

Factors Influencing Consumer Purchase Intention Of Daily Groceries Through B2c Websites In Metro-Cities Of India

Arunangshu Giri, Satakshi Chatterjee, Swatee Biswas, Abanti Aich

Abstract: Purchase intention could be referred to as the probability that the customer is willing to buy a particular product or not (Wu, et al., 2011) [12]. The objective of the e-retailers today is to expand the market as much as possible in order to increase their profit. In order to do so, the organisations must focus on different factors like Merchandising, Societal Factor, Usefulness of the Online Process, Ease of Use, etc. The main objective of the paper is to identify the factors related to online purchase in Metro-Cities of India and examine their influences on consumer motivation and purchase intention. This research had been executed by the help of secondary and primary data. The secondary data was collected from relevant previous literature and primary data was collected using structured questionnaire from 250 respondents through convenience sampling method. In this study, structural equation modeling (SEM) was used to analysis the data and to establish the research model by the help of SPSS-23 and AMOS-23 software.

Keywords: Online Purchase, Consumer Purchase Intention, Daily Groceries, B2C Websites, Metro-Cities of India

1. INTRODUCTION

The internet is a very important platform for the people today to carry out shopping. The needs and wants of the customers could be answered through the use of these online sites as they get to select from a wide variety of resources available within the site and get to choose from there. Also, the product is directly delivered at the doorstep of the customer in a moment's notice. This is the same in case of daily groceries also. B2C websites are generally those portals which showcase their products directly to the consumers from where purchase is made possible. These websites offer a wide variety of grocery stores and the consumers tend to buy from there. The quality of these products is maintained up to that of the optimal standard. The people in the metropolitan states generally tend to shop online. They avail these services as it is the new normal of their society. It helps in saving a lot of their time and energy. Online shopping could be done at any time of the day according to the preference of the customers. However, there are not many studies done on the factors which affect the purchase decisions of the customers pertaining to these products. This paper aims at identifying these factors and subsequently studying their effect on the consumer purchase intention.

2. LITERATURE REVIEW

Usefulness could be a parameter which could determine the degree to which the consumer prefers the internet as a shopping medium for grocery products as compared to the other (Monసుwe, et al., 2004) [4]. This parameter has a great impact on the buying attitude of the consumers, and thus, affects their purchase intention. It is also imperative for the consumers to acknowledge the innovation offered by the organisations to the mass market. This innovation could rearrange the lives of the consumers by making tasks possible which were unthinkable before. For example, fresh and quality daily grocery products could be delivered to the doorstep of the customers within the snap of the finger (Maneechot & Chirapanda, 2013) [5]. The websites developed by the e-retailers could also address the needs of the customers. A variety of goods could be provided to the customers as well. The buyers look at the data related to the items which they are planning to buy. The purchaser looks at the benefits which they are deriving from online shopping. Online shopping could be considered as a process which does not exert the customer while shopping and also, this is done on a daily basis by almost everyone (Davis, 1989) [1]. Perceived usefulness could also be defined as something which is very simple to use (Sulistiyaningsih, et al., 2014) [2]. It has become a rage amongst online retailers today. The objective of these organisations is to make the website as user friendly as much is possible (Phang, 2016) [3]. Societal factors play a very important role in influencing the consumer purchase behaviour. Often, the consumers are made aware about a particular product through their friends or family (Johnston & Warkentin, 2010) [6]. Thus, social influence could be further defined as the factors which are responsible for directly or indirectly changing the attitude, behaviour, thoughts and feelings of a person pertaining to a particular product or service (Rashotte, 2007) [7]. Earlier, shopping was done based on the needs of the individuals (Kazakeviciute & Banyte, 2012). However, nowadays, it is not so. For example, grocery shopping is a wide scale affair today as people like to experiment with their food by trying out new and exotic raw materials. This is generally facilitated by the shopping

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motivation of the consumers. Shopping motivation is generally getting a thrill with the experience and also, being satisfied with the product or the service. Visualisation about the products needs to be efficiently done by the organisations. Quality grocery products are in high demand in the market and they must be made properly visible (Kirmani & Rao, 2000) [10]. If properly showcased in the websites, the purchase decision of the people will be positively influenced.

3. HYPOTHESES AND RESEARCH MODEL

H1: 'Perceived Usefulness' positively influences 'Motivation towards Online Purchase'.

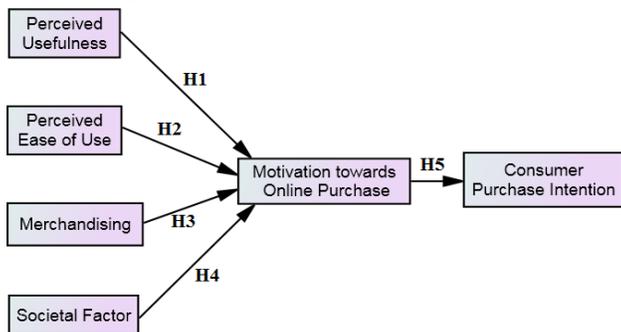
H2: 'Perceived Ease of Use' positively influences 'Motivation towards Online Purchase'.

H3: 'Merchandising' positively influences 'Motivation towards Online Purchase'.

H4: 'Societal Factor' positively influences 'Motivation towards Online Purchase'.

H5: 'Motivation towards Online Purchase' positively influences 'Consumer Purchase Intention'.

Figure 1: Hypothesized Research Model



4. RESEARCH METHODOLOGY

Table 1: Research Methodology

Data Types	Secondary as well as Primary data
Survey Tool	Structured questionnaire
Scaling Method	5 Point Likert Scale (Strongly Agree-5 to Strongly Disagree-1)
Respondents	Online Consumers
Sampling Method	Convenience Sampling
Number of Respondents	250
Study Period	August 2019 – October 2019
Statistical Software	AMOS-23 & SPSS-23
Statistical Techniques	Structural Equation Modeling (SEM)

Table 2: Demographic Profile of Respondents

	Category	Number	%
Gender	Male	142	56.8
	Female	108	43.2
Age	<25 years	82	32.8
	25-40 years	101	40.4
	41-60 years	42	16.8
	>60 years	25	10
Education Qualification	Under Graduate	103	41.2
	Graduate	79	31.6
	Post Graduate	68	27.2

5. DATA ANALYSIS AND RESULTS

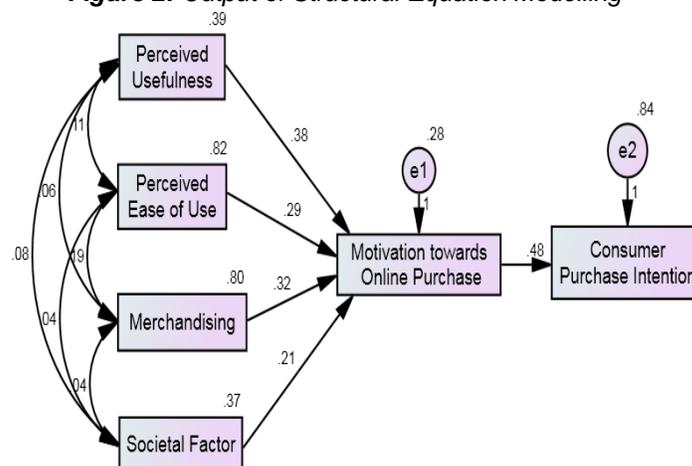
For judging the reliability of collected primary data, Cronbach's alpha value was calculated from dataset and the value (0.861) proves acceptable range (>0.70) of good reliability. Then Structural Equation Modelling (SEM) was used to check the validity of our research model and fitness indexes (Table 3) were checked for inspecting the appropriateness of research model.

Table 3: Fit indices for Research Model

Fit Index with Acceptable Range	Research Model Values
χ^2/df (< 3)	0.770
RMSEA (< 0.06)	0.001
GFI (> 0.90)	0.994
AGFI (> 0.90)	0.969
NFI (> 0.90)	0.983
CFI (> 0.90)	0.999

On the other hand, Path Analysis was executed for testing the hypothesis.

Figure 2: Output of Structural Equation Modelling



Multi-co-linearity of independent variables was tested through Variance Inflation Factor (VIF) in this study. Here, all values of VIF relating 'Motivation towards Online Purchase' as dependent factor were inside the tolerable range (< 3) and showed Multi-co-linearity-free status.

Table 4: Co-linearity Statistics

'Motivation towards Online Purchase' as dependent factor		
	Tolerance	VIF
Merchandising	.937	1.068
Societal Factor	.954	1.048
Perceived Ease of Use	.910	1.098
Perceived Usefulness	.922	1.085

Table 5: Path analysis of Research Model

Measurement Path		Hypothesis	Estimate	P-Value
Motivation towards Online Purchase	← Perceived Usefulness	H1 (S)	.375	<.01*
Motivation towards Online Purchase	← Societal Factor	H4 (S)	.207	<.01*
Motivation towards Online Purchase	← Perceived Ease of Use	H2 (S)	.290	<.01*
Motivation towards Online Purchase	← Merchandising	H3 (S)	.324	<.01*
Consumer Purchase Intention	← Motivation towards Online Purchase	H5 (S)	.482	<.01*

Note: * indicates 1% level of significance & (S) - indicates 'Supported Hypothesis'

6. HYPOTHESIS TESTING AND FINDINGS

H1: 'Perceived Usefulness' positively influences 'Motivation towards Online Purchase'.

Significant P-value ($p < 0.01$) with positive (+.375) path coefficient supported the above hypothesis. The degree of usefulness could also be increased by showcasing the feedback of the current customers online. This greatly affects the buying decision of the customers as it reaffirms them that the product is very useful for them.

H2: 'Perceived Ease of Use' positively influences 'Motivation towards Online Purchase'.

Significant P-value ($p < 0.01$) with positive (+.290) path coefficient supported the above hypothesis. It must also be noted that the customer could get access to the website as fast as possible. The items for sale must be listed out in a very simple manner so that the customers do not face any problems during their shopping experience. This would build their trust in the company and they would be seeking that deliver these products. Groceries are required by every household as they are mandatory for sustenance. The demand is very high for these as the quality is ensured by these retailers and also prompt delivery service is ensured. The customers are increasingly experimenting on their food habits and through the use of these portals; they are able to obtain those products which are not easily available for nominal price. From the organisational point of view, the only concern for these products is that proper storage conditions must be met with as majority of these products are perishable in nature. However, the profitability in these

to repeat the purchase experience. Thus, increased perceived usefulness would positively influence the consumer purchase intention of the grocery products.

H3: 'Merchandising' positively influences 'Motivation towards Online Purchase'.

Significant P-value ($p < 0.01$) with positive (+.324) path coefficient supported the above hypothesis. A retailer having high visibility will be regarded as a highly valid and proficient marketer. The profits rising out of the business will also increase. It helps in curbing the gap between the retailer and the customers (Lieberman, et al., 2007) [11]. The customer satisfaction increases of the highly merchandised products and as a result, the purchase intention of the customers is facilitated.

H4: 'Societal Factor' positively influences 'Motivation towards Online Purchase'.

Significant P-value ($p < 0.01$) with positive (+.207) path coefficient supported the above hypothesis. People do tend to adjust their beliefs in order to maintain a social life balance. They adapt very fast to new changes and positive word of mouth marketing goes a long way. It helps the organisation to achieve a boost in their sales as more and more people opt for their products and services. In this manner, brand loyalty and trust is building up in the minds of the customers. Also, as they are commodities which are used daily, the profit margin of the organisations increases drastically. A positive societal influence upon the consumer would definitely result in a positive buying decision.

H5: 'Motivation towards Online Purchase' positively influences 'Consumer Purchase Intention'.

Significant P-value ($p < 0.01$) with positive (+.482) path coefficient supported the above hypothesis. A motivated customer would come back to the same website for shopping again and again (Babin, et al., 1994) [8]. Thus, e-retailers should ensure that the shopping experience gained by the consumers is as pleasant and entertaining as possible. The consumers could also be attracted through the means of certain offers and discounts which will be available within a stipulated time period. This will help in increasing the website traffic. This will have a direct impact on the attitude of the customers who are involved in shopping (Childers, et al., 2001) [9]. These customers could also be significant sources of income in the future.

7. IMPLICATION

In metropolitan cities, the people are in a lot of work stress. It becomes very difficult for those to find time to go for grocery shopping as both the parents in a family is working. Thus, they incline towards the online portals

segments is also remarkable as these products are relatively easier to sell. With the advent of the digital era, sooner rather than later, the trend will be shifting to digital marketing for all products and services. It is extremely advisable to the consumers to engage in online grocery shopping as it will become the norm in the future which will not have any alternatives.

8. CONCLUSION

It can be concluded that online retailing is continuously developing and it is likely to be the major platform of selling

the groceries in the metropolitan cities today. The consumer purchase decision needs to be positively influenced in order for the organisations to garner a relatively higher market share amongst its competitors. This could be attained by focusing on factors like motivation, perceived ease of use, perceived usefulness, merchandising and societal factors. Word of mouth marketing is the most effective form of marketing for these online retailers as they are very effective and have relatively less expenditure. Thus, online retailers should focus on maintaining the quality of their products and providing prompt services. Only then the reliability of the organisation in the minds of the customers would be increased and the purchase would be repeated. In this manner, the profitability of the organisation would continue to rise.

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