

# **An Analyzation of the Factors Impacting the Adoption of Online Shopping a Reference to Tam**

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## **ABSTRACT**

**With regard to Indian customers, this study offers a framework to help researchers better understand consumers' views towards online purchasing and their intention to shop online. The Technology Acceptance Model (TAM) elements are the primary foundation for this study, which also incorporates other constructs and applies it to the setting of online shopping. The study demonstrates that factors such as trust, convenience of use, utility, and enjoyment of online buying do not significantly influence attitudes towards online shopping or intention to shop online. A review of the literature was used to carry out the conceptual investigation.**

## **INTRODUCTION**

The most talked-about aspect is the significant rise in online retail; consumers and businesses alike are using the internet for business purposes (Wigand, 1997). Based on the FICCI (2016) research, India has seen a notable increase in the use of wireless internet services in the past several years, primarily due to operator initiatives for network upgrades and inspectrum acquisition. Borenstein and Saloner (2001) have noted that the virtual market has grown due to the proliferation of smartphones and the advancement of internet connectivity. Shopping online is becoming more and more popular due to a number of reasons, including increased Internet penetration, better security measures, time-saving convenience for shoppers, and, of course, the availability of dozens of stores. While comparing products online is a convenient way to compare features and specifications without having to visit many stores, many customers still struggle to identify the best and safest websites to shop at (ecommerce report 2014). As per the findings of NASSCOM (2016), the travel sector accounted for 61% of all online sales, while the whole e-commerce business in India was valued at \$17 billion at the end of the Financial Year (FY) 2016. The remaining 39% are non-travel related transactions, of which 76% are tied to e-tailing. Moreover, e-commerce has increased by 93% annually, with the top three e-commerce behemoths—Flipkart, Amazon, and Snapdeal—accounting for approximately 80% of the market (In 2015). Universal access to mobile connection aims to close the existing gaps in mobile connectivity and boost network penetration, according to the FICCI (2016) research, which estimates capex at INR 160 billion. By Financial Year 18, it hopes to cover the remaining 42,300 villages. The same report makes recommendations.

Online retailers benefit greatly from the fact that, as of September 2014, ~92.6% of all internet subscribers in the nation was on wireless. India currently has the second-largest smart phone market behind China, according to the IAMAI study; at the close of 2015, it overtook the United States in Smartphone users, with over 230 million now in use. When compared to other gadgets, mobile phones are more affordable and convenient for those who live in semi-rural and semi-urban areas.

### **Framework for an Online Consumer's Intentions**

We developed a framework based on prior research on consumer adoption of new technologies and services in order to gain a thorough grasp of customers' views towards online shopping and their intentions to purchase online. The use of online stores by customers up until the transactional step of purchasing and logistics is referred to as "online shopping" in the framework. Our framework's fundamental ideas are drawn from Davis's (1989) Technology Acceptance paradigm (TAM), a seminal research paradigm in the field of information systems. As a theoretical basis for e-commerce adoption, the model has also shown to be appropriate (Chenet al., 2002; Moon and Kim, 2001; Lederer et al., 2000). Therefore, our study framework is built upon the TAM structures. According to TAM, a person's attitude towards utilizing new technology influences their behavioral intention to use it. In response, TAM initially pinpoints two, theoretically separate, factors that influence a person's attitude towards utilizing new technology. The first factor is "usefulness," which measures how much a person thinks utilizing the new technology would boost output or performance.

Another element identified by TAM is "ease of use," which refers to how much a person believes utilizing the latest innovations will be effortless. "Usefulness" describes how customers feel about the experience's conclusion, whereas "ease of use" describes how they feel about the steps involved in getting there result. Davis et al. (1992) introduced the

"enjoyment" construct to the model of technology acceptance, which measures how much the use of the newly developed technology is viewed as a rewarding activity in and of itself, independent of any potential performance repercussions. Another construct beyond these constructs that we have taken into consideration is trust in online commerce.

## LITERATURE REVIEW

### Ease of use

According to Davis (1989, 1993), "ease of use" refers to a person's belief that utilizing new technology will require no effort on their part. Using this to our situation, "ease of use" refers to the consumer's belief that online buying will need the least amount of work. "Ease of use" refers to how they see the steps involved in getting the desired online buying experience. Consumers always accept simpler technologies more readily than complex ones when it comes to online buying, according to Selamat et al. (2009). Generally speaking, customers are not interested in using sophisticated technologies to make online purchases of any kind. As for online buying, perceived ease of use is mostly determined by the features of the website (Beldona et al., 2005). Customers try to minimize effort in their behaviors while making behavioral decisions, and this is also true of their beliefs of "ease of use"—that is, that purchasing on the Internet will be effortless—which explains the direct effect of TAM (Venkatesh, 2000).

It is crucial to discover the latent characteristics of the notion "ease of use" in the context of the Internet, given that it influences consumers' attitudes and intentions regarding online buying. TAM states that early on in a user's interaction with an invention or system, "ease of use" has a significant impact (Davis, 1989, 1993). According to several academics, computer playfulness, site characteristics, and enjoyment are the constructs of ease of use as proposed in TAM. A machine's level of cognitive spontaneity during an engagement is called "computer playfulness." Playful people often underestimate how hard it is to shop online because, in contrast to others who are less playful, they merely enjoy the process and do not think it requires much work (Venkatesh, 2000). Apart from this, "site characteristics" such as navigation, download speed, and search features also influence "ease of use" (Zeithaml et al., 2002). Yet, since these site factors only have an impact, a more recent addition to the technology acceptance model is the "enjoyment" construct, which measures how much adopting the new technology is thought to reinforce positive feelings independent of any potential negative effects on performance (Davis et al., 1992).

### Usefulness

According to Davis (1989, 1993), "usefulness" is the belief of the user that employing the new technology will result in better performance. The term "usefulness" described how customers saw the results of their online shopping experience. Put another way, "usefulness" can be defined as how well online purchasing aids customers in completing their tasks. Then, "usefulness" might be defined as customers' opinions that their buying experiences are improved when they use the Internet as a medium. Zhou et al. (2007) state that the entire online purchasing process benefits from consumers' expectations of greater shopping efficiency. Customers' attitudes towards online purchasing and their propensity to shop online are influenced by these views. According to Davis et al. (1989), TAM promotes a strong direct relationship between "usefulness" and intention and a moderate direct relationship between "usefulness" and attitude. This was described as coming from users who intended to use technology even when they had negative feelings about utilizing it since they found it useful. In addition, "usefulness" and "ease of use" are connected to ascertain how customers feel about online buying. TAM states that "ease of use" has an impact on "usefulness" since a technology can be more valuable if it is simple to use (Venkatesh, 2000; Dabholkar, 1996; Davis et al., 1989).

### Enjoyment

The current framework's "enjoyment" concept captures the internal drive behind online shopping. "Enjoyment" or intrinsic worth stems from appreciating an experience for its own sake, independent of any additional outcomes that may arise (Holbrook, 1994). This means that, in the context of our research, "enjoyment" stems from the enjoyable and lighthearted nature of online shopping rather than from finishing tasks related to buying. The act of purchasing products could come about as a byproduct of internet shopping. The term "enjoyment" so refers to how customers view the possible entertainment value of purchasing online. According to Childers et al. (2001), "enjoyment" is a reliable and powerful indicator of attitudes on online buying. Customers are more inclined to accept Internet access as a buying medium and to have a more favorable mindset towards it if they have a positive online shopping experience. Shopping can be enjoyable for two reasons: either way, the object you buy or the process of shopping itself brings you delight (Forsythe & Bailey, 1996; Kunz, 1997; Taylor & Cosenza, 1999). Customers are more likely to engage in subsequent buying behaviour, such as

browsing more, making more impulsive purchases, and looking for more stimulating brands and categories, if they are initially exposed to attractive and stimulating stimuli during their online shopping experience. (Kahn and Menon, 2002)

### **Trust in online shopping**

According to Lee and Turban (2001), a common excuse given by customers for not using the Internet to shop is a lack of confidence. For many customers, online purchasing presents a difficulty because it's a relatively new medium and they have limited familiarity with it. In unfamiliar circumstances, people rely on their innate tendency to trust, according to Rotter (1971). Consumer trust in a retail situation is mostly derived from the salesperson due to factors such as the salesperson's likeability, skill, and resemblance to the customer (Doney and Cannon, 1997). The foundation of customer trust in the online purchasing experience is eliminated when assistance buttons and search functions take the place of the actual salesperson (Lohse and Spiller, 1998). Moreover, there is certain risk involved in internet shopping. According to Lee and Turban (2001), consumers who shop online are unable to personally inspect a product's quality or ensure that their sensitive financial and personal information is being sent in a secure manner. Building consumer trust in an online setting is extremely challenging when there is a lack of touch and feel concept. For online businesses, building confidence in online shopping has become a challenging endeavour that requires attention (Gusstavsson & Johansson, 2006). Online shoppers feel helpless as a result of this situation. A major deterrent to online shopping for consumers is a lack of confidence. Consequently, trust has a significant moderating role in the association between consumers' attitudes towards online buying and their propensity to do so.

### **CONCLUSION**

In this study, we looked at how important certain characteristics related to Indian customers' adoption of online retail were viewed. The adoption of online shopping by customers is found to be significantly influenced by aspects such as ease of use, utility, enjoyment, and trust. The findings indicate that shoppers view simplicity of use as the most influential aspect, whereas trust in online retailers is the least influential factor. The mindset of Indian consumers with regard to online buying is better understood thanks to this study. Additionally, the study assists online shops in formulating customer-centric strategies.

A restricted number of respondents were selected for the study in a certain region, which is one of the study's shortcomings. Another constraint was the availability of time and money.

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