

Consumers perceptions towards buying and evaluation perceived risks: A Study on influencing factors on e-commerce products

Ampon Dhamacharoen*, Prisana Kumpusiri, & Somjate Waiyakarn*****

**Faculty of Education, St. Theresa International College, 1Moo 6, Rang Sit, Nakhonnayok Road, Klong 14, Bungsan, Ongkharak, Nakhonnayok- 26120, Thailand.*

***Faculty of Humanities and Social Science, St. Theresa International College, 1Moo 6, Rang Sit, Nakhonnayok Road, Klong 14, Bungsan, Ongkharak, Nakhonnayok- 26120, Thailand.*

****Faculty of Education, St. Theresa International College, 1Moo 6, Rang Sit Nakhonnayok Road, Klong 14, Bungsan, Ongkharak, Nakhonnayok- 26120, Thailand.*

ABSTRACT

Online shopping has becoming the world's bestselling platform for the wide variety of products. Online sellers need to understand the attitudes, perception of the customers. This study aimed to identify the factors that influence the consumers attitude towards online shopping. Questionnaire was used as a tool for the gathering the data, tabulated, analyzed and distributed accordingly. Online shopping behavior of the customers of the population. Subjects were selected by general random sampling method. 50 subjects were selected for the sampling. Since the emerging e-commerce as business medium, one of its primary uses has been for marketing. Soon, The online shopping will become a critical distribution channel for the majority of successful enterprises. The consumer marketers, mass media, and advertising agencies seem to be in the midst of e-commerce business. Before a company can envision what might sell online in the coming years, it must first understand the attitudes and behaviour of its potential customers. Hence, this study elucidates attitudes toward various aspects of online shopping and provides a better understanding of the potential of e-commerce for both producers and researchers. The results of the study have shown a statistically significant on evaluation, buying and perceived risk of customers attitudes.

KEYWORDS: *consumers, perceived risk, online products, e-commerce and buying patterns.*

INTRODUCTION

The main and challenging area of Internet impact research on consumer buying behavior and marketing practices. Internet offers many options of products, services and content. But many options have changed the way customers pick and buy and buy products. In many new situations or possibilities raised by the emergence of the Internet, it promotes quicker and more comprehensive information in a fantasy world without face-to-face interaction. In fact, the world's information technology (IT) is developing a major change in the global structure of the world. Entire globe has becoming global village.

Electronic commerce (e-commerce) has emerged as a platform for digital economy. Internet cyberspace lets businesses connect around the world without geographical limitations, such as performing businesses or unlike traditional trading shop, because the opportunity is given to everyone. Laudon and Traver (2010) Applications of e-commerce are contrary to the

Internet. From the introduction of the Internet, the e-commerce increase has been much faster since the tragedy of dotcom crash in 2000. This tragedy is an event for most business that ecommerce has come with the potential of risk and profit ((Chiu Linand Tang, 2005). They take into consideration before starting an internet-based business. The Internet and the web's evolution made the web and the internet better perform. Currently, there are a number of studies in identifying factors that influence users' attitude towards online shopping (Chiu Linand Tang, 2005; Dillon and Reif, 2006). Previous researchers who attempted to identify factors that influence customer attitude for online research have been tried and are linked to user decision making and behavior in the online purchasing environment (So Wong and Scull, 2005, Thompson SH Teo, 2002). Such information is crucial for consumers who are interested in using the Internet as a buying tool. More specifically, this study intends to recognize the factors that affect customers' attitude towards online shopping in Nakhon Nayak, Thailand.

Consumer and companies maintain a significant and fast-growing business on the Internet. It is estimated that by 2002 the web (US \$ 294 billion) is expected to generate consumer and business-sales sales (Deck 1998). Forrester Research Inc. According to the total value of global business transactions may rise to US \$ 327 billion by 2002, It grew from US \$ 8 billion in 1997 (Santiago 1999). With the advent of e-commerce, companies have now begun to get a new look in business because loyal customers are now disappearing from online competitors who are not local producers of the products. A shopping and buying medium are an increase in interest on the Internet and is equally well researchers and consumers. Some researchers have suggested that the consumer's own characteristics, which may further play a key role in his or her tendency to engage in internet transactions (Sheth and Parvatiyar, 1995, Jarvenpaa and Tractinsky, 1999). Stainfield and Waiten, (1999) found and reported that a greater chance of combining Web based physical presence to capture business than web-presence because it provides better pre-purchase and sales services to reduce consumer transaction costs and increase trust in the web. Others have speculated on the key role of trust in promoting consumer purchases on the Internet (Hoffman 1999, Jervenpa and Tractinsky, 1999). Brynjolfsson and Smith (2000) suggest branding and trust Internet retailers as important sources of diversity. As a new channel for marketing, the web can take a variety of products and services ((Thompson SH Teo, 2002)

However, people are browsing in the Internet for more information than for online purchase. Johnson (1999) suggested three barriers to online shopping, which disappointed buying failures, security fears and frustrated because of services. Hoffman (1999) also emphasizes that web services are providing information to more people online than shopping and online, and today the lack of basic confidence among many businesses and consumers is Web. Online transactions in Singapore are growing. Sales generated by business-to-business e-commerce operations in Singapore grew from \$ 40 billion in 1999 to \$ 92 billion in 2000 and reached \$ 109 billion in 2002. In contrast, business-to-consumer e-commerce operations reached S \$ 0.2 billion in 1999, S \$ 1.17 billion in 2000, and S \$ 2.75 billion in 2002. (Chellam 2001, Thompson SH Teo, 2002).

The Cyber Traders Scheme, introduced for promoting companies to establish their Regional E-Commerce Trading Center in Singapore, has been set up to qualify for just 10% of corporate taxes, instead of just 26%. In addition, the most advanced electronic payment facility (Nets, Netrust, Set, Cashcard, Giro and e-checks). Despite a favorable environment for

e-commerce, a survey by Singapore Press Holdings (SPH) found internet users bought only 14% online. The SHHP is reluctant to un-buy the online purchase because they are not allowed to measure the quality of the product or service. The defendants felt uncomfortable about their credit card details and other personal information on the Internet. (Andrianie 1999a, 1999c). Local shopping systems can cause a relative popularity of online shopping, as Thai- customers have a full shopping experience with touch of enthusiasm(Andrianie1999a).Information about online customer purchasing behaviors to help companies have their online retail strategies for web site design, online advertising, market segmentation, product types and inventory holding and distribution (Lohse *et al.* 1999). Therefore, this research focuses on the Internet users' attitude towards online shopping and the Internet. Understanding such trends, strategies can better understand the impact of the user's decision to buy online, allowing them to create more appropriate strategies to promote e-commerce. This study is aimed at assessing purchasing practices and perceived perception on risks of e-commerce products. Online shopping in Thailand attracts more customers. This study focuses on some of the selected behavioral patterns of Nakhon Naik customers.

METHODOLOGY

A 5-point scale (Likert-type) attitude questionnaire was constructed, a primary pilot study was conducted and tested (Reddy & Buncha, 2017). The data was collected from 50 local respondents in Ongkharak, Nakhon Nayok. This is an opportunity to the consumers to express their opinions about e-commerce, try to express their possible patterns to understand the behavioural attitude of consumers. Willingness to buy is definedas the likelihood that the buyer intends to purchase theproduct (Dodds *et al.* 1991). The questionnaire contained two sections designed for the study. Section A consists general demographic information of the respondents. Section B consists questions which are deals with pattern, perceptions of risks and willingness to buy through online. This research explores such as interest in e-commerce, overall deal evaluation for online shopping;perceived risk of online shopping; and willingness to buy online (figure 1).

THEORETICAL FRAME WORK

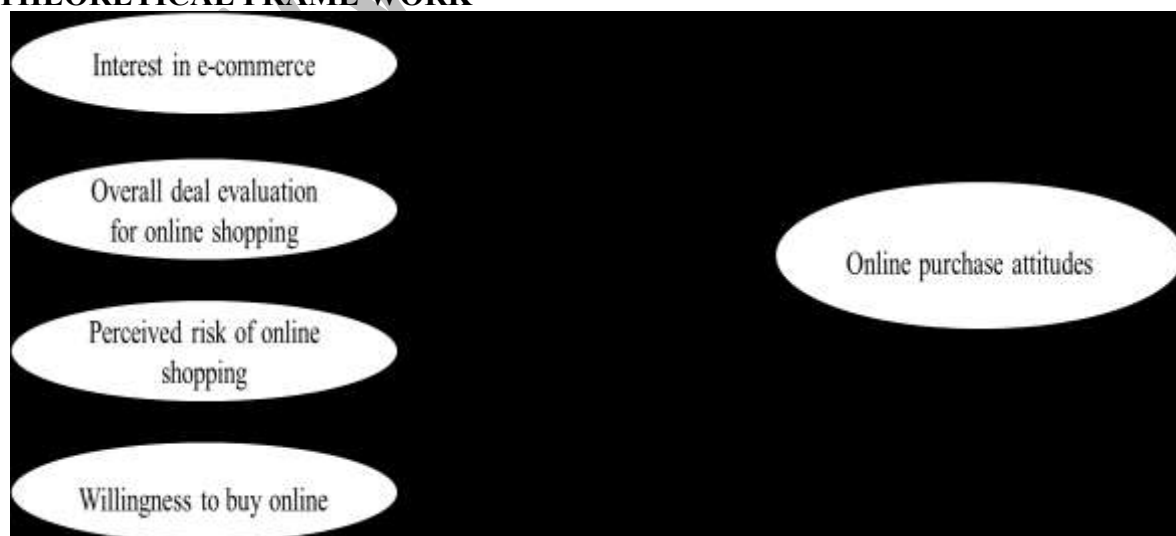


Figure 1. Proposed frame work

RESULTS AND DISCUSSION

Table 1. Demographic distribution of the respondents

Parameter	Frequency (%)
Gender	
Male	18 (36)
Female	32 (64)
Marital status	
Single	36 (72)
Married	14 (28)
Ethnicity	
Thai	39 (78)
Chinese	2 (4)
Indian	3 (6)
Others	6 (12)
Age	
16-20	9 (18)
21-25	12 (24)
26-30	11 (22)
31-35	9 (18)
36-40	5 (10)
41-45	2 (4)
46-50	1 (2)
51 and above	1 (2)

*Data source= Survey

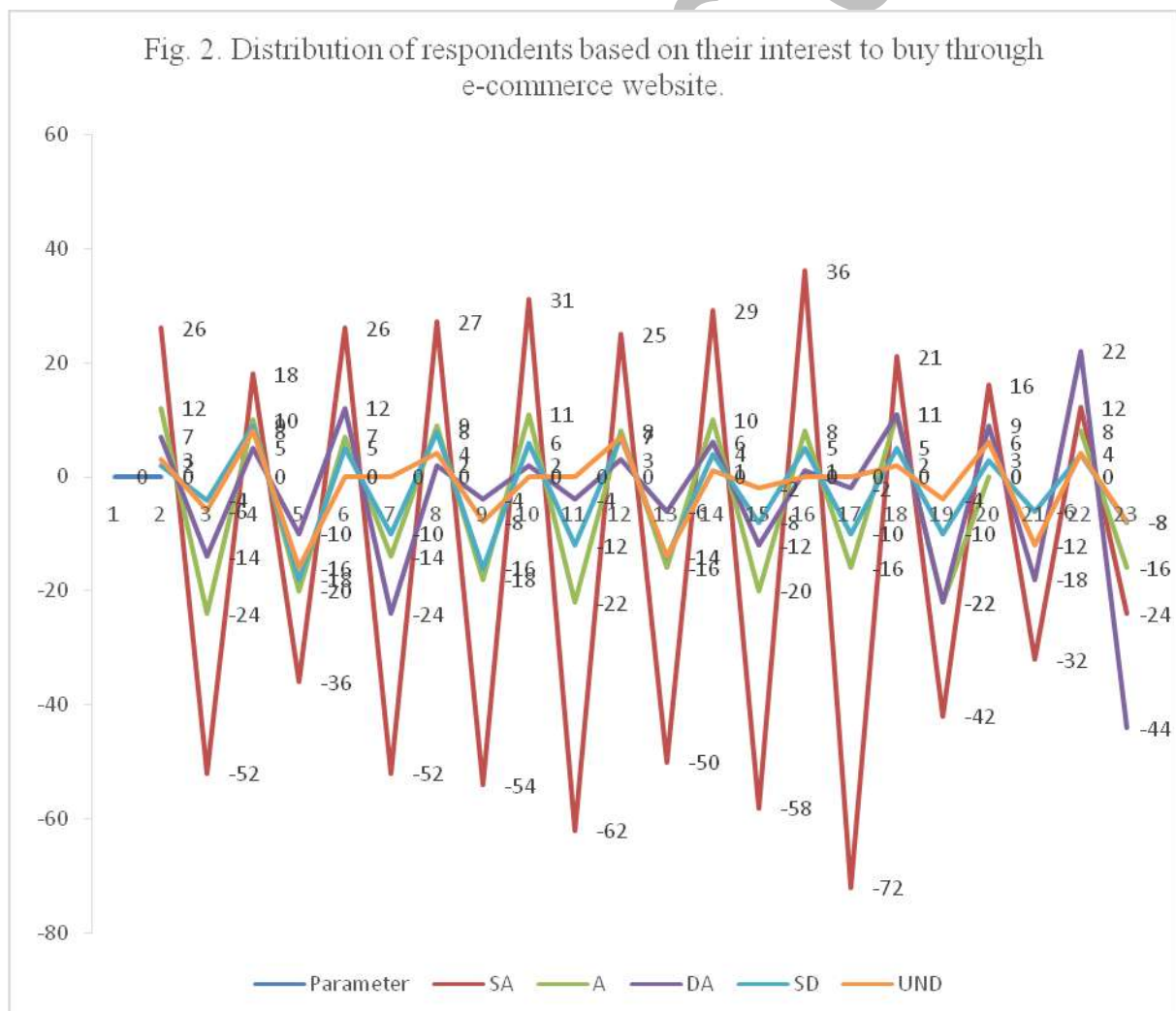
Table one demonstrates the demographical distribution of respondents on online shopping patterns. Results indicate that respondents were predominantly females (64%) and single (72%). Ethnic group contains Thai- community as majority (78%) of the respondents in the study area. Majority of the respondents are relatively young, with (64%) of them are under the age group of 16 ± 30 years. More over majority of them are in their mid-twenties. Most of the respondents were educated with primary and high school qualifications. The study results revealed that the females are more interested in online purchasing when compared with the males. Most of them are youngsters and single.

Table 2. Distribution of respondents based on their interest to buy through e-commerce website.

Parameter	SA (%)	A (%)	DA (%)	SD (%)	UND (%)
Why you would like to buy through e- commerce website					
Are you able to access easily to the website	26 (52)	12 (24)	7 (14)	2 (4)	3 (6)
Ease of purchasing	18 (36)	10 (20)	5 (10)	9 (18)	8 (16)
Easy to choose specific product	26 (52)	7 (14)	12 (24)	5 (10)	0 (0)

Easy to compare with other brands	27	9	2	8	4
	(54)	(18)	(4)	(16)	(8)
Able to purchase directly from the manufacturer	31	11	2	6	0
	(62)	(22)	(4)	(12)	(0)
No need to travel from my home town	25	8	3	7	7
	(50)	(16)	(6)	(14)	(14)
Price is less than outlets at my home town	29	10	6	4	1
	(58)	(20)	(12)	(8)	(2)
Due to promotion	36	8	1	5	0
	(72)	(16)	(2)	(10)	(0)
Products are delivering within 7 -14 days	21	11	11	5	2
	(42)	(22)	(22)	(10)	(4)
I am able to choose the product without any confusion	16	16	9	3	6
	(32)	(32)	(18)	(6)	(12)
I would like to check the product simply not to buy immediately	12	8	22	4	4
	(24)	(16)	(44)	(8)	(8)

*SA= Strongly Agree, A= Agree, DA= Disagree, SD= Strongly Disagree, UND= Undecided

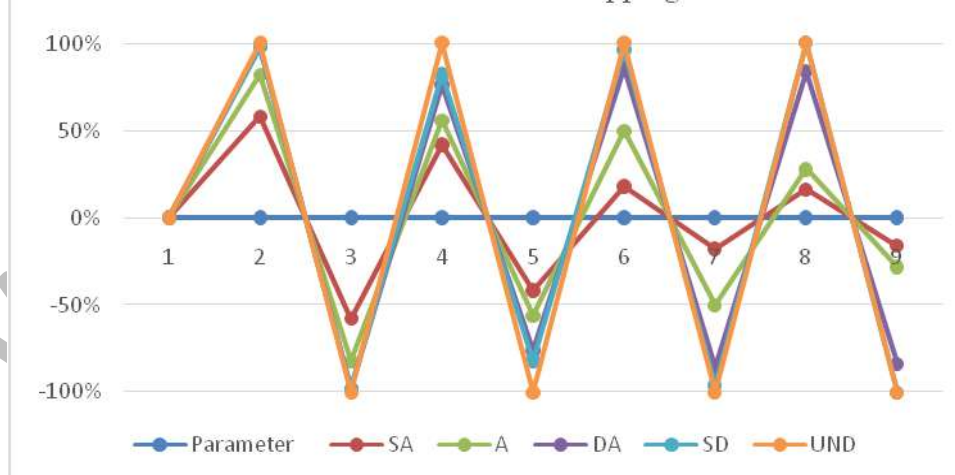


*SA= Strongly Agree, A= Agree, DA= Disagree, SD= Strongly Disagree, UND= Undecided
The above table elucidates the Distribution of respondents based on their interest to buy through e-commerce website. Here specific consumer interest defined as products, availability, brand and quality for online purchase. Majority of the respondents strongly agreed to their perceptions and behavioural attitudes such as: Due to promotion (72%), Able to purchase directly from the manufacturer (62), Price is less than outlets at my home town (58), Easy to compare with other brands (54), are you able to access easily to the website (52%), Easy to choose specific product (52), No need to travel from my home town (50%) respectively. On the other hand, 44% of the respondents disagreed (Fig. 2) on I would like to check the product simply not to buy immediately. Which means the consumers are strongly intended to buy then they would check the information, availability, quality and price of the product. It is encouraging the online e-commerce service providers.

Table 3. distribution of respondents based on overall deal evaluation for online shopping.

Parameter	SA (%)	A (%)	DA (%)	SD (%)	UND (%)
Next time would you like to buy through online					
Yes, I would like to buy	29 (58.0)	12 (24)	8 (16)	0 (0)	1 (2)
I need to think	21 (42)	7 (14)	10 (20)	3 (6)	9 (18)
Not decided	9 (18)	16 (32)	18 (36)	5 (10)	2 (4)
No, I do not want to buy	8 (16)	6 (12)	28 (56)	8 (16)	0 (0)

Fig. 3. Distribution of respondents based on overall deal evaluation for online shopping



*SA= Strongly Agree, A= Agree, DA= Disagree, SD= Strongly Disagree, UND= Undecided
Table three demonstrates the evaluation of the online products. Majority of the respondents would like buy through online shopping for their next purchase (58%) and 56% of the respondents disagreed on no, I do not want to buy next time. It shows the intension of the consumer towards purchasing the products. Point to worth discuss here is I need to think

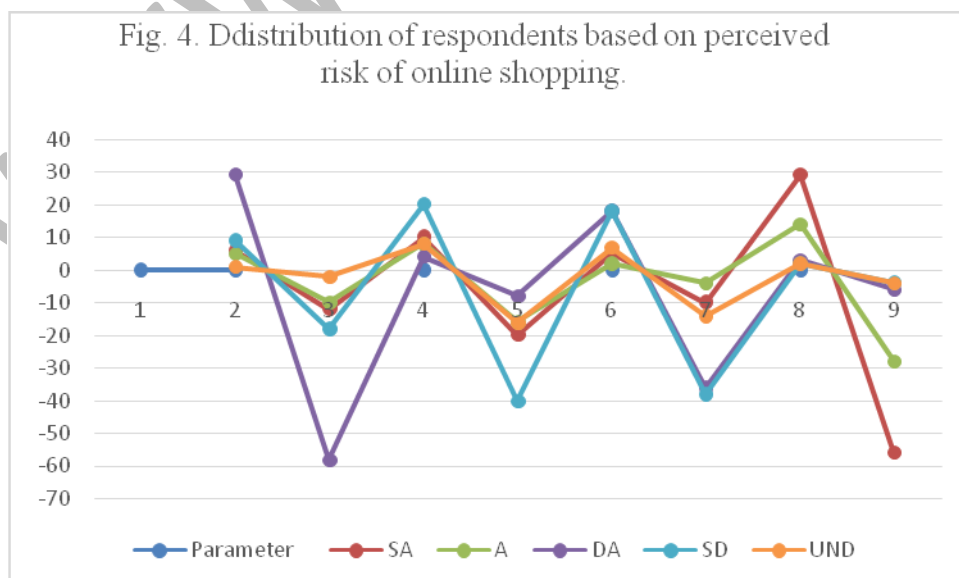
(42%) to buy next time. It shows the complexity of the consumers attitude, behaviour and patterns of purchasing the online products. This indicates that many consumers are convinced of the benefits of online purchase. In particular, more respondents disagreed (than agreed, Fig. 3) on no I don't want to buy through online (56%).

Deal Evaluation means customers are determined on various criteria (Moschis and Moore 1979). For instance, trading to consumers between the product quality and the benefits of perceived monetary sacrifice. Cognitive knowledge between quality and awareness of sacrifice in perception of value. This trade-off was observed in contradictory circumstances by Scitovszky (1945) in which the goods offered at a lower cost than the competitors are more attractive to the consumer because its suspicion is low quality because of low cost and less attractive. The results of the study indicate that, in order to successfully compete in a value-conscious environment, vendors should emphasize the value of their promotions.

A value-based strategy is to emphasize the value of purchasing the product (Monroe and Chapman 1987). Sellers increase overall consumption of customers by raising consumer awareness of the quality or profit of the product regarding the sales price (Dodds et al 1991).

Table 4. Distribution of respondents based on perceived risk of online shopping.

Parameter	SA (%)	A (%)	DA (%)	SD (%)	UND (%)
Perceived risk of online shopping					
Online products are duplicate	6 (12)	5 (10)	29 (58)	9 (18)	1 (2)
Possibility to receive another product	10 (20)	8 (16)	4 (8)	20 (40)	8 (16)
Product may be refurbished	5 (10)	2 (4)	18 (36)	18 (38)	7 (14)
I have no idea about the possible risks of online shopping	29 (56)	14 (28)	3 (6)	2 (4)	2 (4)



*SA= Strongly Agree, A= Agree, DA= Disagree, SD= Strongly Disagree, UND= Undecided

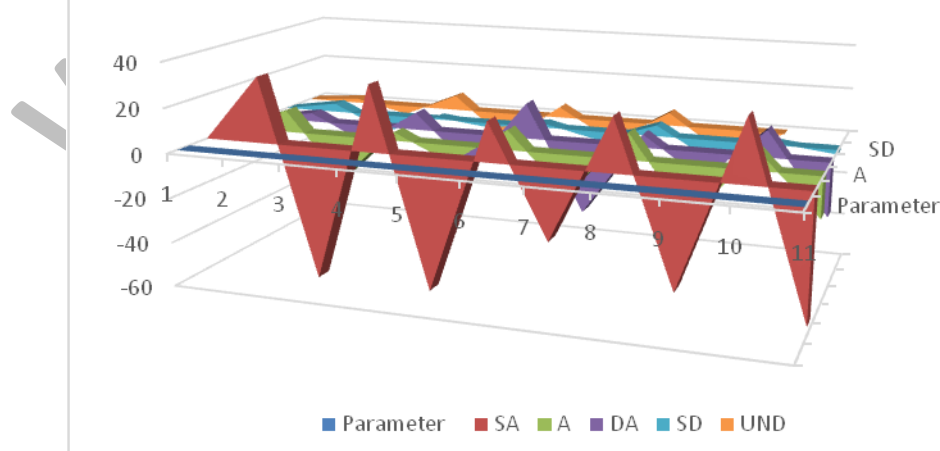
The above table describes the respondents perceived risk of online shopping. Majority of the consumers disagreed on online products are duplicate (58%) and 18 % strongly disagreed, products may be refurbished (36 and 38%), possibility to receive another product (40 %) respectively. On the contrary, 56% of the consumers are expressed their opinion no idea about the possible risks of online shopping (Fig. 4).

The risk that perceives acquisition of a factor found in research with critical decision-making of customers' consent to purchase online. Individuals, two experts and nonexperts, differ in their understanding of the risks depending on the nature of the online product (Grobe *et al.* 1999). Risk is related to consumer awareness of what they feel is personal and dangerous (Grewal 1994, Rice 1997). Respondents are concerned about product quality and the product may not be satisfactory. E-commerce based businesses need to do more to attract and encourage them.

Table 5. Distribution of respondents based on willingness to buy online.

Parameter	SA (%)	A (%)	DA (%)	SD (%)	UND (%)
Willingness to buy online					
I would like to buy through online even though some online websites are selling poor quality products	30 (60)	10 (20)	4 (8)	4 (8)	2 (4)
I would like to check properly about the product details and quality	30 (60)	4 (8)	8 (16)	1 (2)	7 (14)
I will enquire with my beloved ones	18 (32)	9 (18)	16 (32)	2 (4)	5 (10)
I will check with the comments and reviews of the products	24 (48)	12 (24)	6 (12)	5 (10)	6 (12)
After considering all the possible risks would you like to buy your desired products through online shopping	28 (56)	9 (18)	12 (24)	1 (2)	0 (0)

Fig. 5. Distribution of respondents based on willingness to buy online.



*SA= Strongly Agree, A= Agree, DA= Disagree, SD= Strongly Disagree, UND= Undecided
Table five demonstrates the willingness to buy online. Majority of the respondents strongly

agreed on I would like to properly about the products quality and details (60%), after considering all the possible risks I would like to buy products through online (56%). On the contrary consumers would like to buy through online even though some of them are selling poor quality products (60%). Considerably 32 % of the consumers would like to enquire about the products with their beloved ones (Fig. 5). It's a sign of cultural and behavioural attitude of the consumers.

The probability that the buyer intended to buy the product (Dodds et al. 1991) was defined. Whether most of the respondents are neutral towards buying online. However, some of consumers think that the probability of buying online is low. It will provide more needs to promote online purchase. Interestingly, 56% of the respondents expressed their willingness to try e-commerce. This suggests that e-commerce activities will continue to increase in the future. Businesses can successfully develop and manage integrated marketing strategies, in terms of customer readiness and favorable market conditions, further developments in ecommerce will be in the coming years. The main reason for not being bought online was prioritized to examine products. This research is consistent with a study carried out by Wee and Ramesh (1999), which can prevent online purchases due to lack of safety, lack of access to objects before purchasing, and business confidence, delivery and trade quality delivery. This findings of (Andrianie 1999a) can also be found at the disadvantage of online purchase, as it does not allow consumers to evaluate the quality of products or services. The next main reason is that the respondents do not have a credit card. This is too big because there are less than S \$ 1500 students in the absence of a luxury monthly supplementary credit card. They want buy something online, they need to do it through a third party. In comparison, Wee and Ramesh (1999) suggested that consumers should buy online for delivery and purchase convenience. Other factors that encourage online purchases include specific items and compelling purchases.

In comparison, the study conducted by Wee and Ramesh (1999) reported that users like to buy online because of the convenience of delivery and ease of purchase. Other reasons promoting online buying are unique merchandise and impulsive buys. Similarly, consumers bought due to its convenience and products which are not available in Singapore (Thompson SH Teo, 2002).

LIMITATIONS OF THE STUDY

The main limitation of the study is that the use of a questionnaire survey may result in some problems might be generalized. Some of the respondents are likely to participate in an online survey. This limit is common to many online surveys, in this study attempts have been made to minimize this problem by publishing a survey through a variety of questions for this nature purchasing. In addition, we have also formally interviewed the respondents while collecting the responses

SUMMARY AND CONCLUSIONS

Search engines are the crucial source of the online business, their website needs to be indexed correctly, since it will help customers find them easily. Web designers can also manipulate their Web pages content to earn top placement in search engine queries results. In addition to using search engines, online shoppers also find information on websites from

publications. Results Internet usage in Nakhon Nayok is the most prevalent between 16 ± 30 years. More over majority of them are in their mid-twenties. Most of the respondents were educated with primary and high school qualifications.

The study results revealed that the females are more interested in online purchasing when compared with the males. Most of them are youngsters and single. To target this potential team, businesses must provide customized ads to manage marketing campaigns around the characteristics of the target group. They were able to sell their products, to increase their interest, meet their needs, and eventually sell products. Majority of the respondents strongly agreed on I would like to properly about the products quality and details (60%), after considering all the possible risks I would like to buy products through online (56%). On the contrary consumers would like to buy through online even though some of them are selling poor quality products (60%). Considerably 32 % of the consumers would like to enquire about the products with their beloved ones. It's a sign of cultural and behavioural attitude of the consumers.

The results of the study revealed that consumers are strongly intended to buy then they would check the information, availability, quality and price of the product. It is encouraging the online e-commerce service providers. So, web designers can periodically collect feedback on customer satisfaction with products and services, thereby making revisions and improvements to the Internet channel. Web designers have continuous acceptance to launch while maintaining a clear vision of what key customers can offer. These effects are important for businesses intended to establish web pages on the Internet. Therefore, it makes sense to supplement web ads with traditional ads.

The results of the study indicate that, in order to successfully compete in a value-conscious environment, vendors should emphasize the value of their products, quality and promotions. Finally, online websites are one of the possible channels for internet retailing, despite attempts to promote online shopping, and all customers are not likely to receive online shopping. consumers would like to enquire about the products with their beloved ones. It's a sign of cultural and behavioural attitude of the consumers. The administrative issue to interfere with the Internet as a whole internet channel is that it can be used by users who love the internet, who do not like the internet, can reach other channels or use the internet to gather information online. Other reasons promoting online buying are unique merchandise and impulsive buys.

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