



ONLINE BUYING BEHAVIOUR OF INDIAN CONSUMERS WITH REFERENCE TO HYDERABAD

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ABSTRACT

DOI No: 10.36713/epra15698

Article DOI: <https://doi.org/10.36713/epra15698>

The present study examines the several aspects that influence online buying behaviour, specifically product variety, convenience, payment method factors, and psychological factors. The main objective is to identify the relation between the various variables and their influence on customer behaviour in the market space. The results of the ANOVA and correlation analyses indicate significant associations: a moderate positive correlation between product variety and online shopping, a strong positive correlation between convenience and online shopping, and notably high correlations between payment method factors and psychological factors with online shopping. These findings highlight the significance of a comprehensive method in comprehending consumer behaviour in e-commerce, emphasising the necessity for online retailers to prioritise several elements in order to improve the online buying experience.

KEYWORDS: Online Shopping Behavior, E-Commerce, Product Variety, Convenience, Payment Methods, Psychological Factors, Consumer Behavior,

INTRODUCTION

In the current digital age, India's online retail market has seen an evolutionary shift that has a significant influence on consumers' purchasing decisions. The independent variables of the study were chosen to include important aspects that affect consumers' online purchasing experiences. Product variety evaluates the range and variety of goods on e-commerce platforms, whereas convenience aspects look at methods of shipment, availability and ease of navigating. The influence of payment method selection on customer decisions is investigated, since it is a crucial component of the online transaction

process. Another important factor in online purchase is psychology of the customer, which include attitudes, beliefs, and levels of trust.

OBJECTIVES

- ✓ To examine the influence of product variety on online buying behavior.
- ✓ To interpret the effect of convenience factor on consumers online buying.
- ✓ To investigate the relationship between payment method factor and online shopping.
- ✓ To assess the importance of psychological factors on consumers online buying behaviour.

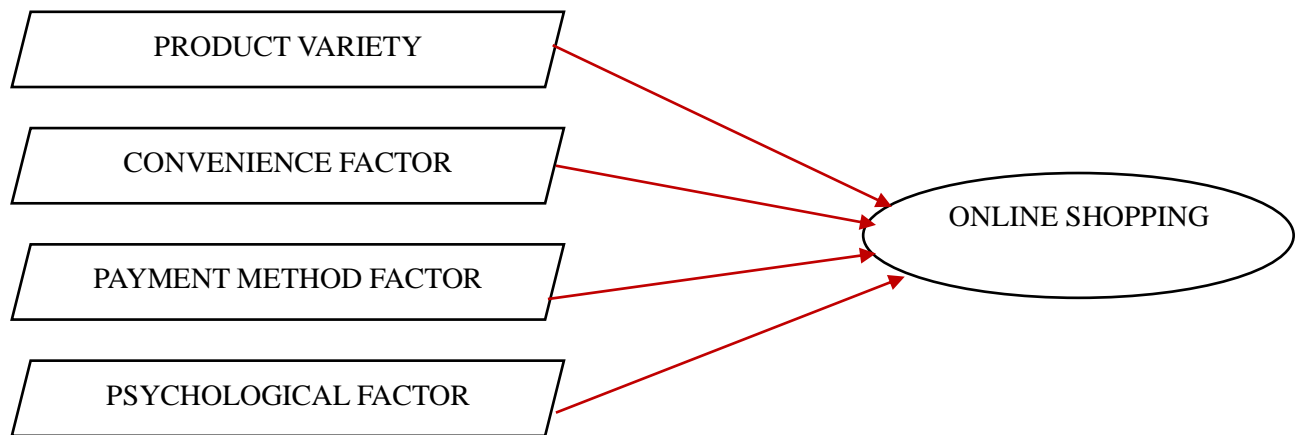


Fig-1 Conceptual Framework of the study

LITERATURE REVIEW

Product Variety

Product refers to the material good or tangible service offered for a purchase or sale. Products are developed to satisfy the needs, wants and desires of the consumers (Kotler). The buyers like to purchase almost all the products online to save the time. With the wide range of product variety, it attracts the traffic in the websites and also helps in increase of sales (Syam and Bhatnagar, 2015). Wu (2019) discovered that although product variety helps lessen impulsive choices, buying a commodity also has an impact. Park (2008) went into more detail on this, pointing out that different product segments have varied decision-making preferences, with tangible goods like consumer gadgets fostering greater identity and uniqueness consciousness. Product differences and cost have a big impact on people's decisions to buy (Haitao, 2022). The significance of website content in online shopping differs depending on the kind of product; for example, certain components are more crucial for services than for commodities, and pleasurable items are more significant than functional items (Verhagen, 2005)

H₁: Product variety factor has a positive impact on consumers' online buying behaviour.

Convenience Factor

Consumers on the web define convenience as how easily and quickly they may browse, choose, buy, and get products from online stores. Customers may browse and make purchases whenever they choose, irrespective of the time using internet shopping provided by several online shops. Jih (2007) and Duarte (2018) both discovered a substantial positive relationship between shopping intention and convenience with several important factors including control, transaction and assessment. Mpinganjira (2015) went on to highlight the impact of service accessibility on client happiness and desire to repurchase especially for consumers that prioritize usability. Shahzad (2019) also emphasized the significance of trust and convenience in influencing

consumer purchasing decisions when it comes to online shopping. These results highlight the necessity for online merchants to give convenience top priority while providing their services in order to increase client happiness and promote recurring business. Customers' intentions to purchase are greatly influenced by how convenient they believe online shopping to be, especially when it comes to mobile commerce (Jih, 2007). This convenience is facilitated by elements like time savings, information accessibility, and simplicity of use (Karim, 2013).

H₂: Convenience factor has positive impact on consumer's online buying preferences.

Payment Method factor

The term "payment" describes the transfer of currency or additional assets as part of a financial transaction or in exchange for goods or services from one party to another. There are numerous ways to make payments, and the method selected is frequently influenced by things like convenience, security and the preferences of the parties. The payment method that customers use for online purchases is influenced by a number of variables. Xiong (2020) emphasizes the significance of customer mood and proposes that marketing stimulation may be used to encourage good feelings. Dutta (2003) highlights the influence of features of the payment process, such as feedback and usability, on customer memory and impulsive buying choices. According to Mishra (2016), consumers' preferences for online payment methods can also be influenced by how products are perceived, by discounts, and by cash back incentives. Both Xiong (2020) and Nordin (2023) stress the importance of customer attitude and intention in making this choice, with Xiong highlighting the necessity of maximizing payment options and fostering pleasant feelings.

H₃: Payment Method factor has positive influence on consumers' online buying behavior with reference to Hyderabad

Psychological Factors

Psychology includes insights into motivation, cognition, emotions and relationship dynamics, which contribute to a holistic knowledge of human behavior (Deekshitha, M. A. Udaya Kumar & M.D.Pradeep,2017).The term psychological factors describe the internal forces that affect a person's motivation, perspectives, conduct, emotions, and beliefs (Ms. K. Suregka, Dr. M. Hema Nalini, 2022). According to Maslow's theory, motivation is the inner drive that propels people to act and accomplish their objectives. It influences the behavior patterns, judgmental calls, goal-oriented actions. Plato's view of perception is the process through which people interpret and make meaning of the sensory data they receive from their surroundings.A consumer's mentality influences how loyal they are to particular brands and how much faith they place in internet merchants (Mr.Ankit Katiyar, Mrs. Nikha Katiyar,2014). According to Yan (2008) and Nuradina (2022). Guo (2011) emphasizes the significance of pricing, commercial credit, and security in influencing consumers' online buying decisions even more. etinā (2012) expands on this by highlighting how online experiences affect cognitive functions and the ability to make decisions. All of these results highlight how important psychological variables are in influencing customers' online purchasing decisions. A study framework is put out by Liao (2011) to comprehend the connection between psychology and online consumer behavior.

Price, convenience, security, knowledge, enjoyment, accessibility, and tangibility/sensation are determined to be the most significant elements by Kalia (2018).

H₄: Psychological factor has a positive impact on online buying behavior of consumers

METHODOLOGY

A quantitative research method is recommended for gaining a thorough understanding of the issue. A structured questionnaire was distributed both online (via platforms such as Google Forms) and offline to a larger sample. Totally received 218 valid responses from the respondents who shop online. A five-point Likert scale (1- Strongly Disagree, 2- Disagree, 3- Neutral, 4- Agree, 5- Strongly Agree) is used to record the opinions of the consumers. Convenience sampling ensures representation across populations. ANOVA and correlation analysis was done using SPSS to understand the relationships between variables.

ANALYSIS OF RESULTS

The collected data were analysed using Cronbach alpha, Anova, correlation to test the hypothesis. The Cronbach alpha values, F values, p values were examined to assess the strength and significance of relationships between independent variables (product variety, convenience factor, payment method factor and psychological factors) and dependent variable (online shopping).

Table 1: Demographic profile of respondents

GENDER	Female	66.7%
	Male	33.3%
AGE	Under 18 years	14.6%
	18-27 years	70.3%
	28-37 years	8.7%
	38-47 years	5%
	Above 47 years	1.4%
OCCUPATION	Student	66.2%
	Employed full time	20.1%
	Employed part time	5%
	Home maker	6.8%
INCOME LEVEL	Retired	1.8%
	Below 10,000	58%
	10,000 to 25,000	17.8%
	26,000 to 35,000	11%
	36,000 to 45,000	5%
GEOGRAPHICAL LOCATION	Above 45,000	8.2%
	Urban	56.2%
	Sub Urban	17.8%
	Rural	26%

The above table gives the information of demographic profile of respondents, in which 66.7%are females and 33.3% are males, in terms of age 14.6% are under 18 years, 70.3% are in the age group of 18to27years, 8.7% are 28to37 years, 5% are of 38to47 years, 1.4% are above 47 years, in terms of

occupation 66.2% are students, 20.1% are employed full time,5% are employed part time, 6.8% are home makers, 1.8% are retired, in terms of income level 58% are having income below 10,000, 17.8% are having income from 10,000 to 25,000, 11% are having income between 26,000 to 35,000, 5% are

having income between 36,000 to 45,000, 8.2% are earning above 45,000, in the terms of geographical

location 56.2% are from urban areas, 17.8% are from sub urban areas, 26% are from rural areas.

Table 2: Hypothesis testing using Cronbach Alpha

Variables	Numbers of Items	Cronbach Alpha
Product Variety	3	.773
Convenience Factor	4	.826
Payment Method Factor	4	.780
Psychological Factor	4	.775
Online shopping	3	.805

INTERPRETATION

The Cronbach Alpha coefficients for the examined variables demonstrate good to acceptable levels of internal consistency. Specifically, the scales measuring Product Variety, Convenience Factor, Payment Method Factor, Psychological Factor, and Online Shopping exhibit Cronbach Alpha values of 0.773, 0.826, 0.780, 0.775, and 0.805, respectively.

Based on these findings, it has been concluded that each variable's sets of items accurately measure the corresponding components. In this case, all coefficients are higher than the standard criterion of 0.7, showing acceptable internal consistency. The higher the Cronbach Alpha, the more reliable the scale.

Table 3: Hypothesis testing using Anova

ANOVA		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
H ₁ : Product Variety → Online Shopping	Between Groups	382.095	10	38.209	9.187	.000
	Within Groups	860.919	207	4.159		
	Total	1243.014	217			
H ₂ : Convenience Factor → Online Shopping	Between Groups	466.414	14	33.315	8.708	.000
	Within Groups	776.600	203	3.826		
	Total	1243.014	217			
H ₃ : Payment Method Factor → Online Shopping	Between Groups	876.874	15	58.458	32.252	.000
	Within Groups	366.140	202	1.813		
	Total	1243.014	217			
H ₄ : Psychological Factor → Online Shopping	Between Groups	719.969	14	51.426		
	Within Groups	523.045	203	2.577	19.595	.000
	Total	1243.014	217			

INTERPRETATION

H₁: Product Variety → Online Shopping

The ANOVA analysis reveals a highly significant impact ($F = 9.187$, $p < .000$) of product variety on online shopping. These findings indicate that variations in product variety have a substantial impact on the purchasing behaviour of online consumers.

H₂: Convenience Factor → Online Shopping

The results indicate a substantial impact ($F = 8.708$, $p < .000$) of the convenience factor on online shopping.

This suggests that convenience factor has a major impact on online shopping behaviour.

H₃: Payment Method Factor → Online Shopping

The payment method factors had a substantial impact ($F = 32.252$, $p < .000$) on online shopping. These findings suggest that the range and reliability of payment options play a vital role in influencing online purchase behaviour.

H4: Psychological Factor → Online Shopping

The findings indicate a substantial impact ($F=19.595$, $p < .000$) of psychological variables on the practice of internet buying. This underscores the significance of psychological factors, including trust, perceived risk, and personal attitudes, in shaping decisions related to online purchase.

Discussion**H1: Product Variety → Online Shopping**

The analysis unequivocally demonstrates that product variety plays a substantial impact in shaping online shopping behaviour ($F = 9.187$, $p < .000$). This discovery supports the idea that having a wide variety of products can improve the overall buying experience, therefore enticing a larger number of consumers to engage in online shopping. It implies that online merchants who provide a broad range of products are more likely to attract consumers with varied requirements and tastes. The presence of many options not only appeals to a wider range of customers but also increases the probability of repeat purchases.

H2: Convenience Factor → Online Shopping

The substantial influence of the convenience factor ($F= 8.708$, $p < .000$) corresponds to the increasing focus on enhancing the user experience in online buying. In this context, convenience may include different elements, such as straightforward

navigation, user-friendly interfaces, and effective customer service. It has been concluded that online retailers who simplify the shopping procedure, making it more convenient and efficient, are probable to experience more customer traffic to the store. This is particularly significant in a time period where customers highly prioritise time efficiency.

H3: Payment Method Factor → Online Shopping

The significant influence of payment method components ($F= 32.252$, $p < .000$) emphasise the significance of the transactional element of online shopping. Ensuring a wide range of payment methods that are dependable is very important. The feature of online buying encompasses not only the convenience of transactions, but also the security and adaptability it provides. Amidst the prevalence of data security and financial fraud issues in the digital era, offering secure, diverse, and convenient payment choices can greatly enhance the online shopping experience and positively impact buying behaviour.

H4: Psychological Factor → Online Shopping

The substantial impact of psychological elements ($F= 19.595$, $p < .000$) on online shopping highlights the intricate nature of customer behaviour in the market space. Trust in the online store, perceived danger of online transactions, and personal attitudes towards online purchasing are crucial factors that significantly influence consumer decisions.

Table 4: Hypothesis testing using Correlation

	Product Variety	Convenience Factor	Payment Method Factor	Psychological Factors	Online Shopping
Product Variety	1				
Convenience Factor	.680**	1			
Payment Method Factor	.453**	.524**	1		
Psychological Factors	.423**	.611**	.677**	1	
Online Shopping	.451**	.501**	.832**	.733**	1

** . Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION

Product Variety: There is a moderate positive association ($r = .451**$) between the variety of products and online shopping. This suggests that when the range of products expands, there is a propensity for online buying behaviour to also rise.

Convenience Factor: Convenience and internet buying have a significant positive connection ($r = .501**$). In addition, there is a high positive correlation between convenience and both product variety ($r = .680**$) and psychological factors ($r =$

$.611**$). This implies that the convenience of online shopping has a substantial impact on customer behaviour and is associated with both the variety of products offered and the psychological well-being of the consumer.

Payment Method Factors: The most significant association discovered is between payment method factors and online shopping ($r = .832**$), suggesting that the convenience, safety, and variety of payment options are vital in influencing decisions related to online shopping.

Psychological Factors: These factors have strong connections with all other variables, with the strongest association observed with internet shopping ($r = .733^{**}$). Psychological factors, including trust, perceived risk, and personal attitudes towards online purchasing, play a crucial role in shaping customers' shopping behaviours.

DISCUSSION

H₁: Product Variety and Online Shopping

The significant positive connection ($r = .451^{**}$) between product variety and online purchasing behaviour highlights the need of offering a wide choice of products to attract and keep online shoppers. The correlation implies that when online shops broaden their range of products, they are expected to observe a proportional rise in user involvement and buying. This discovery aligns with the consumer need for diversity and options in online retail platforms, emphasising the importance for retailers to consistently expand their product selections to accommodate a broad spectrum of consumer tastes and requirements.

H₂: Convenience Factor and Its Broad Impact on online shopping

The significant positive connection ($r = .451^{**}$) between product variety and online purchasing behaviour highlights the need of offering a wide choice of products to attract and keep online shoppers. The correlation implies that when online shops broaden their range of products, they are expected to observe a proportional rise in user involvement and buying. This discovery aligns with the consumer need for diversity and options in online retail platforms, emphasising the importance for retailers to consistently expand their product selections to accommodate a broad spectrum of consumer tastes and requirements.

H₃: Payment Method Factors as a Key Determinant

The remarkably high association between payment method variables and online shopping ($r = .832^{**}$) is particularly notable. These findings suggest that the convenience, security, and range of payment alternatives are key determinants in shaping online shopping choices. Online merchants must provide a variety of safe and user-friendly payment methods to accommodate different consumer preferences and improve the overall reliability of the online purchasing experience.

H₄: Psychological Factors as Central to Online Shopping

The significant correlations between psychological elements and all other variables, particularly online buying ($r = .733^{**}$), emphasise the pivotal significance of psychological aspects in e-commerce. Trust in the online store, perceived security, and

personal attitudes towards online purchasing are crucial factors that influence consumers' shopping behaviours. This discovery indicates that in addition to the practical features of online shopping platforms, emotional and psychological factors have a notable impact. Developing trust, guaranteeing privacy and security, and comprehending the psychological motivations behind consumer behaviour are crucial tactics for e-commerce businesses seeking to cultivate a devoted customer base.

CONCLUSION

The research emphasises the complex and diverse nature of online shopping behaviour. The study emphasises the significant impact of product variety, convenience, payment methods, and psychological variables on consumer behaviour in the online market. These insights offer valuable guidance for online retailers to enhance their platforms and strategies in order to effectively cater to the demands and expectations of their customers. The study also uncovers the intricate interaction between product variety, convenience, payment methods, and psychological aspects in influencing online purchasing behaviour. Every component plays a key role in shaping the whole shopping experience and has a direct impact on consumer decisions in the market space.

LIMITATIONS

The study's sample is constrained to a particular demographic, geographic location, or user group exclusively consumers in Hyderabad city. As a result, the findings may lack generalizability to other populations. This constraint hinders the capacity to generalise the findings to diverse settings or wider demographics. The study may not have considered or regulated for potential external variables that could impact online buying behaviour, such as economic circumstances, promotional initiatives, or shifts in customer preferences. The online retail landscape is undergoing rapid transformation, characterised by continuous advancements in technology, shifts in customer tastes and fluctuations in market conditions.

SCOPE FOR FUTURE RESEARCH

Subsequent investigations have the potential to broaden the geographical range beyond the confines of Hyderabad city, encompassing a more varied and extended populace. Examining if the revealed trends are consistent in various cultural, economic, and regional settings might enhance our understanding. Online shopping platforms and customer behaviours undergo simultaneous evolution with advancements in technology. Potential research endeavours may investigate the influence of nascent technologies such as augmented reality, virtual reality, and artificial intelligence on the realm of online purchasing. Considering the importance of psychological elements, additional investigation should focus more

extensively on particular facets such as trust, privacy apprehensions, compulsive online purchasing, and the influence of social media on consumer conduct. An analysis of online and offline buying behaviours, as well as a comparison of different online platforms such as major marketplaces and specialised online stores, can yield significant insights on consumer preferences and decision-making processes.

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