovative distribution systems", *Journal of Retailing*, Vol. 55 No. 2, pp. 15-33.
- [7] Bernstein, Fernando, Jing-Sheng Song, and Xiaona Zheng. "'Bricks-And-Mortar' Vs. 'Clicks-And-Mortar': An Equilibrium Analysis". N.p., 2017. Print.
- [8] Bernstein, Fernando, Jing-Sheng Song, and Xiaona Zheng. "'Bricks-And-Mortar' Vs. 'Clicks-And-Mortar': An Equilibrium Analysis". N.p., 2017. Print.
- [9] Boulay, J., Feenstra, F. and Muzellec, L. (2014a) 'When children express their preferences regarding sales channels', *International Journal of Retail & Distribution Management*, 42(11/12), pp. 1018-1031. doi: 10.1108/ijrdm-05-2014-0055.
- [10] Boulay, J., Feenstra, F. and Muzellec, L. (2014b) 'When children express their preferences regarding sales channels', *International Journal of Retail & Distribution Management*, 42(11/12), pp. 1018-1031. doi: 10.1108/ijrdm-05-2014-0055.
- [11] Brown, M., Pope, N. and Voges, K. (2001), "Buying or browsing? An exploration of shopping orientations and online purchase intention", *European Journal of Marketing*, Vol. 37 No. 11, pp. 1666-84.
- [12] Brunelle, E. and Lapierre, J. (2008), "Testing media richness theory to explain consumers' intentions of buying online", *Proceedings of the 10th International Conference on Electronic Commerce*. ACM International Conference Proceedings Series, Innsbruck, Austria, 19-22 August, Vol. 342, pp. 1-6. Cavana, R.Y., Delahaye, B.L. and Sekaran, U. (2001), *Applied Business Research: Qualitative and Quantitative Methods*, Wiley, Queensland.
- [13] Chang, M.K., Cheung, W. and Lai, V.S. (2005), "Literature derived reference models for the adoption of online shopping", *Information & Management*, Vol. 42 No. 1, pp. 543-59.
- [14] Chen, Y.-H. and Barnes, S. (2007), "Initial trust and online buyer behavior", *Industrial Management Data Systems*, Vol. 107 No. 1, pp. 21-36. Dash, S.B. and Saji, K.B. (2007),
- [15] Colao, J.J. (2012) Five trends driving traditional retail towards extinction. Available at: <http://www.forbes.com/sites/jjcolao/2012/12/13/five-trends-driving-traditional-retail-towards-extinction/#361a8e0b78bc> (Accessed: 30 December 2016).
- [16] Day, G. (1969), "A two dimensional concept of brand loyalty", *Journal of Advertising Research*, Vol. 9 No. 3, pp. 29-35.
- [17] Donthu, N. and Garcia, A. (1999), "The internet shopper", *Journal of Advertising Research*, Vol. 39 No. 3, pp. 52-8. (The Economist (2012), "Ecommerce in India: sell now, pay later", *The Economist*, available at:
- [18] Egger, A. (2006), "Intangibility and perceived risk in online environments", *Journal of Marketing Management*, Vol. 22 Nos 5/6, pp. 553-72. "'Bricks-And-Mortar' Vs. 'Clicks-And-Mortar': An Equilibrium Analysis". Sciencedirect.com. N.p., 2017. Web. 27 Feb. 2017.
- [19] Enders, Albrecht and Tawfik Jelassi. "The Converging Business Models Of Internet And Bricks-And-Mortar Retailers". N.p., 2017. Print.
- [20] Flavián, C., Guinalú, M. and Torres, E. (2006) 'How bricks-and-mortar attributes affect online banking adoption', *International Journal of Bank Marketing*, 24(6), pp. 406-423. doi: 10.1108/02652320610701735.
- [21] Graham, T.F. (2014) Quote of the day. Available at: <http://www.forbes.com/forbes/welcome/?toURL=http://www.forbes.com/sites/jjcolao/2014/08/04/the-future-of-shopping-in-three-trends/&refURL=&referrer=#60cdf2cd493c> (Accessed: 30 December 2016).
- [22] Inc, em. and Reserved, A.R. (2014) Global B2C Ecommerce sales to hit \$1.5 Trillion this year driven by growth in emerging markets. Available at: <https://www.emarketer.com/Article/Global-B2C-Ecommerce-Sales-Hit-15-Trillion-This-Year-Driven-by-Growth-Emerging-Markets/1010575> (Accessed: 30 December 2016).
- [23] *International Journal of Retail & Distribution Management*, 42(5), pp.390-421. doi: 10.1108/ijrdm-03-2012-0026.
- [24] Lanka, D.S. (2016) ECommerce trends Sri Lanka | report by Kaymu.Lk. Available at: <http://www.daraz.lk/research/> (Accessed: 30 December 2016).
- [25] Publishing, E.G. (1992) *Journal of product & brand management: EmeraldInsight*. Available at: <http://www.emeraldinsight.com/1061-0421.htm> (Accessed: 30 December 2016).
- [26] Publishing, E.G. (1993) *Asia Pacific journal of marketing and logistics: EmeraldInsight*. Available at: <http://www.emeraldinsight.com/1355-5855.htm> (Accessed: 30 December 2016).
- [27] Publishing, E.G. (1996) *Journal of fashion marketing and management: An international journal: EmeraldInsight*. Available at: <http://www.emeraldinsight.com/1361-2026.htm> (Accessed: 30 December 2016).
- [28] Rajamma, R.K., Paswan, A.K. and Ganesh, G. (2007a) 'Services purchased at brick and mortar versus online stores, and shopping motivation', *Journal of Services Marketing*, 21(3), pp. 200-212. doi: 10.1108/08876040710746552.
- [29] Rajamma, R.K., Paswan, A.K. and Ganesh, G. (2007b) 'Services purchased at brick and mortar versus online stores, and shopping motivation', *Journal of Services Marketing*, 21(3), pp. 200-212. doi: 10.1108/08876040710746552.
- [30] Reimers, V., Chao, C.-W. and Gorman, S. (2016) 'Permission email marketing and its influence on online shopping', *Asia Pacific Journal of Marketing and Logistics*, 28(2), pp. 308-322. doi: 10.1108/apjml-03-2015-0037.
- [31] Rezaei, S., Amin, M. and Khairuzzaman Wan Ismail, W. (2014) 'Online repatronage intention: An empirical study among Malaysian experienced online shoppers',
- [32] Shearman, S. (2016) Back to bricks and mortar: How e-commerce has embraced the real world. Available at: <https://www.theguardian.com/media-network/2016/jul/07/bricks-and-mortar-e-commerce-retail-digital> (Accessed: 30 December 2016).



10.22214/IJRASET



45.98



IMPACT FACTOR:  
7.129



IMPACT FACTOR:  
7.429



# INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Call : 08813907089  (24\*7 Support on Whatsapp)