

Purchase Habits on the Internet by Gender: A Literature Review

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Abstract

Since the inception of the internet, there has always been a gender gap in using the internet globally. This paper aims to present the current literature available on online purchase behaviour, emphasizing on how men and women differ in both their perceptions of the risks associated with shopping online. The review includes a summary of around 35 research papers of repute which help us in understanding the Online Purchase behaviour of females and males along with areas including, effect of online customer reviews on both the gender and probable reasons for shopping cart abandonment. The research article tries to find out the gap in the current literature where further research can be extended and areas where something new can be added in the existing body of knowledge.

Keywords:- Online shopping, e-commerce, gender differences, online consumer behaviour, attitude, perception, online reviews,

Introduction

Internet is the fastest growing technology globally and as an offshoot e-commerce has become the most significant scientific accomplishment. In business context, e-commerce breaks the boundary of time and space, alters the trade pattern, improves the circulation of merchandise and makes the enterprise have an edge over the others. (Qin, 2009)

Global e-commerce penetration increased from 4.0% in 2008 to 6.5% in 2012 and is anticipated to reach 9.3% by 2016, driven by high-growth emerging markets and the decline of specialty retail stores in developed markets (Siemer & Assicoates, 2013)

600 million women in developing nations, or 21 percent, were online in 2013), and another 450 million are expected to gain Internet access by 2016 (HEAVY, 2013)

Although, there has always been a gender gap in the usage of internet globally but this gap is reducing year on year globally as well as in India. In 2012, there were around 125 million internet users in India, in which 40% of the users were Women and around 75% of internet users are between the age group of 15-34 years, the number reached 60 million in 2013. (Adarsha, 2012)

The consumer buying behaviour in online shopping

Consumer buying behaviour has always been one of the most popular areas of research in the field of marketing which is extensively studied and will always be a debatable topic. The consumer buying process being one of the most important areas describes it to be a five step process of Problem identification. Information search, alternative evaluation, purchase decision and post purchase behaviour.

Since the virtual marketing is expanding at astounding rates, understanding the behaviour of the consumer in this virtual set up has become important for marketers to gain a competitive advantage. The increasing number of online transactions and user volumes is evident from the fact that 85 percent of world population is online and buy products online.

Attitude towards the offline store was a significant predictor of attitude toward the online store (Kim & Park, 2005) . Consumer's attitude towards the internet may be an important determinant for internet use for product information search. Helander and Khalid (2000) found that a positive attitude toward e-commerce has a significant influence on shopping from the internet. Internet shopping provides the numerous benefits for consumers such as time saving and search convenience. However, internet shopping may require capability to access the internet and other relevant resources (i.e. high speed internet, modem). According to the theory of planned behaviour (Ajzen, 1985, 1991)

Those who used the internet for purchase believed less difficulty to use and access to the internet, as compared to those who did not use the internet for purchase. The

technology acceptance model (Davis, 1989) also presented the similar findings. Pavlou (2003) also found that intention to use the internet for purchasing was determined by perceived ease of the internet use.

(Sukhi, 2013) analyzed consumer shopping behaviour on the Internet based on four aspects, i.e. the Internet marketing environment, product characteristics, familiarity, and promotional offers. It appeared that respondents were younger than 36 years, known as Generation Y, scholarly consumers very open and knowledgeable about information technology for shopping for products and services. These young people tend to place more concern on the familiarity factor in affecting their shopping behaviour on the Internet followed by promotional offers affected greatly as their brands are still not well positioned in consumer minds. This result is comparable to Odunlami & Ogunsiyi's study that promotional offers are a major determinant of consumer online shopping behaviour. Effective implementation of sales promotional tools lead to increase in sales volume and invariably higher profits.

Price, product quality, and variety are important factors for online shopping (Rust, Zeithaml & Lemon, 2000)

The product quality is a focal reason for consumers to buy products via the Internet (Aaker, 1991). Perceived incentives significantly also influence online customers' intention to repeat purchase through the Internet. Consumers positively inclined towards making an online shopping after receive opinion on product's promotional offers from friends and relatives or when they see them shopping online (Jarvelainen, 2007)

Literature Review On Online Marketing:- Gender Perspective

S.no	Study	Methodology	Sample	Instruments/ constructs	Main findings or contributions
1	Li, Kuo, & Rusell (1999)	Empirical and survey	A sample of respondents was drawn from an online panel of 50,000 Internet users. Panel members were invited via e-mail to participate in a survey. A total of 999 respondents completed the survey.	A survey instrument was used to measure shopping orientation, online buying behavior, and demographics - gender differences. Online buying behavior was measured by the frequency in which consumers made purchases online	Males are more frequent Web buyers than females.

2	(Shaheen, 1999)	An e-mail survey was sent to 3,724 individuals whose e-mail addresses were randomly generated using the Four11 directory service	A total of 889 completed surveys of men and women	The survey included questions that assessed privacy concerns with various on-line marketing related scenarios, as well as computer usage, and demographic information	Women are more concerned about their privacy online than men. Women evidently are also concerned about sharing of types of information beyond merely medical information and drivers license information; it is possible that the sharing of Different types of information also causes concern for women.
3	Allreck and Settle 2002	Empirical and Survey	A convenience sample of 600 adults in mid-atlantic region of USA	The survey instrument was used to measure gender differences in shopping attitudes, shopping styles, and image profiles. Respondents indicated the extent to which they agreed or disagreed with 24 statements about shopping. The survey items were based on the comments of consumers who attended a focus group on shopping practices.	Females have traditionally been and continue to be the principle buying agents for households; therefore females are more likely to have greater satisfaction with shopping.
4	(Garbarino & Strahilevitz, 2004)	Three studies conducted Survey was the instrument in first two, Experiment in the third study	First study- 260 respondents Second study- 276 Third:-182 undergraduate and 38 MBA students	The first study examines how gender affects the perceptions of the probability of negative Outcomes The second study examines gender differences in the effect of receiving a recommendation from a friend on perceptions of online purchase risk The third study experimentally tests whether, compared to men, women will be more likely to increase their willingness to purchase online if they receive a site recommendation from a Friend	As compared to men, women perceived more risk to buying online both in terms of probability and in terms of likelihood There is a marginally larger reduction in perceived risk after receiving recommendations From friends among women than among men. Recommendations from friends strongly influenced women to buy online but had no significant effect on men

5	Constantinides (2004)	Literature review	48 academic papers were reviewed on consumer behaviour in ecommerce.	The academic papers were allocated into three main categories of online experience elements including Functionality factors, Psychological factors, and content factors. Subcategories included usability, interactivity, trust, aesthetics, and marketing mix.	The consumer's online experience can determine his or her perceptions of an e-commerce Website and whether the consumer will return to the ecommerce Website in the future.
6	(Ergin & Akbay ,2008)	Survey	A convenience sample of 382 adults between age 20 to 60 years were Surveyed. A total of 363 responses were received	A survey instrument consisting of 13 survey items was used to measure reasons for shopping online or not. The study examined whether there is a significant difference between male and female online shopping frequency as well as the total amount spent online.	Some female consumers are starting to favour the convenience of e-commerce shopping, similar to their male counterparts, due to time constraints and hectic lifestyles. Online retailers need to focus on gender differences as gender plays a significant role in e-commerce patterns and consumer choices.
7	(Park, et al., 2009)	Click stream data analysis for a month	377,797 visits were recorded in the database of the online retailer, but only 890 data items, consisting of 618 females and 272 males who visited clothing and electronic appliances categories, satisfied our criteria and were included in the data analysis	Independent Variables: - Gender and product category Dependent variables:- Page views, customer reviews and assistant agents	females consulted customer reviews and used an assistant agent more often when shopping for experience goods than when shopping for search goods. On the other hands, males showed no significant differences in information search across product categories. This implies that the influence of product characteristics on consumers' information search differs between males and females.

8	(Bac & Lee, 2010)	Experiment	225 males and 225 females	<p>Independent variables- Gender and review valence</p> <p>Dependent variables-participants' purchase intention towards a product after reading an online consumer review</p>	<p>This study found that gender differences do not exist in consumers' willingness to buy online</p> <p>There are significant gender differences in consumers' perception of online consumer reviews, females are more influenced</p> <p>This study found that purchase intention of consumers is more influenced by a negative review than by a positive review</p>
9	(Ulbrich, et al., 2011)	Online Survey	170 respondents	<p>Information Quality (IQ)</p> <p>System Quality (SQ)</p> <p>Customer-Relations Quality (CQ)</p>	<p>All respondents ranked Information quality (IQ) as significantly more important than either System quality (SQ) or Customer-relations quality (CQ). However, no significant difference could be observed between the two genders.</p> <p>On the feature level some statistically significant gender-specific differences exist. Males rank accurate description of products and fair pricing significantly more important than females.</p> <p>Females on the other hand consider return labels significantly more important than their male counterparts</p>
10	(Murphy & Tocher, 2011)	Survey	<p>536 respondents</p> <p>271 were female and 265 were male</p> <p>College students</p> <p>Age between 18 and 23.</p>	<p>Participants were asked to assess the importance of 14 different trust building information cues in influencing their perceptions of e-commerce vendor trustworthiness.</p>	<p>When compared to males, female shoppers' perceived trustworthiness of online vendors is likely enhanced by the presence of trust building information cues.</p> <p>Trust building information cues which emphasized communication, security, and functionality were more influential on female shopper's perceived trustworthiness of online ventures</p>

11	Rodgers & Harris (2003)	Empirical and survey	227 individuals from a small Midwestern city. All Participants were nonstudents who were 18 or older and had made at least one purchase online.	A survey instrument was used to determine whether males and females differ in their ecommerce experiences and attitudes. Attitude, trust, e-commerce experience, and purchase frequency were measured using a 5-point semantic differential scale and bipolar adjectives.	Females have less gratification with e-commerce and are more sceptical of e commerce than males, perhaps due to the lack of an emotional bond with the online Retailer.
12	Stafford, Turan, & Raisinghani (2004)	Empirical and survey	The sample included 217 students enrolled in business Administration courses in the United States, Finland, and Turkey.	An online survey instrument was used to compare and contrast gender differences in three different consumer markets.	Males continue to be early adopters of the Internet and online services. While males are more likely to shop via ecommerce, females are more likely to shop, in general.
13	Susskind (2004)	Empirical and survey	204 residents from a northeastern state.	A telephone survey was used to collect perceptions of Internet usage and e-commerce	Females reported spending less money online as compared to their male counterparts.
14	(Riquelme & Sergio, 2014)	Survey	398 online consumers, 51 % of them were male, relatively young (65 % of them were between 20 and 35 years old)	Independent variables:- Perceived privacy, Perceived security Dependent:- Consumer trust on online vendor	Influence of both privacy and security on online trust was stronger for male, younger, more educated, and less extraverted consumers

Shopping Cart Abandonment

Shopping Cart Abandonment refers to the loss of a customer who is going through the check-out process of an online transaction. Once the consumer selects a product and puts it in his/her shopping cart, he/she takes it to the checkout point. However, in some cases, for various reasons (e.g. long lines, cumbersome and tedious checkout process, etc.) consumers may abandon the cart. This phenomenon is especially pertinent in the context of e-commerce. Studies estimate that approximately 60-75 percent of the shopping carts are abandoned before purchase is made (2002; Eisenberg, 2003; Oliver and Shor, 2003; Gold, 2007). Cart abandonment rates on the average e-commerce site range between 65% to 80%.

Shopping cart abandonment comes right after the consumer has decided to purchase the products, but before the purchase is completed. A lack of understanding and availability of literature regarding this stage in the existing literature from the gender perspective points to the need for this research. Most of the studies have focused on the initial stages of the buying process, i.e. from problem recognition to the evaluation of alternatives stages (Kotler, 1999), or the factors influencing the consumers' propensity to shop online.

If we go by statistics, More than two thirds of UK shoppers abandon their online shopping carts before making a purchase, according to a survey commissioned by Cloud.IQ. Women are 7 per cent more likely to abandon an online shop than men, according to the study. DAVIES, 2013 The factors influencing consumer online search, consideration, and evaluation play a larger role in cart abandonment than factors at the purchase decision stage. In particular, many customers use online carts for entertainment or as a shopping research and organizational tool, which may induce them to buy at a later session or via another channel (Kukar- Kinney & Close, 2010)

Three Key factors of reasons for shopping cart abandonment (Rajamma et al 2009)

- 1 Perceived waiting time
- 2 Perceived risk
- 3 Transaction inconvenience

Shopping cart abandonment

The results of their study indicated that perceived transaction inconvenience is the major predictor of shopping cart abandonment. The other predictors are-

Perceived risk and perceived waiting time. Positive relationship was found between perceived transaction inconvenience, perceived risk and propensity to abandon the shopping cart. It was also found that propensity to abandon the shopping cart is negatively associated with the perception of waiting time. (Kukar- Kinney & Close, 2010) .Other

Legitimate reasons Their minds or deciding they should Not be spending the money, Running out of time especially on mobile devices, Comparing products and moving to some other site, Privacy and security concerns, high shipping costs, Checkout process too long etc.

WOMEN are more likely to:-Save products for later, Take longer to buy and be very sensitive to shipping and handling costs whereas MEN are more likely to Compare prices and not abandon shopping cart. (Conversions on demand, 2014)

Conclusion

Several research issues related to consumer online shopping emerged from the current study. Shift in shopping orientations. Despite different consumer clusters identified in different studies, there is a clear trend that the shopping orientations of online consumers have expanded beyond convenience and variety-seeking. Recreational, economic, and even social-oriented consumers can all be active online shoppers. Therefore, it is important for us to understand how to provide more recreational, experiencing, and socializing functions to meet the needs of diversified online consumers.

Gender Specific Buying Behaviour: In spite of many studies being conducted on online shopping based on gender, till date no study has been conducted emphasizing on one particular gender buying behaviour-males or females. Minimization of risks with online shopping. The scarcity of studies on how to reduce online shopping risks does not meet the demand of increasing awareness of risks associated with online shopping. Consumers were more concerned about attributes of Web sites associated with perceived risks (e.g., security of information and vendor reliability) than those associated with perceived gains (e.g., convenience) [Bhatnagar and Ghose 2004a], which underlies the importance of reducing online shopping uncertainty and risks

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