

A CHINA-BASED EXPLORATORY STUDY ON THE IMPORTANT FACTORS AFFECTING CONSUMERS' CHOICES BETWEEN ONLINE AND NON-ONLINE SHOPPING

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ABSTRACT

Technology has changed the retail business; the majority of people now choose to purchase online instead of at traditional brick and mortar stores. In order to maximise their profits, several retail behemoths combined the two techniques throughout the preceding decade, which witnessed the rise of this trend. The aim of this research is to compare and contrast traditional in-store shopping with internet shopping, as well as customer opinions about these two different purchasing behaviours. This research addresses the phenomena that shows that males tend to shop online more often than they do in brick-and-mortar businesses. Malls connected to real shopping are given more preference when it comes to payment security. The majority of consumers still prefer to make purchases in physical shops because they can trust the sellers and visually inspect the items, even if people's shopping patterns are progressively moving to incorporate more online transactions.

Keywords: Online shopping, Offline shopping, Consumer satisfaction, Consumer choice, Consumer behaviour.

1 INTRODUCTION

Over the last year, the number of Chinese internet users who have made an online purchase has increased by 53 million, from 516 million to 569 million. E-commerce, also known as the network of online stores, that facilitates the buying and selling of goods and the provision of services via the Internet, is the most recent distribution mechanism for consumer goods and services. using online (Internet) and offline (traditional) means. One kind of e-commerce is "e-tailing," also called as "virtual storefront" or "online catalog shops." Those who spend more time online shopping are more likely to make purchases from those firms, and this trend increases with the size of the sample in a previous survey. The search results page is an important aspect of the online shopping experience since it provides access to many products. Additionally, considerations including ease of use, quality of service, and price may all play a role in shaping consumers' channel choices. In most cases, people are more likely to trust their own judgement or the judgement of those they know to be acquainted with the goods. Internet shoppers have the distinct advantage of being able to quickly and easily compare pricing and choices across several sellers, and their experiences are often freely discussed and shared amongst others. An earlier survey found that there are five distinct sorts of online shoppers: those motivated by convenience, those who are demanding, those who are accommodating, those who are apathetic, and those who are technology oriented. Online shopping is losing popularity as a result of its major feature and advantage, convenience, as people choose more easily accessible and faster transit options. Respondents agreed that it would be a nice method to get some exercise and fresh air. Prior research on consumer purchasing patterns often made broad assumptions about the population as a whole, including individuals of different ages and ethnicities. A survey of Chinese customers across the age range was conducted for this research (Xiong et al., 2018).

A shopper's primary goal is to find the goods and services they need when they hit the stores.

Transactions involving the buying and selling of goods and services. These days, consumers have the option of using either an online or physical store to make their purchases. These channels of distribution include, for instance, both online and offline stores (Lee et al., 2020). Online shopping has quickly become one of the most common ways to acquire products and services. Purchasing goods and services via the internet is commonly referred to as "online shopping." Historically, buying and selling military equipment and supplies has always occurred in person. Every consumer has the freedom to choose their preferred method of making purchases. Even though many people today prefer to do their shopping online, there are still many who have reservations about online stores and would rather hit the town instead. The purpose of this study is to learn if and how much shoppers understand the nuances between in-store and online purchases, as well as what factors lead to shoppers making these decisions (Suthamathi, 2020).

Internet marketing emphasises direct vendor-client connection with 24-hour assistance. Online business marketing is growing the quickest. One of the biggest distinctions between online and offline purchases is buyer-seller communication. Emails and FAQs are the most common ways consumers communicate online (FAQs). FAQs resolve consumer questions about shipping, payments, goods, policies, and other topics fast. Technology, knowledge, and online contact are increasing Internet use, and this trend is projected to continue. Web-based information, shopping, and services are evident. Internet technology makes shopping faster. In offline shopping, clients save time and money by not completing physical research. Instead of visiting various locations and reading newspaper circular pamphlets, a customer may use the Internet to find and acquire the necessary information. Since the Internet's birth, they've advanced technologically. Internet users may now research, communicate, and bank online. The Internet is displacing previous communication and trade methods because of this. New technology needed to safeguard e-commerce & online banking as more families utilise the Internet. Despite the Internet's tremendous expansion, not all customers buy online. Despite numerous companies going online, some customers are still hesitant. Many avoid exposing critical personal information online due to security concerns. Visitors who don't buy are different from buyers (Shanthi, 2015).

2 PROBLEM STATEMENT

"Because of the convenience and accessibility of digital technology in this age of the fourth industrial revolution, "customers have shifted their buying patterns, shifting from traditional transactions to mobile or online purchases".

The success of every business, online or offline, can be directly attributed to the company's investment in learning about and analysing consumer behaviour. The market is directed by consumers. The client is at the centre of everything that a company does. Online shopping is a relatively new phenomena in India, but it has grown rapidly in recent years thanks to improved internet infrastructure, presenting consumers with an overwhelming number of options.

The Internet advertises products via several means. Customers now have the freedom to choose between online and brick-and-mortar stores because of the healthy competition between them. Major differences exist between the two channels of commerce in terms of the methods in which consumers get product knowledge, their level of risk tolerance, and their

ability to obtain similar things that suit their preferences (Sarkar, 2017).

3. BACKGROUND OF THE STUDY

Happy consumers are more inclined to buy with a certain company again, according to a study of online purchasing behaviour. One cultural theory and another consumer lifestyle theory have been applied to the study of online shopping habits. People tend to engage in cyclical patterns of behaviour, both online and off, since they fill their spare time with the same activities. Social networking sites like Facebook & Twitter are the modern-day equivalents of watering holes, giving rise to new forms of entertainment. Digital native businesses like Filmotech are intruding on territory that should belong to traditional media conglomerates like studios and distributors. In addition, new actors have emerged in the movie-going industry as ticket vendors or proponents of the digitalization of traditional pastimes like movie-watching through internet streaming. Claims that organisations involved in "communication and cultural institutions," which includes movies, are influential cause a decline in a website's number of followers (Diaz et al., 2017).

The original goal of the Protected motivation theory (PMT) was to explain why people respond when they face danger or when they engage in dangerous behaviour (Moon, 2021). According to the PMT, if they exhibit favourable reactions to certain stimuli, their protective drive might help them prevail. The motivation behind acting out of a need to keep oneself safe is known as the "protection motive." When someone gets a message which threatens their own safety or well-being, their behaviour changes. Consequently, the individual may be able to better protect themselves by changing their behaviour. The PMT determines how much of a threat something is based on how serious it is thought to be, hence the PMT's threat assessment might vary depending on the specifics of the situation. Considerable weight must be given to a person's perception of their vulnerability when assessing a danger. The perceived gravity of the consequences determines how dangerous a threat is perceived to be. The PMT hypothesises that someone form a protective motivation, which in turn generate a positive attitude toward a proposed action and, eventually, its completion. In this study, the authors attempt to quantify the degree of psychological threat posed by the COVID-19 pandemic. The vulnerability caused by the dread of catching the COVID-19 virus is obvious (Hong et al., 2019).

Therefore, a consumer is more likely to truly feel threatened when they sense their own fragility and the seriousness of the issue. Consumers who are more cautious about venturing out of the house, even for activities like shopping, may find themselves making less purchases from online merchants as a consequence. An individual's perception of their own reactivity's efficacy and self-efficacy is fundamental to PMT's coping evaluation. An accurate self-evaluation of coping capacity is the belief that one can remain safe in potentially hazardous situations. Self-efficacy and response efficacy are the two halves of coping appraisal. A person's responding effectiveness is measured by how certain they are that following advice would mitigate risk. The term "self-efficacy" describes a person's confidence in his or her ability to carry out the recommended action successfully. Those with a strong sense of self-efficacy and response efficacy are better equipped to protect themselves. Because the person's preventative measure works to lessen the threat (high response effectiveness), the person shop at brick-and-mortar stores more often (high self-efficacy). To sum up, the PMT demonstrates that shoppers who have a high cognitive ability of threat assessment are less likely to take preventative actions, such as seeking out the offline retail channel. Consumers with high levels

of self-efficacy and response efficacy are more likely to choose offline retail channels during an epidemic, such as sanitizers, masks, and staying indoors (Moon, 2021).

4. LITERATURE REVIEW

Researchers combed through research that compared and contrasted customers' interactions with businesses both online and off. The study explains in plain terms the single most crucial consideration for consumers before making any sort of purchase decision in the digital realm. After that, they look into the gaps in knowledge between retail conversion theory and customer behaviour theory by analysing how people make decisions about what to purchase online and why. The study analysed the impact of quality, value, customer happiness, and loyalty on consumers' propensity to make transactions via the internet (Chopra et al., 2021).

While many shoppers spent many hours window shopping before making a purchase, others preferred to bargain for a lower price and check the items in person before making a commitment. It might take anything ranging from a few hours to many weeks to complete the process from start to finish, depending on the products, quality, quantity, and place of purchase. E-commerce refers to the buying and selling of goods and services conducted entirely online. E-commerce may be used as a means to make it in the current market. Coverage extends from conceptualization and promotion through distribution and maintenance of the final product. More and more consumers are making purchases online. If it is properly used, with the security of the transactions guaranteed, it thrive in a dynamic and competitive environment (Nanda Kumar et al., 2014). Many residents of Salem have a deep understanding of modern technologies, as well as the city is dotted with successful enterprises. The rising share of the population in their twenties and thirties means that more organisations, including corporations, hospitals, and universities, begin to rely on online purchasing strategies (Suthamathi, 2020).

Online shopping has changed consumers' lives significantly while being just a few decades old. Customers are now more knowledgeable and efficient than ever before because of the proliferation of internet buying, and businesses have had to change to accommodate them. This survey suggests that businesses should investigate the online market more. People's attitudes about online buying are positive regardless of whether they choose to shop in physical or virtual stores, a recent survey found. Most of these buyers are young adults under the age of twenty-four. Therefore, they prefer to shop in traditional stores and malls where they can interact with other people while doing so, such as meeting new people and catching up with old ones (Daunt et al., 2017). It would seem that these shoppers are more well-informed than average, since they do their research online before making a store visit. The explosive growth of online shopping has revolutionised the retail sector throughout the globe. Now more than ever, the Internet has made it feasible for businesses to operate with more efficiency and at lower costs. Access to the internet, rising earnings, and a more educated population have all helped people to triumph over formerly insurmountable challenges. Benefits from online buying may be better perceived if consumers were more comfortable making purchases online, using electronic storefronts, returning items, and taking advantage of attractive discounts. Gender, age, and level of education all play significant roles when describing Chinese online consumer population (Kaur, 2018).

5. METHODOLOGY

DATA COLLECTION

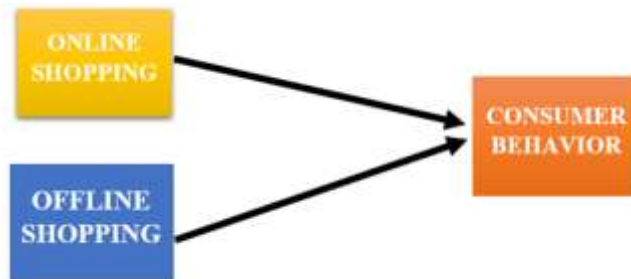
The study also included survey-based quantitative research. A questionnaire was used to gather information for the investigation. Rao-soft software suggested a sample size of 1500, so 1600 questionnaires were distributed; 1563 were returned, but 63 were judged inadequate for analysis. A number of 1500 responses (855 from women & 645 from men) were included in the research. The statistical programme used for the study was SPSS 25.0, which is widely used in the social sciences.

STUDY AREA

The research took place all around China, including in public spaces, marketplaces, companies, schools, and institutions. The research locations were selected to maximise the number of people who could be polled about their purchasing habits.

To get a feel for the breadth and depth of a group of people's thoughts and feelings, surveys and questionnaires often use a rating scheme based on the Likert scale. Respondents are typically offered a choice between five possible answers, such as "strongly agree," "agree," "did not react," "disagree," and "strongly disagree," in response to a question or statement. Establishing values for each response category is necessary if the study uses numerical coding, such as 5 for "strongly agree," 4 for "agree," and so on. Likert scale questions, like seen above, may provide information on consumers' preferences both for online and brick-and-mortar shopping. The first section of the survey consisted of "control" questions designed to ascertain basic information about the respondent, such as their age, gender, and experience with online vs in-store shopping.

6. THEORETICAL FRAMEWORK



7. RESULTS

Nearly 1600 surveys were sent out to the responders. Received 1,563 (or 97.69%) complete sets of questionnaires and analysed 1,500 of them with the help of SPSS version 25.0.

7.1 FACTOR ANALYSIS

Factor analysis is often used to verify the latent component analysis refers to a set of measurement items (FA). Latent (or unseen) factors are assumed to be the source of the scores

on the visible (or measured) variables. Modeling is at the heart of accuracy analysis (FA). This field of study is concerned with the modelling of relationships among seen events, unknown causes, and imprecision.

The Kaiser-Meyer-Olkin (KMO) Test may be used to determine whether the data is suitable for factor analysis. Model variables and the whole system are tested to ensure sufficient sampling. The statistics calculate the likely overlap between several different factors. Factor analysis works best with data when the fraction of missing values is low.

KMO gives back numbers between 0 & 1. If the KMO value is between 0.8 and 1, then the sampling is considered to be sufficient.

If the KMO is less than 0.6, then the sampling is insufficient and corrective action is required. Some writers use a number of 0.5 for this, thus between 0.5 and 0.6, you'll have to apply your best judgement.

- KMO Near 0 indicates that the total of correlations is small relative to the size of the partial correlations. To rephrase, extensive correlations pose a serious challenge to component analysis.

Kaiser's cutoffs for acceptability are as follows:

Kaiser's cutoffs for acceptability are as follows:

A dismal 0.050 to 0.059.

- 0.60 - 0.69 below-average

Typical range for a middle grade: 0.70–0.79.

Having a quality point value between 0.80 and 0.89.

The range from 0.90 to 1.00 is really stunning.

Table 1. KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.918
Bartlett's Test of Sphericity	Approx. Chi-Square	7212.127
	df	190
	Sig.	.000

Assertions may be trusted for a sample in this way, as seen below. Bartlett's Test for Sphericity was carried out to further confirm the significance of a correlation matrix as a whole. This sample has a 0.918 Kaiser-Meyer-Olkin (KMoL) Adequacy Value. Bartlett's test for sphericity had a significance level of 0.00. The correlation matrix failed Bartlett's sphericity test, indicating that it is not an identity matrix.

7.2 TEST FOR HYPOTHESIS

CONSUMER SATISFACTION WITH ONLINE SHOPPING

Online shopping, the newest E-commerce innovation, change how consumers purchase items worldwide. These companies sell goods and services online. Young folks are buying more online every day. Internet shopping is seen differently by younger generations as a cutting-edge innovation that saves time and makes things more accessible, variety, and interesting. Online shopping was framed as bad for customers, low-quality, and untrustworthy. Things are improving, and young people are returning to the neighbourhood. As online and mobile device usage rises, organisations can only contact clients online. Online shopping is a craze because

young people spend minutes looking for the cheapest cost and ordering instead of hours browsing. Commercial employ "customer loyalty" regularly. This statistic assesses whether items and services exceed or meet expectations. Satisfied customer is "the quantity or percentage of consumers whose assessed experience with a business exceeds the group's product or service objectives." Senior marketing managers consider client loyalty matrices essential for corporate management. In today's fast-paced market, loyal clients are crucial (Fan et al., 2018). Businesses require mechanisms to handle loyal consumers. Coimbatore firms need accurate customer satisfaction statistics to achieve so.

H03: There is no significant relationship between consumer satisfaction with online shopping and consumer behaviour.

H3: There is a significant relationship between consumer satisfaction with online shopping and consumer behaviour.

As per the hypothesis formulation H03 is null hypothesis and H3 is the alternative hypothesis.

Test for consumer satisfaction with online shopping

Table 2. Consumer satisfaction with online shopping test

Descriptives								
Sum								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1.00	120	20.0000	.00000	.00000	20.0000	20.0000	20.00	20.00
1.25	15	23.0000	.	.	.	.	23.00	23.00
2.00	135	42.0000	4.09268	1.36423	38.8541	45.1459	39.00	50.00
2.50	30	62.5000	4.94975	3.50000	18.0283	106.9717	59.00	66.00
3.25	15	70.0000	.	.	.	.	70.00	70.00
3.75	15	77.0000	.	.	.	.	77.00	77.00
4.00	285	81.2632	1.09758	.25180	80.7341	81.7922	79.00	85.00
4.25	30	86.0000	.00000	.00000	86.0000	86.0000	86.00	86.00
4.50	45	89.6667	1.52753	.88192	85.8721	93.4612	88.00	91.00
4.75	30	94.5000	.70711	.50000	88.1469	100.8531	94.00	95.00
5.00	780	99.2885	.97692	.13547	99.0165	99.5604	96.00	100.00
Total	1500	81.7000	25.79269	2.57927	76.5822	86.8178	20.00	100.00

For dependent variable (consumer satisfaction with online shopping), the descriptive output gives the sample size, mean, standard deviation, minimum, maximum, standard error, and confidence interval for each level of the (quasi) independent variable. In this study, respondents who responded for better quality of goods and consumer behaviour, and their mean was 81.7000, with a standard deviation of 25.79269.

Table 3. H₃ ANOVA test

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	65626.976	487	6562.698	2495.813	.000
Within Groups	234.024	1012	2.629		
Total	65861.000	1499			

In this study, the result is significant. The value of F is 2495.813, which reaches significance with a p-value of .000 (which is less than the .05 alpha level). This means the “H3: There is a significant relationship between consumer satisfaction with online shopping and consumer behaviour” is accepted and the null hypothesis is rejected.

8. CONCLUSION

Online buying dominates. Online buying is rising across all demographics. Since more credible companies sell more products online, customers can easily locate and buy what they want. Online customers get higher savings owing to the Internet's effectiveness. Due to its convenience and affordability, online buying is growing. 31-40-year-olds buy it offline every three months. Online and brick-and-mortar businesses are emphasising in-store customer experience & service to attract and retain customers who prefer to shop in person and whose consumption habits shift with the seasons. Physical purchases reduce shipping delays. Try-ons in stores may prevent exchanges and returns. Large retail complexes compete with internet purchasing. Users suggested parking and shopping consultant services to boost offline shopping. Retail thrives. Shoppers enjoy it. To boost offline shopping, merchants may offer relevant, guided, or exclusive offline events or use AI artificial change clothes, etc. technology. Ads may encourage buying with friends, while social media may help people buy online.

LIMITATIONS

Quantitative approaches use assumptions and mathematical models. These fundamental assumptions apply to many issues. Quantitative approaches misused may be devastating. Quantitative methods need costly training. Quantitative methods are expensive, therefore even big companies seldom use them. Managers make judgements intuitively. Data, definition, sample selection, process, comparisons, and presentation errors make quantitative methods erroneous. Quantitative approaches can't analysed qualitative phenomena because they ignore human intangibles. Judges disregard managers' expertise, attitude, and enthusiasm. Techniques quantify intangible claims. Intelligence may be measured by a manager's credentials.

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