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RESEARCH ARTICLE

“BRAND CHOICE BEHAVIOUR OF ONLINE CONSUMERS – AN EXPLORATORY STUDY”.

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Abstract

Globalization has made people aware of many brands and online brand choice is the new trend. Hence it becomes a need to analyse the brand choice behaviour of customers shopping online, which is the primary objective of the study proved empharically. This leads to identifying factors that influences brand choice , such as, consumer related behavior, brand equity elements, technological factors and customer purchase behavior factors and also to evaluate them. A research model is proposed to analyze the impact of factors affecting brand choice of online customers. Hypothesis have been formulated and tested accordingly using the tools, such as Cronbach's alpha Reliability test, Multiple Linear regression and ANOVA. Primary data (250) is collected through random sampling through questionnaire. After analysis, most of the factors except Brand awareness were found to be significant. Suitable suggestions based on findings are given. This study offers online retailers an understanding about customers attitude towards brand choice behavior of online shopping.

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Introduction:-

Globalization has increased the preference patterns of consumers around the world as consumers are increasingly exposed to products from different countries. It has also led to the availability of multiple choices of local and global brands. Due to rapid increase in global competition, companies that strictly adhere to and cater to the needs of the local markets find themselves gradually losing the competitive advantage to international brands. Brand choice actually indicates the consumer's selective choice of particular brand i.e. it shows the preference or demand of a specific brand over the competitors' brand. online shopping is a process where buyers buy products online. Marketers are also using various innovative marketing strategies to promote their products and services.

Review Of Literature:-

Shahzad Khan and Sobia Rohi ¹(2013)- Authors in their paper titled “investigating the factors affecting youth brand choice for mobile phones purchase – a study of private universities students of Peshawar” intended to determine all those factors which affect the youth's Brand choice for purchase of mobile phones. They found that Quality, brand image and recommendations by family and friends are the key variables that influence the brand choice of youths for mobile handset purchase in Peshawar Pakistan.

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According to Muhammad Alshurideh et al., ²(2015) in “Factors Affect Mobile Phone Brand Choices –Studying the Case of Jordan Universities Students” intends to examine the main factors affect mobile phone brand choice from a behavioural perspective, through analysing a set of pre-behaviour and post-behaviour factors from a Jordanian customer’s perspective, the research adds value to the behaviour analysis literature by expanding the scope of the Behaviour Perspective Model (BPM) applications within a real behaviour setting. James M Lattin and Randolph E Bucklin ³(1989) with paper titled “Reference Effects of Price and Promotion on Brand choice Behaviour” builds a model to test for the presence of these reference effects on brand choice behaviour. The approach differs from the previous research in two ways such as, reference effects of promotion in addition to reference effects of price; and to capture the formation of the consumer’s promotional reference point. The findings suggest that Promotional activity has significant reference effects on consumer response.

According to J. Sivakumar and Dr. M. Kamaraj⁴ in the Paper titled “Decision-Making Behaviour Towards Electronic Goods: A Study of Male And female Consumers In Chennai City” presented consumer’s decision-making styles towards purchase of electronic goods namely, Mobile phones, Laptops etc. in Chennai city. The Consumer Style Inventory (CSI), developed by Sproles and Kendall(1986) for investigating different consumer decision-making styles, was adopted in this study. The result shows that there is no significant difference between male and female consumers.

Anelina Yassenova Baeva ⁵ in “Online Consumer Behavior Web Experience Elements In Online Clothing Market” investigates the main web - experience factors that customer takes into consideration when purchasing clothes online. The most important online elements were categorized in two main groups: Customer - oriented factors and technology - oriented factors. The results will lead to the understanding of the most important web experience elements that influence the purchase decision of the consumers. The study would help retailers to understand better the customer attitudes and the web factors that influence the purchase intentions.

Prof. Anna Comacchio, et al., ⁶ in the paper titled “Factors affecting Purchase of Necessity Brands: The Influence of Consumer Characteristics and Global vs Local Brand Perceptions among Indian Consumers” attempts to examine factors affecting purchase of both categories of necessity brands, the influence of brand name, the ethnocentric factors and different personal characteristics. The empirical findings of the study show several meaningful effects and relationships in consumer behaviour. The results reveal that global necessity brands are perceived higher on perceived quality, country of origin, emotional value and perceived prestige in comparison to local necessity brands.

Haoqiang Zhu ⁷(2016)in “Factors Influencing Customer Doughnut Brand Choice Decision in Thailand, focusing On Mister Donut, Dunkin’donuts and Krispy Kreme Doughnuts” investigate whether and how “7Ps marketing mix elements, brand equity elements and customer purchase behaviour determinant elements influence customer doughnut brand choice decision in Thailand. The result reveals that all investigating factors, product, price, place, promotion, people/personnel, process, physical environment, brand equity and customer purchase behaviour determinants has influenced positively on customer doughnut brand choice decision in Thailand.

Objectives Of Study:-

1. The primary objective is to study brand choice behaviour of online consumers with respect to electronic goods.
2. To examine whether consumer related behaviour, brand equity elements, technological factors and customer purchase behaviour factors affect brand choice behaviour of online consumers.
3. To identify factors influencing consumer related behaviour, brand equity elements, technological and customer purchase behaviour affect brand choice behaviour of online consumers and evaluate them.

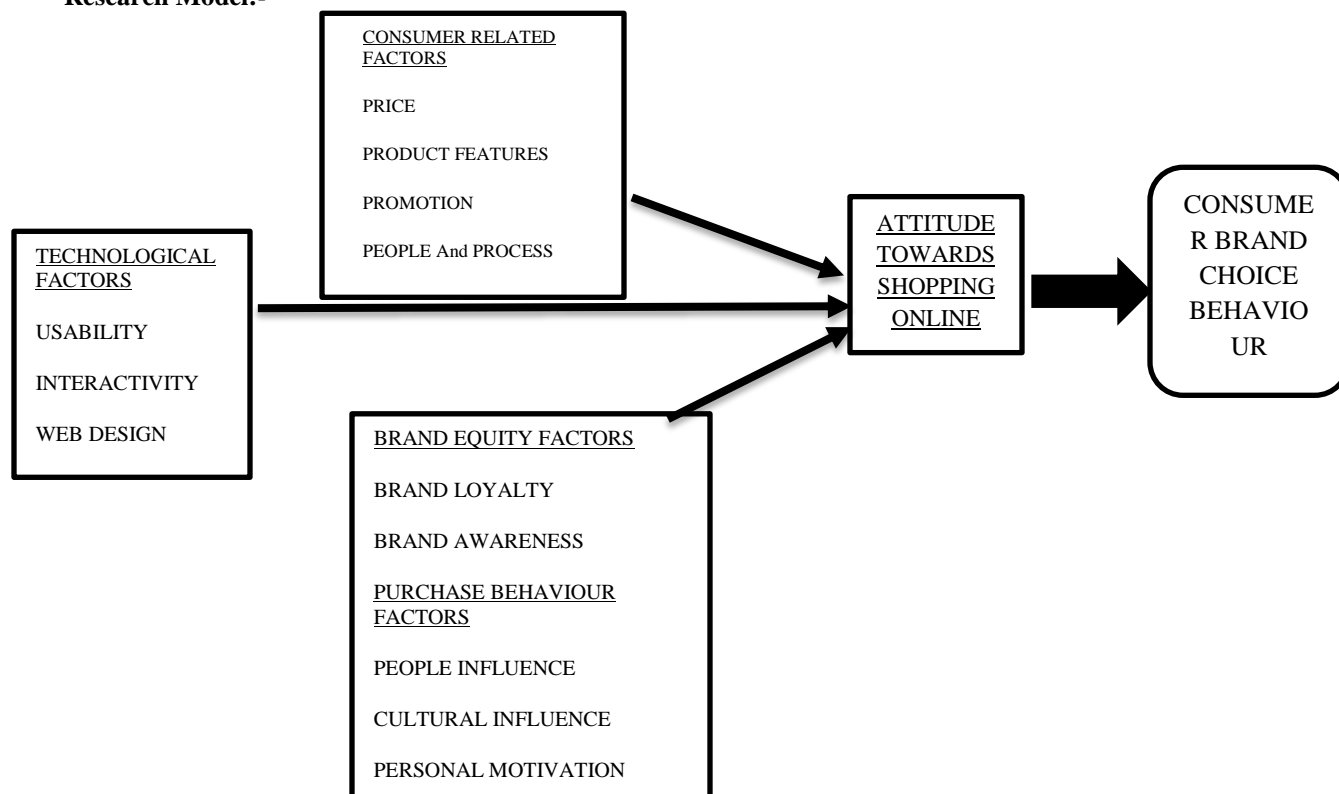
Research Methodology:-

There are various forms of designing the research. Research strategy is a general plan how the researcher will reach the research objectives that have been set. Sampling method needs to be designed after defining the nature and the objectives of the study and the availability of time and budget. Random sampling was considered for sampling.

The Sample size being 250 samples and questionnaires were circulated online using google forms and 237 questionnaires were considered and collected as Primary data. The tools such as Cronbach’s alpha Reliability test, Multiple Linear Regression and Anova tests are used to analyse the factors considered.

Demographic factors are considered starting from Age group of the respondents majorly being 21 to 25 years with Education of Masters or university degree. The male respondents are much interested in online shopping with maximum respondents being Employees. The respondents belong to Income group of Less than 15000. The respondents are using the Internet everyday and many respondents shopping for once a month online and also 70% of respondents purchase electronic goods online. 59% of the respondents are positive about purchasing electronic goods online.

Research Model:-



Formation of Hypothesis:-

The demographic factors are first considered and analysed and with attitude as the base, all other factors are analysed. Every factor under Technological factors, customer related factors, brand equity factors and purchase behaviour factors are analysed individually with respect to Attitude of Customers purchasing online. Using the tools such as Cronbach's Alpha Reliability test, Multiple Linear regression and ANOVA and the results were found.

Hypothesis:-

H1: There is relationship between attitudes towards online shopping and technology oriented factors,

H2: There is relationship between attitudes towards online shopping and consumer-oriented factors,

H3: There is relationship between attitudes towards online shopping and Brand Equity factors

H4: There is relationship between attitudes towards online shopping and purchase behaviour factors

Analysis

H1: There is relationship between attitudes towards online shopping and technology oriented factors.

Model		Sum of Squares	Mean Square	F	Sig.
	Regression – usability	10.443	2.089	3.773	0.003 ^b
	Interactivity	19.380	2.769	5.331	0.001 ^b
	Web design	7.962	1.327	2.341	0.033 ^b

Table 1: Relationship between attitudes towards online shopping and technology oriented factors

The technological factors such as usability, interactivity and web design are significantly affecting the attitudes of the respondents for buying the electronic goods online. The beta values being 0.003, 0.001 and 0.033 ; all (less than 0.05) depicting that attitudes of respondents affect the technological factors

H3: There is relationship between attitudes towards online shopping and consumer-oriented Factors.

The factors Price, product, promotion and process, each of it being individually analysed using multiple linear regression. It's found that all the factors significantly affect dependent variable attitude with beta values 0.001 for price; 0.00006253 for product; 0.001 for promotion; 0.00000095 for people; 0.001 for process. The consumer oriented factors significantly affect the attitudes of consumers buying electronic goods online.

H4: There is relationship between attitudes towards online shopping and Brand Equity factors

Brand equity factors like brand awareness and brand loyalty are utmost important to consumers in present competitive world. Any product one shops for, the brand is most important but still there exists a group of people who are unaware of the brands, but they are very loyal to the brand which they are using currently. The beta value 0.000177 for brand loyalty and 0.001 for brand awareness depicts that both factors significantly affect attitudes of respondents purchasing branded electronics goods online.

H5: There is relationship between attitudes towards online shopping and purchase behaviour factors

The factors affecting purchase behaviour of the respondents like people influence, cultural influence and personal motivation significantly affect respondents shopping online. The beta values 0.009 for people influence, and 0.0003 for the personal motivation justifies it.

Findings, Suggestsions And Conclusions:-

Findings:-

Technological Factors:-

From the analysis it is observed that, easily accessible information and faster delivery process; brand to which electronic product belongs to and its warranty period and the high transaction security for each transaction plays a significant role in brand choice behaviour of consumers. Quality of presentation also plays a major role in brand choice behaviour of consumer while buying electronic goods online.

Customer Oriented Factors:-

From the analysis, it is observed that, reasonable price; 5 star energy rating, Colour of product, Brand image of the product and touch screen feature; Attractive advertising, availability of products and trust; waiting time and online payment in payment process; attentive aftersale service, employee training , communication skills of employees are significant and affects the brand choice behaviour of consumer while buying electronic goods online.

Brand Equity Factors:-

It is found that factors, purchasing of same branded goods and satisfaction with same brand of goods; awareness of brand, familiar with branded goods and recognition of different brand goods are significant and affects the brand choice decision of consumers purchasing the electronic goods online.

Purchase Behaviour Factors:-

From the analysis, it is clear that the factors Friend and family influence ;consumers opting for both Indian and international brand of electronic goods ; planned consumption; are significant and defines purchase behaviour of the consumer brand choice while buying electronic goods online.

Suggestsions:-

Technological Factors:-

It is suggested that online retailers have to note on the following factors which negatively influence the brand choice behaviour; clear web navigation, quick and easy transaction, shopping cart updation and easy working ; customer ratings and recommendations and site customization with customer service; and the features mentioned on website should be significantly paid attention for which will affect the attitude of consumer regarding purchase of electronic goods online.

Customer Oriented Factors:-

It is suggested that the retailers have to note on the above factors which negatively influences the brand choice consumers in their behaviour and the good price range with combo offers which is value for money; product features including capacity, warranty for the product, accessories and brand image and its physical outlook and also technological upgradation are very important factors to be noted. With respect to promotional word of mouth is the quickest means of promotion but attractive advertising using SMS and e-mails, vouchers and discounts plays a major role. Majorly communication skills of employees who attend consumers must be trained well and also the simple menu options will and online payment is the most preferred way of payment which affects the attitudes of the consumer on purchase of electronic product online.

Brand Equity Factors:-

It is suggested that the brand choice customer expect better offers and extended warranty period and more SMS and updates from the e-commerce companies, and more customization on the websites and payment options made easy.

Purchase behaviour factors:-

It is observed that the colleague influence in buying branded goods online is not significant and the purchase is not done on a temporary basis. Therefore, it is suggested that the purchase behaviour factors would get affected with the factors considered above.

Conclusion:-

With the blooming of online shopping activities, it is essential to understand the brand choice behaviour of customers' online shopping behaviour. Improving the important specific factors influencing the online shopping and overcoming the potential drawbacks will help the online retailers become more competitive. Therefore, the main objective was to study brand choice behaviour of online consumers towards electronic goods. To examine whether consumer related behaviour, brand equity elements, technological factors and customer purchase behaviour factors affect brand choice behaviour of online consumers was the next objective. The research findings can offer online retailers an understanding about how to make effective efforts on specific factors to lead the customers to have positive attitudes towards brand choice behaviour of online shopping of electronic goods and suitable suggestions were given accordingly.

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