A STUDY ON ABANDONMENT OF SHOPPING CART BY CUSTOMERS WITH REFERENCE TO AMAZON

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ABSTRACT

Shopping cart abandonment is a critical issue for online retailers, but understanding thereasons behind this behaviour from a customer's perspective is equally important. This project aims to conduct a qualitative study using interviews and surveys to explore the factors that influence customers to abandon their shopping carts. It will also evaluate the effectiveness of different design and usability strategies to reduce cart abandonment rate. The study will focus on understanding the emotional and cognitive processes that lead to cart abandonment and identifying the specific pain points in the online shopping experience. The findings of this study will help retailers to develop more customer-centric strategies and improve their online shopping experience, thereby reducing cart abandonment rates and increasing customer loyalty.

KEY WORDS: *cart abandonment, customer perspective, Amazon, customer loyalty*

I.INTRODUCTION

A high cart abandonment rate can be caused by a number of different things, but it ultimately points to a bad user experience, a skewed sales funnel, and a convoluted checkout process. Therefore, simply improving your user experience and plugging holes in your sales funnel could drastically lower your cart abandonment rate and increase sales and income for your e-Commerce store.

For online companies, shopping cart abandonment poses a serious problem because it results in lost sales and potential clients. While businesses may concentrate on enhancing the technical parts of their online shopping experience, it is equally crucial to comprehend the causes of cart abandonment from the viewpoint of the client. There are several variables that can affect a customer's decision to leave their shopping basket, including the the mental and emotional processes that go into an internet shopping experience. Thus, in order to create efficient ways to lower cart abandonment rates, it is essential to comprehend the customer's perspective and pinpoint any pain points in the online buying experience.

Additionally, the problem extends beyond simply increasing value by attracting customers and persuading them to add items to their "shopping cart" to making sure they don't depart empty-handed. The problem, also known as shopping cart abandonment, worries online companies a lot. According to research, *(Pappas 2016)* the ratio of abandonment to purchase in full is almost 1:4. As a result of around 71% of these lost sales opportunities *(Cho, 2004)*, online retailers are continually utilising cutting-edge technologies to attempt and find a solution. In fact, many businesses are focused on providing services to lower sales revenue loss by providing technology solutions for the same. However, these are reactionary approaches that neglect to identify the potential cause.

Customers quit their shopping carts for a variety of reasons, such as unanticipated costs, a difficult checkout procedure, technological difficulties, comparative shopping, a lack of trust, and hesitation. Online merchants can take measures to lower cart abandonment rates by providing free delivery, streamlining the checkout process, clearly outlining their return and exchange policies, and fostering customer trust through social proof and reviews. Online merchants may boost sales and revenue and enhance the general shopping experience for their customers by lowering cart abandonment rates.

II. REVIEW OF LITERATURE

L.L.Yusuf, D.Tamara, N.J.Setiadi (2021) this paper investigates the determinants of shopping cart abandonment. Perceived cost, complicated checkout, entertainment motivation, emotional ambivalence, information overload of the product are considered as those determinants of shopping cart abandonment. Quantitative study was undertaken for this study. And path analysis was taken in structural equation modelling. This results that customers didn't observe future variables as determinant factor for the shopping cart abandonment, but took only entertainment motivation and put all products in the cart that they wishes to purchase.

AP Kapoor, Madhu V (2021) states that this cart abandonment was experiencing by the online retailers from the advent of online shopping. By the upcoming trends this card abandonment was getting severe compared to early times. This cart abandonment become very familiar but that checkout abandonment is still not much familiar. This study not only investigates cart abandonment but also checkout abandonment. The findings of this research shows that cart abandonment is a result of many variables from cross cannel price variation, offers, ratings, reviews, designs etc., whereas checkout abandonments is a result of shipping policy and account weakness.

D Jiang, Guangling Zhang, Lu Wang (2021) states about the development of e-commerce results in online platforms increasing the online shopping cart capacity. Wide range of products is included in online shopping cart even without buying, but not leaving the cart empty. These results the products stuck in shopping carts, this is called behaviour of shopping cart abandonment. This results that online shopping cart abandonment occurs in shopping carts in major platforms, forgetting the cart page is the reason that has led to shopping cart abandonment.

LG Benson, TTR Ndoro (2022) this research investigates the factors that impact on the consumers online shopping cart abandonment in South Africa. Perceived security risk, perceivedcost, organisation and research are the factors which impact the consumers in online shopping car abandonment. Quantitative research design was adopted in this study for that data were collected form. The result shows that the perceived security risk, perceived cost, organisation, research have a significant impact on the shopping cart abandonment. The finding of this study brings business insights to the customers and motivate of cart abandonment.

TM Rausch, ND Derra, L Wolf (2022) states that this online shopping cart abandonment rates forms a biggest challenge for e-commerce companies can reduce their success with their competitors. At the same time the booming of internet`s commercial usage resulted in rapid growth of data about consumer`s behaviour. The finding of this paper indicates the incline with regular outperforms the remaining models that provide score. But incline boosting leads to compute infeasible a decision or regression may be suitable alternative in balancing the trade-off between model and prediction.

R. Gul, MR Arshad, S Batool (2023) this study investigates the factors influence the shopping cart abandonment specifically in culture of Pakistan. This online shopping cart abandonment is basically not implemented based on consumer purchasing decision.. This paper examines the framework and results the managers of Pakistani industry that they may be able to reduce the online shopping cart abandonment behaviour among the customers and make betterment in reducing such online shopping cart abandonment to improve the Pakistani economy by increasing the sales and profits of the industries.

S. Wang, JH Cheah, XJ Lim (2023) this paper states that the COVID-19 pandemic has created the online shopping in forefront of retail purchasing. This research concentrate on the problem of shopping cart abandonment is still e-retailer`s issues. This research examined the online shopping cart abandonment theory, context and methods to provide comprehensive review of current stage of research and constructive future research agenda. This result shows that most research was found by stimulus-organism-response model and the buyer behaviour.

III.RESEARCH METHODOLOGY
3.1 OBJECTIVES
- ✓ To study the factors that lead to abandonment of shopping cart.
- ✓ The study the impact of various factors on shopping cart abandonment

3.2 HYPOTHESES
H1: There is a significant association between the Gender and Shopping cart abandonment.
H2:There is a significant association between the Income and Shopping cart abandonment.
H3 : There is a significant relationship between abandonment ofshopping cart and lack of trust, high shipping cost, technical issues, lack of payment options

3.3 RESEARCH DESIGN

Design	Descriptive Research Design
Type of data	Primary
Sample size	267
Data Analysis Tools	Chi square test, Correlation and regression analysis

IV.DATA ANALYSIS
CHI SQUARE ANALYSIS
1. Hypothesis: There is a significant association between the Gender and Shopping cart abandonment.

Case Processing Summary

	Cases					
	Valid		**Missing**		**Total**	
	N	**Percent**	**N**	**Percent**	**N**	**Percent**
Abandonment Of Cart * Gender of the respondent	265	97.6%	2	2.4%	267	100.0%

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	78.392[a]	4	.000
Likelihood Ratio	90.923	4	.000
Linear-by-Linear Association	51.602	1	.000
N of Valid Cases	265		

INTERPRETATION

Here the calculated value is lesser than the 0.05 that is 0.000 < 0.05 so the H_0 is rejected and the alternate hypothesis H_1 is accepted there is significant relationship between the Gender and Shopping cart abandonment.

2. Hypothesis : There is a significant association between the Income andShopping cart abandonment.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Abandonment Of cart * Income of the respondent	265	97.6%	2	2.4%	267	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.284E2[a]	8	.000
Likelihood Ratio	118.219	8	.000
Linear-by-Linear Association	58.662	1	.000
N of Valid Cases	265		

INTERPRETATION

Here the calculated value is lesser than the 0.05 that is; 0.000 < 0.05.

So the H_0 is rejected and the alternate hypothesis H_1 is accepted there is significantrelationship between the Income and Shopping cart abandonment.

REGRESSION ANALYSIS

Hypothesis : There is a significant relationship between abandonment ofshopping cart and lack of trust, high shipping cost, technical issues, lack of payment options

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	106.554	265	26.638	184.633	.000[a]
	Residual	11.254	2	.144		
	Total	117.807	267			

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	.582	.113		5.156	.000
	Lack of trust	.162	.125	.179	1.300	.197
	Technical issues	.365	.136	.415	2.684	.009
	Lack of payment option	.345	.096	.396	3.587	.001
	High shipping cost	-.016	.139	-.019	-.115	.908

INTERPRETATION
Based on regression analysis of the variables, lack of payment option and technical issues were found to be the main reasons behind shopping cart abandonment

V.CONCLUSION
Several variables, a lack of payment choices, and technical difficulties during the checkout process, were identified as contributing to shopping cart abandonment based on the analysis of the survey data. Another important aspect that contributed to cart abandonment was the lack of trust in the website or vendor.

Online shops should think about addressing these problems to lower cart abandonment rates by providing free or discounted delivery, giving a variety of payment choices, assuring a quick and easy checkout procedure, and fostering customer trust through security measures and open communication. Retailers should also follow up with abandoned cart consumers via emails, offering incentives like discounts or free shipping to attract them to complete their purchase.

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