

## An Exploratory Study of Consumer Involvement and Purchasing Intention towards Online Shopping for Durable Goods

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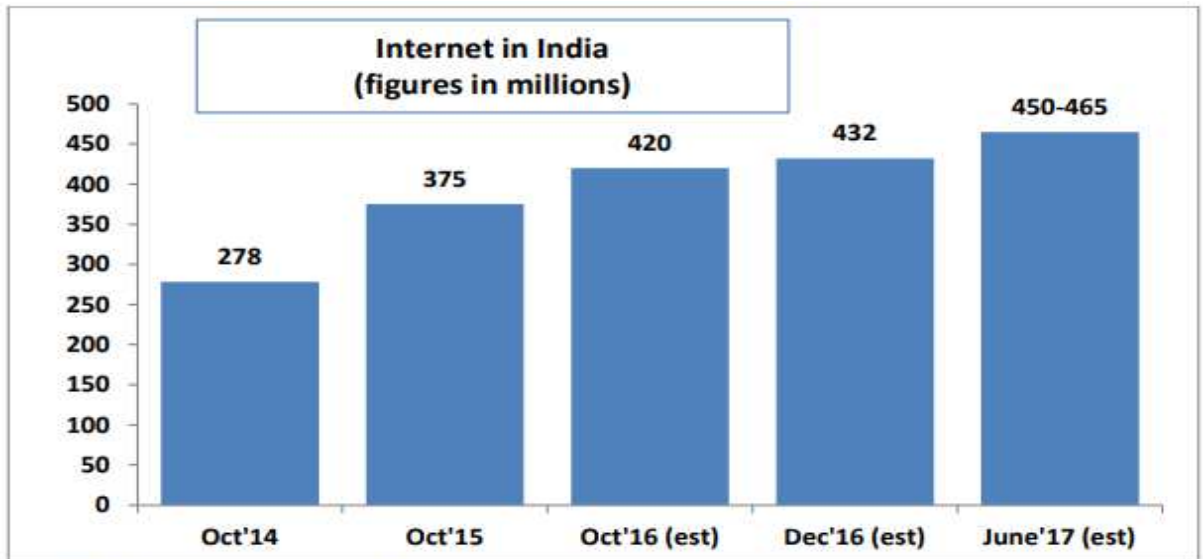
### Abstract

This study is aimed at analyzing purchasing intention for durable goods through online mode in Vadodara. For this consumer involvement and attitude towards online shopping for durable goods was examined. Data was collected from approximately 210 sample units in Vadodara city in the form of a structured questionnaire. Convenient sampling technique was used for sampling. For the purpose of data collection sample was classified on the basis of occupations of respondents like service, business and profession. Equal number of sample units were considered from each stratum. Hypotheses was tested using chi-square, t-test and ANOVA. Further, interrelationship between factors affecting consumer involvement was studied.

**KEYWORDS:** Consumer involvement, attitude, purchasing intention, consumer behavior.

### Introduction

As one of the fastest growing economy, India is witnessing good times with respect to per capita income, GDP and overall economic growth. These economic factors along with the demographic dividend is resulting into India becoming a major consumption hub for all kinds of goods and services. The coming years may see India as a major market for goods by all foreign brands. With a stable and proactive government, the era of consumerism is not far. With more and more people using smartphones, the number of internet users in the country has also risen as is clear from the figures below.



Source: IMRB I-Cube, All India Estimates. December estimates does not account the impact of demonetisation

So, on one hand incomes are rising and on the other hand more number of internet users with smartphones, the result is lot of action in terms of online purchasing of different goods. Looking at this scenario, some global players have entered India and some others are in the process of entering. Some of the major online purchasing websites are Flipkart and Amazon. The other ones like Pepperfry, Myntra, Jabong, Cliq, etc are also targeting the new generation of Indians who are ready to purchase different goods and services online.

This research paper has made an attempt to study the attitude, involvement and resultant purchasing intention for online shopping of durable goods in the city of Vadodara.

**Durable Goods**

For the purpose of this research, durable goods were categorized as under-

**CATEGORIES OF DURABLE GOODS**

<b>White Goods</b>	<b>Kitchen Appliances/ Brown Goods</b>	<b>Consumer Electronics</b>
Refrigerators Washing Machines Air-Conditioners Speakers and Audio Equipments	Mixers Grinders Microwave Ovens Iron Electric Fans Cooking Range Chimneys	Mobile Phones Televisions MP3 Players DVD Players VCD Players

**Source:** KPMG, *Consumer Durables, Market & Opportunities*

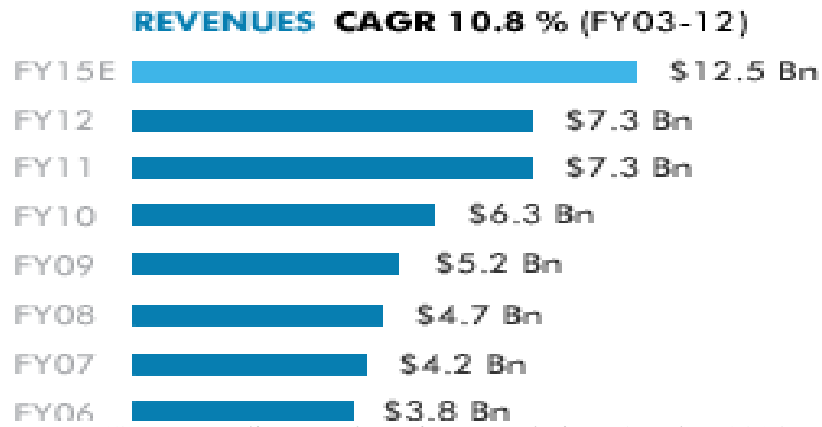
**India’s Consumer Market**

According to IBEF (India Brand Equity Foundation) in its report of August 2013, India is one of the largest growing electronic markets in the world. India has world’s third largest Televisions Industry. By 2025, India would rise from the twelfth to the fifth largest position in the consumer durables market in the world; the market is expected to reach USD12.5 billion by 2015. <sup>1</sup>

**Size of the consumer durables market in India**

Consumer durables market is expected to double at 14.8 per cent CAGR (Compounded Annual Growth Rate) to US\$ 12.5 billion in FY15 from US\$ 6.3 billion in FY10.

<sup>1</sup><http://www.ibef.org/August 2013>



(Source: India Brand Equity Foundation, October 2014).

### Literature Review

Kothari and Maindargi studied the factors which online Indian customers keep in mind while shopping. After completion of study Researchers found that cognition, sensed usefulness, comfort of use; sensed enjoyment and security are the five components which affect consumer perceptions about online purchasing.<sup>2</sup>

In their research paper James Paul and Akbar Saad analyzed the relationship between nine independent variables and receptivity to online shopping. Among the nine factors, the strongest influencers from highest to lowest were Price, Refund, Convenience, Auction websites, Security, Brand, Search engines, Promotion and Online shopping malls. It was found that there was significant difference in means between males and females for online shopping malls and Auctions websites factors to receptivity on online shopping. The means of females were significantly higher than males for these two factors.<sup>3</sup>

Ashutosh Sandhe in his research compared two contrasting product representing two extreme levels of product involvement. A residential house which is a high involvement product and a toothpaste which is a low involvement product. Product involvement was found out for these products based on the factors determining involvement as propounded by Carmen Garcia et al. Further, correlation analysis was conducted to test the relationship between the factors determining product involvement separately for both the products and it was found that for residential house, there is a positive and significant correlation between all the factors. However, the same was not found for toothpaste. It was found that in case of toothpaste, the correlation between all the factors was low and

<sup>2</sup> Kothari Pritam, Maindargi Shivganga, (2016), A Study on Customers Attitude towards Online Shopping in India and its Impact: With Special Reference to Solapur City, *IJARIT*, Vol.2(6), pp.1-10

<sup>3</sup> James, Paul & Akbar, Saad. (2014). Consumers' attitude towards online shopping Factors influencing employees of crazy domains to shop online. *Journal of Management and Marketing Research*. Pp.1-11.

insignificant. Thus, this differing mindset of buyers was observed which would be helpful for marketers while designing their marketing strategy for their products and services.<sup>4</sup>

Carmen Garcia et al (1996)<sup>5</sup> modified the model of Zaichkowsky and developed a 21-item Likert-type 'Consequences of Involvement' questionnaire (CIQ) to measure the level of involvement with products. Unlike other scales, the CIQ measured involvement from its consequences, rather than requesting the subject to directly rate his or her state of involvement. It was applied to Spanish and English samples and in each sample the involvement with two products was measured. In all four cases the questionnaire met psychometric standards and provided essentially the same two-factor structure. The first factor was labelled 'Cognitive Dimension' and was inferred from consequences related to the increase of information on the product. The second factor was labelled 'Affective Dimension' and was related to the emotional aspects of using or owning the product. The results obtained were in agreement with the two-factor theory of involvement proposed by Park and Mittal (1985). In addition, the Personal Involvement Inventory (Zaichkowsky, 1985) was adapted to the Spanish population and some problems relating to criterion validity and its dimensionality were noted.

Judith Lynne Zaichkowsky (1994)<sup>6</sup> in her research titled "The Personal Involvement Inventory: Reduction, Revision, and Application to Advertising" modified the personal involvement inventory (PII) and reduced the scale to ten items. The new scale was called revised personal involvement inventory (RPII).

Banwari Mittal (1989)<sup>7</sup>, in his research titled "A Theoretical Analysis of Two Recent Measures of Involvement" used a unidimensional conception of involvement to develop a general model of involvement. The two scales were reconciled with this model, and subscales were identified in each which would measure involvement as a unified construct.

## Objectives

- To study involvement levels for online shopping of durable goods in Vadodara.
- To study attitude towards online shopping for durable goods in Vadodara.
- To study the overall purchasing intention towards online shopping for durable goods in Vadodara.

<sup>4</sup> Sandhe Ashutosh, 2015, A Comparative Study of Product Involvement in Gujarat, India, *Journal of Management of Roraima, Brasil*, Vol.5(1), pp. 124-133

<sup>5</sup> Carmen García, Julio Olea, Vicente Ponsoda y Derek Scott (1996), Measuring Involvement From Its Consequences, *Psicothema*, 1996. Vol. 8, No. 2, pp. 337-349

<sup>6</sup> Zaichkowsky, Z.L., (1994), The Personal Involvement Inventory: Reduction, Revision, and Application to Advertising, *Journal of Advertising*, Volume XXIII, Number 4, pp-59-69

<sup>7</sup> Banwari Mittal (1989), "A Theoretical Analysis Of Two Recent Measures Of Involvement", in *Advances in Consumer Research* Volume 16, eds. Thomas K. Srull, Provo, UT : Association for Consumer Research, Pages: 697-702.

## **Research Methodology**

In order to study and identify consumer involvement for purchase of durable goods through online shopping, the CIQ (Consequences of Involvement Questionnaire) was used. According to the model, involvement is a consequence of five factors as follows.

- **Affective link (AL)**

When product involvement is high, the product is considered to be important in the daily life of a person and there is special interest in that product. (Krugman, 1965; Park and Mittal, 1985; Zaichkowsky, 1987).

- **Search and information processing (SIP).**

When product involvement is high, consumers tend to carry out active and detailed search of information about the product or service before deciding on the purchasing of that product. (Howard and Jagdish, 1969; Macquarrie and Munson, 1992).

- **Social interaction (SI).**

A person tends to talk more about the product with other people when his or her involvement in it is high. They are likely to talk to other people about that product. The same normally does not happen when product involvement is low. (Macquarrie and Munson, 1992).

- **Social Relevance (SR).**

When product involvement is high, it has been found that consumers view the same product as important for others also. They apply their own result to other people.

- **Purchase purpose (PP)**

High involvement is also related to purchase purpose, as people prefer to buy those products which they have high involvement with (Clarke and Belk, 1978; Zaichkowsky, 1985, 1986).

For the purpose of this exploratory and descriptive research, a sample size of 210 respondents was considered and data was collected through a structured questionnaire. The questionnaire was divided into six parts. First part of the questionnaire was to identify the affective link for durable goods through online shopping. The second part collected information about the factor search and information processing. The next part was to study the factor social relevance. Part four of the questionnaire gathered data on the factor social interaction and fifth part of the questionnaire collected data on the factor purchase purpose. The sixth and last part of the questionnaire collected demographic information of the respondents.

The sample of 210 was collected using convenience sampling technique. For this purpose the population was divided into 3 groups on the basis of occupation of the respondents as service class, businessmen and professionals. A sample of 70 from each group was considered for the purpose of this research.

The questionnaire was developed on a five point likert scale where 1 was ‘strongly disagree’ and 5 was ‘strongly agree’. The data collected through the tool was found to be highly reliable which is clear from the Cronbach Alpha value given below.

Sr.	Factor	Cronbach Alpha
1.	Affective Link	0.81
2.	Search and Information Processing	0.79
3.	Social Relevance	0.83
4.	Social Interaction	0.77
5.	Purchase Purpose	0.76
	Overall	0.88

### The Model



According to the proposed model, the factors AL, SIP and PP will lead to attitude formation. Attitude formation along with the social interaction about these online purchases and social relevance in the society will determine involvement levels for durable products purchased online. The factor PP will determine purchasing intention for the products in this research. All the five factors together will lead to the formation of involvement levels for purchase of durable products online.

### Hypotheses

- H1: There is lack of attitude towards online shopping for durable goods in Vadodara.
- H2: There is lack of significant levels of involvement towards online shopping of durable goods in Vadodara.
- H3: There is lack of significant purchasing intention towards online shopping for durable goods in Vadodara

## Data Analysis

**Table 1: Demographic Profile of Respondents in Vadodara**

Feature		N	%
Age	20-30	107	50.95
	31-40	57	27.14
	41-50	24	11.43
	Above 50	22	10.48
<b>Total</b>		<b>210</b>	<b>100.00</b>
Gender	Male	120	57.14
	Female	90	42.86
<b>Total</b>		<b>210</b>	<b>100.00</b>
Education	Under Graduate	21	10.00
	Graduate	46	21.90
	Post Graduate	104	49.52
	Professional	39	18.57
<b>Total</b>		<b>210</b>	<b>100.00</b>
Occupation	Service	70	33.33
	Business	70	33.33
	Professional	70	33.33
<b>Total</b>		<b>210</b>	<b>100.00</b>

**H1: There is lack of attitude towards online shopping for durable goods in Vadodara.**

**Table 2: Table Showing Attitude and Purchasing Intention of Respondents towards Purchase of Durable Goods Online in Vadodara**

Factor	Mean	S.D.	Chi	Sig.
Affective Link	3.79	0.48	53.78	0.03
Search and Information Processing	4.04	0.62	42.98	0.00
Purchase Purpose (Purchase Intention)	3.28	0.54	48.67	0.01
<b>Overall Attitude</b>	<b>3.70</b>	<b>0.66</b>	<b>56.23</b>	<b>0.00</b>

As is clear from the above Table 2, the overall attitude purchase of durable goods online was favourable in Vadodara. The highest mean value was found for the factor 'search and information processing' (Mean = 4.04). Respondents believed that internet and various sources on the web including online shopping portals offer exhaustive information regarding all the durable goods which is highly convenient. The lowest mean was found for the factor 'purchase purpose' (Mean = 3.28). One of the reasons for a relatively low mean was the fact that people believed that the first thing that comes to

mind while purchasing durable goods are the local stores. By habit, they visit the local store offering these goods. However, the overall attitude was found to be positive (Mean = 3.70). This meant that respondent did not mind purchasing durable goods online. The traditional shopping mechanism was found to be slowly giving way the modern one. Since the statistical values were found to be highly significant for all the data, it was concluded that the null hypothesis was rejected and alternate hypothesis was accepted.

**H2: There is lack of significant levels of involvement towards online shopping of durable goods in Vadodara.**

**Table 3: Table Showing Product Involvement towards Online Purchase of Durable Goods in Vadodara**

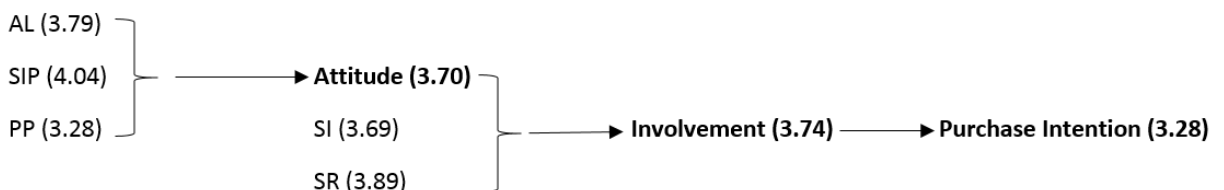
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Social Interaction	3.69	0.34	56.98	0.00
Social Relevance	3.89	0.58	42.47	0.00
<b>Overall Involvement</b>	<b>3.74</b>	<b>0.53</b>	<b>47.21</b>	<b>0.00</b>

From Table No.3, it can be observed that the overall involvement towards purchase of durable goods online was moderate (Mean =3.74). The mean values for all the values of factors ranged from 3.28 to 4.04 suggesting a fairly consistent response for all the factors. Significant results of Chi-square tests suggested that the null hypothesis be rejected and alternate hypothesis be accepted that the overall involvement for purchase of durable goods through the online mode was found to be favourable.

**H3: There is lack of significant purchasing intention towards online shopping for durable goods in Vadodara**

Table No. 2 and 3 showed the purchasing intention online purchase of durable goods in Vadodara. The results obtained and further processing of the data revealed that there was purchasing intention for these goods in Vadodara (Mean = 3.28, Chi = 48.67, p = 0.01). Thus, the null hypothesis was rejected and alternate hypothesis was accepted.

Based on the results obtained, the model prescribed in this research can be presented as follows.



**Table 4. Table Showing Correlation between factors Affecting Online Purchase Intention for Durable Goods in Vadodara**



Factor		Attitude	Involvement	Purchase Intention
Attitude	Correlation	1	0.743	0.632
	Sig.	-	(0.00)	(0.00)
Involvement	Correlation	0.743	1	0.684
	Sig.	(0.00)	-	(0.00)
Purchase Intention	Correlation	0.632	0.684	1
	Sig.	(0.00)	(0.00)	-

*(Two-tailed correlation. Significance at 0.01)*

Table No.4 provides a good understanding between the factors leading to involvement and online purchasing for durable goods in Vadodara. There is a positive correlation between attitude and involvement (0.743,  $p=0.000$ ). Similarly, involvement and purchasing intention are positively correlated (0.684,  $p=0.000$ ). The results suggested that there is positive attitude towards online shopping of durable goods in Vadodara. This positive attitude along with social factors like social interaction and social relevance lead to high involvement. The combined effect of positive attitude and high involvement resulted in significant online purchasing intention for durable goods in Vadodara. The values of correlation were found to be highly significant.

### Findings

From the data collection and resulting analysis, following were the major findings of this research.

- The overall attitude towards online purchase of durable goods in Vadodara was favourable.
- The mean values for all the factors i.e. affection (AL), cognition (SIP) and conation (PP) were above 2.5 out of 5.
- The cognitive factor 'search and information processing' had the highest mean value among all the factors (Mean = 4.04) while the conative factor (PP) had the lowest mean (Mean = 3.28).
- The results showed moderate product involvement (Mean = 3.74) towards online purchase of durable goods in Vadodara.
- Correlation analysis revealed moderate to high levels of positive correlation between the variables 'Attitude', 'Involvement' and 'Purchase Intention'.

### Conclusion

From the data obtained in this research and analysis, it could be concluded that the overall attitude towards online purchase of durable goods in Vadodara is favourable and in the future there is a scope of actual purchasing happening through this mode.

### Limitations

This research was carried out keeping in mind the following limitations.

- The sample size was restricted to 210.
- The area under the study included only Vadodara city. Rural areas were not covered due to paucity of time.

- Due to constraint of time and resources, the sampling method adopted was non-probabilistic.

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