The Impact of Online Shopping Values and Website Cues on Purchase Behaviour using the S-O-R Framework.

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Abstract

Multiple studies have been undertaken to examine the merits of online buying. However, there has been limited integration of different methodologies to explore the aspects that define the value of online shopping and the impact of website cues on customer behaviour. The results of this study suggest that both internal and external factors directly impact the website, and that the website influences the consumer's propensity to make a purchase. The research examines the importance of design components in relation to customer satisfaction. It also explores the stimulus-organism-response framework to understand the behaviour of online shoppers.

Keywords: shopping values, web satisfaction, Web informativeness, Web Entertainment, Purchase Intention.

Introduction

Online purchase is considered a technological innovation that is gradually replacing traditional commerce through the widespread availability of online shopping services. The prevalence of online buyers is steadily growing (Lee *et al.,* 2016). Global trends have demonstrated the widespread appeal of e-commerce. China, UK, South Korea, Japan, France, Germany, and

Russia have had a significant growth in e-commerce in recent years. The Middle East has experienced rapid e-commerce growth. India and Pakistan are experiencing the lowest rate of development in e-commerce due to slower internet usage and access compared to other developed countries. There has been a noticeable increase of internet shopping, particularly in Karachi, the commercial hub of Pakistan, in recent years. Statistics have demonstrated a 12% increase in e-retailing in Karachi in 2012. Some examples of rapidly expanding e-commerce websites in Pakistan include OLX, Daraz.pk, Symbios, Warehouse.pk, shopping.pk, Shophive, Kaymu, and several others (Adnan, 2014).

Given the increasing popularity of online shopping, it is crucial to consider the factors that are important to online shoppers while operating an online store. The design of the website is the primary factor that significantly influences consumer perceptions. When it comes to website design, the most significant variables influencing online purchasing are content and navigation. Arif *et al.,* (2013), have asserted that the quality of website design is the primary factor influencing consumer happiness. When the website exhibits a high level of quality, it naturally leads to an increase in a customer's engagement in online purchasing, as they feel satisfied with their experience. They must also be knowledgeable about the web-based factors that consumers primarily consider in different situations or nations. Without knowledge of these facts, e-marketers will have challenges in maintaining B2C e-marketing.

Accepting developments such as online shopping is particularly problematic in the context of Pakistan. According to Adnan (2014), the buying behaviour of Pakistani consumers is influenced by their level of trust in online retailers as well as other security issues. Typically, those who are not experts in a particular field often lack sufficient trust in the things they encounter on the internet. That is the reason why they refrain from making online purchases. Nevertheless, the

Pakistani youth is displaying adaptability in this domain and actively participating in online purchasing, particularly when it pertains to placing food orders through the internet. Researchers have acknowledged that Pakistani young are inclined towards internet shopping due to the recent trend of online purchase (Ahmed et al, 2017).

Prior research has mostly examined the key determinants of online shopping behaviour, but there is a scarcity of studies that have specifically investigated the influence of website cues and online shopping values on consumer buying behaviour in the online context. E-marketers must examine the web-based aspects that have the ability to influence the online purchasing behaviour of consumers, particularly young consumers (Ahmed et al., 2017).

The current study revealed the key characteristics that have the greatest influence on the online buying behaviour of Pakistani consumers. Due to the large number of individuals accessing the internet at the same time, they serve as prospective customers for online shops. An essential measure for an e-retailer is to categorise and evaluate the demands and corresponding difficulties of a certain company setting. E-retailers must be cognizant of the website aspects that significantly influence the attraction of youthful and technologically adept consumers to engage in online buying. The objective of this study is to examine the influence of online shopping values and ambient cues on web satisfaction and purchase intention among consumers in the context of Karachi, Pakistan.

Material and Methods

This study utilised primary data, which refers to data collected directly from a primary source. The primary aim of study was to ascertain the impact of online shopping values and website cues on purchase behaviour. An investigation conducted utilising the Stimulus-Organism-Response

(S-O-R) framework. Hence, the primary data was obtained directly from participants via a questionnaire. Convenience sampling technique was utilized and a questionnaire was delivered to the respondents, consisting of around 500 samples. However, due to misplacement, we obtained only 470 samples, and out of those, 446 were deemed useable after filtering out improper data. The target audience for this research was the general public of Karachi. The participants were asked to score the following things on a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Each item was accompanied with 5 related questions of Hedonic Shopping Value (HSV), Utilitarian Shopping Value (USV), Web Informativeness (WI), Web Entertainment (WE), Effectiveness of Information Content (EIC), Web Satisfaction (WS), and Purchase Intention (PI). The SPSS version 19 programme is utilised for analysing descriptive statistics and reliability using the Cronbach alpha method. On the other hand, the SMART PLS 3 software is employed for determining blindfolding, bootstrapping, and Pls algorithm for data interpretation, as well as obtaining significant outcomes through statistical evaluations.

Model Hypothesis

The hypotheses ($H_1 - H_6$) for this research study are as follows:

H_1: Hedonic shopping value has insignificant impact on web satisfaction

H_2: Utilitarian shopping values has insignificant impact on web satisfaction

H_3: Web informativeness has significant impact on web satisfaction

H_4: Web Entertainment has significant impact on web satisfaction

H_5: Effectiveness of Information Content has significant impact on web satisfaction

H_6: Web satisfaction has a significantimpact on online consumers.

Results

The demographic model of 446 respondents, consisting of various age groups, genders, income levels, occupations, education levels, and online purchasing frequencies, is presented in Table 1, displaying the corresponding descriptive data.

Table: 1. Descriptive Statistic of Demographic Data

Demographic Items	Frequency	Percentile (%)
Gender		
Male	199	44.6
Female	247	55.3
Age		
20 or below	71	15.9
20-25	251	56.2
30-35	100	22.4
Above 35	24	5.4
Occupation		
Employed	300	67.3
Self- Employed	51	11.4
Housewife	49	10.9
Other	46	10.3
Level of income		
Less than 20,000	70	15.6
b/w 20,000 to 40,000	200	44.9
b/w 60,000 to 10,0000	100	22.4
Above 10,0000	76	17.1
Onlineshopping frequency		
Weekly	100	22.4
Monthly	250	56
Yearly	96	21.5

The most commonly used method is Factor Analysis, which is employed to reduce data. Each component in a sample of 350 or more must have a minimum factor of 0.30. Estimations indicate that the factor loading falls within the range of 0.45 to 0.86, which is considered adequate for determining the applicability of factor analysis. The findings are listed in Table 2. In order to assess the internal consistency of the data, we

employed Cronbach's alpha coefficient. The value must be at least 0.5 or higher. Table 2,

demonstrates that all values, both at the individual variable level and overall, exceed 0.50.

Table: 2. Reliability of analysis of the variables.

Variables	Items	Cronbach's Alpha
HSV	2	0.700
USV	3	0.639
WI	4	0.799
WE	5	0.864
EIC	4	0.872
WS	4	0.821
PI	5	0.873
Overall	27	0.923

It is necessary for all diagonal values to be larger than the non-diagonal values. The data

presented in Table 3 demonstrates that, in our study, all diagonal values are larger than the non-

diagonal values. Additionally, it is important to note that the Heterotrait-Monotrait Ratio

(HTMT) should be below 0.8. The HTMT values in our study, as shown in Table 4, fall within

the range of 0.06 to 0.33. The results of our investigation, as presented in Table 3 and 4, indicate

that this requirement has been fulfilled.

Table: 3. Fornell-Larcker Criterion of the variables.

	EIC	HSV	PI	USV	WE	WI	WS
The effectiveness of information content	0.774						
Hedonic Shopping Values	0.433	0.866					
Purchase Intention	0.627	0.495	0.814				

Utilitarian Shopping Values	0.399	0.534	0.492	0.776			
Web Entertainment	0.436	0.414	0.477	0.460	0.802		
Web Informativeness	0.488	0.627	0.617	0.687	0.462	0.780	
Web Satisfaction	0.563	0.491	0.504	0.437	0.441	0.608	0.805

Table: 4. Heterotrait-Monotrait Ratio of the variables.

	EIC	HSV	PI	USV	WE	WI	WS
Effectiveness of information content							
Hedonic Shopping Values	0.430						
Purchase Intention	0.673	0.535					
Utilitarian Shopping Values	0.406	0.665	0.479				
Web Entertainment	0.440	0.404	0.457	0.460			
Web Informativeness	0.521	0.689	0.637	0.826	0.435		
Web Satisfaction	0.614	0.514	0.492	0.422	0.428	0.625	

In this study, we conducted hypothesis testing using the bootstrapping method to assess the significance of the link between the variables. We examined the P-value (<0.10) to determine the strength of this relationship. The results indicate that there is a positive correlation among all four variables, except for two variables that exhibit a negative correlation Table 6. The two variables in question have P values larger than 0.825, which is higher than the significance level of 0.1, as presented in Table 5.

Table: 5. Significance level between variables relationship.

Variable Relationships	Standard Deviations	P-Value
The effectiveness of information content -> Web Satisfaction	0.055	0.000
Hedonic Shopping Values -> Web Satisfaction	0.054	0.060
Utilitarian Shopping Values -> Web Satisfaction	0.055	0.350
Web Entertainment -> Web Satisfaction	0.051	0.025
Web Informativeness -> Web Satisfaction	0.065	0.000
Web Satisfaction -> Purchase Intention	0.031	0.000

Table: 6. Summary of the Hypothesis Assessment.

	Hypothesis	Results
H1	The effectiveness of information content have a positive impact on Web Satisfaction	Supported
H2	Hedonic shopping values have a negative impact on Web Satisfaction	Not Supported
H3	Utilitarian shopping values have a negative impact on Web Satisfaction	Not Supported
H4	Web Entertainment have a positive impact on Web Satisfaction	Supported
H5	Web informativeness have a positive impact on Web Satisfaction	Supported
H6	Web Satisfaction have a positive impact on Purchase Intention	Supported

Discussion

The objective of this study was to determine the influence of specific attributes of online shopping and website design on consumer purchasing behaviour, employing a Stimulus-Organism-Response (SOR) paradigm. The study aimed to investigate and characterise the impact of both online and offline retail environments on the purchase behaviour of Pakistani consumers using the S-O-R model. An online survey was used to conduct a quantitative explanatory research. The purpose was to analyse the impact of various variables on web satisfaction and

purchase intention, and determine their relative significance in relation to consumer behaviour online.

Upon analysing the outcomes of the hypothesis model, findings indicate that the information content has a substantial and favorable impact on site satisfaction, confirming hypothesis H1. The study found that hedonic shopping values (H2) and utilitarian shopping values (H3) do not have a substantial and negative impact on web satisfaction, which supports the hypothesis. This finding is very significant, especially for local consumers, as these qualities typically have a favorable impact on web satisfaction. However, our study findings may vary as a result of a distinct perception held by local consumers in this area. This finding may be corroborated by another study in which no impacts of hedonic purchasing values on shoppers' pleasure were found (Vijay *et al.,* 2017). The variation in behavioral traits among online consumers regarding web satisfaction may be attributed to the disparity in the frequency of online buying between developing and developed countries. A high level of literacy and a stable economic status typically lead to a favorable correlation between hedonic buying values and web pleasure, in contrast to underdeveloped nations such as Pakistan. Our findings indicate a strong and positive correlation between web entertainment and web satisfaction (H4 accepted). Additionally, we observed a significant and positive relationship between web informativeness and web satisfaction (H5 accepted). Furthermore, web satisfaction was found to have a significant and positive impact on purchase intention (H6 accepted).

Conclusion

Hedonic and utilitarian buying values of local consumers, which are independent pre-shopping attitudes, negatively impacted web satisfaction. Good web satisfaction leads to good online

customer purchase intention. Higher web informativeness increases consumer happiness. If the web environment is friendly enough to handle customer complaints and concerns through a feedback mechanism, online clients will be inspired by an online retail web service. However, web content must be relevant and effective to meet client expectations. Our study found that web content improves customer web satisfaction. We identified a strong positive correlation between web satisfaction and online purchase intention, which is clear. Satisfied customers are sure to buy from a website. Web happiness should be online retailers' top strategic aim.

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