



Determinants of Online Purchase Intentions: A Study of Indian Buyers

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Abstract

Online shopping sites are fast replacing traditional or physical shops. Over the years, the trust of the customers for online shopping sites has increased considerably. The increase in the number of these sites, on one hand, has led to a fierce competition, which means better and cheaper products for customers. However, at the same time, customers have their privacy concerns when it comes to shopping online. This makes online shopping a favourable topic for researchers. The present study tries to unveil some of the major determinants of online purchase intentions in the Indian scenario. For the purpose four determinants; social influence; brand image; previous experience of shopping online; and attitude towards e-word of mouth (e-wom), were identified during the focus group discussion and the same were tested empirically later in the study. A total of 250 questionnaires were circulated, but only 159 have been considered for the study. Confirmatory factor analysis and structural equation modelling were used to perform latent variable modelling in the study. The findings of the study portray that a positive attitude towards e-WOM and a previous favourable experience are the main drivers of online purchase intention of Indian buyers. Social influence and brand image were found to have no significant effect on consumers' intention to buy online.

Keywords: Online Shopping, E-WOM, Brand Image, Social Influence, Previous Experience

JEL Classification: M31, L86, D11, D12, D71, L15, M39

Paper Classification: Research Paper

Introduction

When internet came into existence, people could not predict the extent of its impact on human life. For a common man, the internet was something where he can search information from around the globe or communicate with someone living far away. At least, this is what Yahoo! offered to the internet surfers. However, as time progressed, the internet became a complex

amalgam of many new possibilities that one never imagined. Customers live in the cyber world where almost everything is now a click/touch away. From the monster sized to small desktops, laptops, palmtops, and now smartphones, humans have progressed towards an era of limitless possibilities. The cyber markets or what can be called electronic stores or e-commerce is one such example that has revolutionised the way humans used to shop. It has not only changed the entire system of selling a product but affected the behaviour of buyers the way they used to buy the products. Brands now don't signify names or images, but it constitutes the whole buyer experience. In today's world, people are so busy in their lives that they find it difficult to go out and shop for themselves. Also, adding to that online stores provide them so many options to choose from, while sitting at their homes, including discounts that a traditional store can never afford. All this has led to tremendous growth of the online retail industry throughout the world (Li, Kuo & Rusell, 1999). In India, the online retail industry has shown a steady and rapid growth over the years. The Indian online retail market is predicted to grow over 4-fold to touch \$ 14.5 billion (over Rs 88,000 crore) by 2018 on account of the rapid expansion of e-commerce in the country (Economic Times) . According to statista.com, the total number of online buyers globally in 2014 was 1.12 billion while the number will increase to 1.32 billion people in 2016. While there was a net sale of \$1,471 billion done online in the year 2014 according to marketingfaq.net, global e-commerce industry reached a worth of \$1.1 trillion in the same year . The numbers are huge and signify the fact that more and more people are leaving the traditional stores and purchasing from online stores. With the increase in mobile, especially, smartphone penetration and a complimentary rise in the mobile internet penetration, online shopping has become easier. It has been seen that in the past few months, many online stores closed their websites to be the only application exclusive. More and more traffic to these sites is now coming from smartphones. People are now shopping on the go with their smartphones. As the number of online purchasers has increased tremendously, it also became the motivation for the present study. This study is a modest effort to analyze the main determinants of online purchase behaviours and explore the reasons that cause the shoppers to shop online or consider purchasing online rather than going out to the traditional stores.

Focus Group

In the initial stage of the study, a focus group discussion was held. The population of the focus group consisted of 20 students of MBA from Centre for Management Studies, Jamia Millia Islamia. All the participants were in the age group of 20-26, with 12 male participants and 8 females. Every single participant had purchased online more than five times, so they had a prior knowledge of online purchasing. The discussion focused on the identification of factors that were significant or prompted a prospective customer to purchase online. Many of the factors were proposed by the participants, like: (i) positive e-WOM; (ii) positive WOM; (iii) previous experience of buying online; (iv) brand image; (v) social influence; (vi) cheap products (vii) variety of products; (viii) image of the shopping portal; (ix) return policies; (x) time saving (xi) ease in making payments (xii) discounts and offers; (xiii) effort saving; (xiv) customer care services; (xv) speed of delivery; and (xvi) visual appeal of the site.

As it was a tough task to see the impact of all the above factors on online purchase intentions separately, the participants were asked to list out the four most important factors that prompted them (consumers) to make a last minute decision to make an online purchase. After much discussion and deliberation, the participants agreed on the following four factors: (i) social influence; (ii) brand image; (iii) previous experience of shopping online; and (iv) attitude towards e-word of mouth (e-WOM). According to the participants after a person has examined and

evaluated all the characteristics of a product, including its price and wants to purchase it online the above mentioned four factors can prove detrimental. The social influence or pressure from peers, friends and colleagues and the brand image of the product were considered important while purchasing online. It was deliberated that the previous experience of shopping online will certainly impact the online buying intentions of a prospective consumer. As far as the attitude towards e-WOM is considered, it was highlighted that even if a consumer is at the last stage of online purchase and he reads a positive or negative comment about the product and if his attitude towards such comments is positive, it will surely impact his decision to proceed for a checkout.

Review of Literature

Technological awareness and the trust towards the sites are the main factors that have led to the emergence of the concept of online shopping (Heijden, Verhagen & Creemers, 2003). The trust created by the websites in the minds of customers had, in turn, created a positive attitude towards these sites thus increasing the customer base of online shoppers by each passing day Yoon (2002). According to Mundorf and Bryant (2002), the business-to-consumer online shopping has gained considerable appeal during the past few years. Schlosser, White, and Lloyd (2006) argue that more and more effort shall be put by the shopping portals to convert the website visitors into buyers. Theories and studies have been put forth to determine that what causes a customer to shop online. Hausman and Siekpe (2009) highlighted the importance of a good web interface for websites to increase the base of customers. Verhagen and Van Dolen (2009) identified factors like online store service, online store merchandise, online store atmosphere and online store navigation as important contributors of online purchase intentions. Similarly, Chiu, Lin, and Tang (2005) highlighted the importance of personal awareness of security, perceived ease of purchasing, perceived usefulness, personal innovativeness and attitude towards buying in the formation of intentions for online purchase. Korzaan (2003) and Heijden et al. (2001) also indicated that attitude plays a crucial role in online purchase decision making besides trust and reputation of the store. Bosnjak, Galesic, and Tuten (2007) argued that online purchase intentions are a function of the personality of a customer, focusing more on the intrinsic factors. On the other hand, Brown and Muchira (2004) showed how privacy issues inhibit customers to buy online. Many studies differ from each other in determining the key dimensions of online purchase intentions. However, the present study focusses only on the four factors that emerged from the focus group study.

Zhou (2011) highlighted the role of social influence in the virtual world. According to him, a person's judgement to buy a product is often strongly affected by people who are close, rather than strangers. People interact with other persons to seek advice and get information. Bearden, Calcich, Netemeyer, and Teel (1986) observed the actuality of two kinds of social influence when a person intends to adopt a new product: normative social influence (or subjective norms) and informational social influence. According to Kim and Srivastava (2007) social influence is one of the key drivers of the online purchases. The social influence is the referent power of people in the decision-making process of an individual. In the virtual world where online shopping takes places, the social influence can be exerted by family, peers and groups, both offline (physical) as well as online in the form of e-WOM (Rosen & Olshavsky, 1987; Amblee & Bui, 2011). Adamic and Adar (2003) provide an extensive study as how connections with family and friends are going more virtual and online. The increase in the usage of social networking sites and instant internet messaging has extensively given roots to the formation of online relationships. Chau and Xu (2007) argued that while communicating online, people tend to be more expressive. As such recommendations coming from people both offline and online can influence the decision-making capabilities of a person. Sinha and Swearingen (2001) found there is a greater impact of

recommendations from trusted members (family and friends) in a physical world rather than the online recommendations on the websites. Pookulangara and Koesler (2011) determined that cultural and social influences are the major contributors of online purchase intentions. Sinha and Swearingen (2001) also argued that customers are far more likely to believe commendations from people they know and trust, i.e., friends and family members, rather than from automated recommender systems in e-commerce websites.

Brand image or symbols and names associated with a brand play a role as to how customers perceive products or service of a brand. Brand image is often synonymously used with brand quality. Huang, Schrank, and Dubinsky (2004) found that brand names or brand identity (image) is very necessary for online purchase decisions, and the absence of the same can lead to perceived risks in the minds of the customer. According to Landes and Posner (1987), a brand name or identity can help customers reduce the perceived risk, search costs and cognitive efforts. Degeratu, Rangaswamy, and Wu (2000) indicated that brand image becomes necessary in some categories of products for customers purchasing online. Simonian, Forsythe, Kwon, and Chattaraman (2012) argued that because of the absence of physical examination of the products before acquisition in an online shopping scenario, the two primary factors that reduce the perceived risk of a customer are; product brand image and online store image. Horppu, Kuivalainen, Tarkiainen & Ellonen (2008) suggested that a customer's previous experience with a brand and the image of the brand are contributors to the online purchase intentions and levels of satisfaction. Chang, Cheung, and Lai (2005) described the well-known brand offerings of an online shop as risk relievers.

Novak, Hoffman and Yung (2000) argued that it is important to provide a smooth and satisfactory online experience for consumers to revisit such sites. Shim, Eastlick, Lotz, and Warrington (2001) incorporated the construct of 'previous online shopping experience' in the theory of planned behaviour to study the online purchase intentions of the consumers, thus highlighting its importance. Festervand, Snyder, and Tsalikis (1986) discussed that previous experience with a used shopping channel is negatively related to the risk associated with the usage of that channel in future. If same is applied to online shopping, then perceived risk is reduced with more and more encounters with the same and hence results in greater online purchase intentions. A previous good experience of shopping online not only enhances the chances of the customer revisiting the shopping portals but also positively influence the users perception towards online shopping thus contributing to the intentions of e-shopping (Forsythe & Shi 2003; Kuhlmeier & Knight 2005; Pires, Stanton, & Eckford, 2004).

"EWOM refers to any attempt by a former, potential, or actual customer to highlight the positive or negative attributes of a product or company in an online platform" (Hennig-Thurau et al., 2004). Reading of online recommendations affects the online purchase intention of the users (Senecal & Nantel, 2004; Liang & Scammon, 2011). Sources of online recommendations can be another consumer that is the traditional source or the recommendation systems that are latest to the group (West et al., 1999). Andreasen (1968) noted that recommendations search is a source of information for any future buying decision. By getting more information about the websites and their offerings, a customer wants to get a sense of assurance. Reading online recommendations affects the online purchase intention of the users (Senecal & Nantel, 2004). A negative e-word of mouth can dampen the attitude of a customer towards online shopping (Lee, Park & Han, 2008). However, as it is impossible to evaluate experience without first making a purchase, a customer shall rely on the recommendations (Senecal & Nantel, 2004). Amblee and Bui (2011) found that a positive e-WOM generated can help to increase sales of online products. In most of the cases, customers doubt the originality and authenticity of the e-word of mouth (online reviews and social buzz). Cheung, Lee and Rabjohn (2008) found that although e-word of mouth influences

the online purchase intentions, such information shall be comprehensive and relevant. In 2011 Ye, Law, Gu, and Chen (2011) found that the users' intentions were influenced in a positive way due to the electronic word of mouth as it showed a 10% increase in sales of online hotel bookings. Bae and Lee (2011) revealed that users use online reviews to reduce their perceived risk associated with the online purchase they make. This is eventually seen to influence their attitude towards the procurement of a particular product. Godes and Mayzlin (2004) demonstrated how constructive e-WOM affected T.V ratings in a positive manner. The same results were obtained by Baek, Yang, and Ann (2014). Chevalier and Mayzlin (2006) found that positive online reviews helped sites to increase their sales; however, the reviews depend upon the length and quality of the words written. Chen, Dhanasobhon, and Smith (2008) also indicated that e-WOM not only transmits information to the customer to evaluate the product quality but also strongly influence customer's decision making.

Research Gap

Many studies in the past have evaluated the behaviour of online consumers. However, most of these studies followed a similar set of constructs identified by previous researchers. Many of the previous researchers have used the same set of constructs and scales for different countries without conducting preliminary interviews or pilot studies. Parasuraman and Colby (2015) noted that the technology readiness of people belonging to different countries may vary. In Indian context, the number of studies conducted is limited, and again most of them have used the scales without prior interviews for the research purposes. Another gap that could be pointed out is that most of the previous researches have used regression analysis to check the impact of the determinants. This limits the study as the prediction could be calculated as a summated power of the predictors rather than calculating the individual prediction power of every single predictor.

Contribution of the Study

This study is different from many of the previous researches done in the same area because it identifies a list of the determinants of online purchase intentions with the help of actual customers using a focus group technique. The present study ensured to remove the researchers' bias to pick any set of arbitrary constructs found suitable and then to test them. The focus group discussion also validated the point that determinants that are important to Indian users may not be as important to people of other nations as has been reported in the literature review. This study also tries to highlight specifically the determinants of online purchase intentions of Indian users using the second generation multivariate analyses methods.

Research Objectives

The primary aim of the study is to ascertain the major determinants of online purchase intentions. The other objectives can be stated as:

1. To examine the relationship between social influences on a consumer with his/her online purchase intention and to what extent it influences it.
2. To examine how the brand image affects online purchase intention.
3. To assess how much previous experience of shopping online impacts online purchase intention of a consumer.
4. To examine if the attitude towards e-word of mouth affects the online purchase intention of a consumer.

Research Methodology

Research Design

The study was done to explore and investigate the important determinants of online purchase intentions. After focus group discussions, the present study scaled down to only four (likely) determinants of online purchase intentions. After conducting a literature survey, the study found that different studies have supported each of the proposed factors as a contributor to online shopping decision process. The next step was to get an empirical evidence of the same. The study at hand used the quantitative approach with survey methodology to fulfil this objective. To conduct survey, the current study used questionnaire method and an instrument (Table 2) was developed in the course of the study while keeping the available literature in mind. The instrument contains 17 items representing Social Influence (3 Items), Brand Image (3 Items), Attitude towards E-WOM (5 Items), Previous Experience (3 Items) and Purchase Intentions (2 Items).

Sample Design

The distribution of respondents is given in Table 1

Table 1: Profile of the Respondents

Variables		N	%
Gender	Male	80	50.3
	Female	79	49.7
Age	15-25 Yrs	18	11.3
	26-35 Yrs	92	57.9
	Above 35 Yrs	49	30.8
Occupation	Student	52	32.1
	Employed	40	25.2
	Self-Employed	36	22.6
	Professional	31	20.1
Education	Intermediate	17	10.7
	Graduate	53	33.3
	Post-Graduate	89	56.0

Data Collection

Data was collected through a self-administered questionnaire. In total 250 questionnaires were mailed to the respondents out of which only 173 were received back. After deleting responses with more than three missing answers and removing outliers, only 159 remained. The respondents were distributed on various demographic factors like gender, age, education and occupation.

Sampling Technique

Judgmental sampling was used as the questionnaire was mailed to various people online.

However, no pre-set condition was laid to select the respondents. The questionnaire was also shared on social media sites like G+ and Facebook.

Scale

Table 2: Construct and Measures

	Social Influence
SI1	I consult others while shopping online?
SI2	I consult friends on electronic media before making a purchase decisions
SI3	I believe in consulting someone who has used the product than going for online reviews
	Brand Image
BI1	If a product is of good brand I don't care about the reviews
BI2	I don't buy products online which are of less known brands
BI3	A good brand name is an automatic assurance of a quality product
	Attitude towards E-WOM
AT1	I think the reviews on online shopping sites are fake and biased
AT2	I read reviews about a product I intend to purchase from review sites before I purchase it
AT3	A positive review will enhance my chances of buying a product online
AT4	Negative reviews on social media are more credible as they point out the defects in the products
AT5	I go through the reviews made by others before purchasing
	Previous Experience
PE1	My prior knowledge about a website helps me to judge its credibility quality of products sold
PE2	My previous experience dictates whether I purchase a product online or not
PE3	If I am not satisfied with my previous purchases I won't again buy from the site no matter what
	Purchase Intention
PI1	I intend to purchase online in the future
PI2	I plan to buy products online

Data Analysis

After the data cleaning process, exploratory factor analysis (EFA) was conducted to explore the relationship between the measures and the proposed constructs. Being a self-reported questionnaire, it felt necessary to perform EFA before other techniques of latent variable modeling. EFA was carried out on the data using Principal Axis Factoring and Promax Rotation Method (Williams, Brown & Onsmann, 2012) and after removing two items (PQ5 & BL1) because of poor loadings, the following pattern matrix was obtained with a cumulative variance of 67.876 (Williams et al., 2012).

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.851
Bartlett's Test of Sphericity	Approx. Chi-Square	1770.234
	Df	120
	Sig.	.000

Table 4: Pattern Matrix-EFA

Factors					
	Attitude towards E-WOM	Social Influence	Brand Image	Previous Experience	Purchase Intention
AT5	.818				
AT3	.818				
AT4	.760				
AT1	.706				
AT2	.699				
SI2		.915			
SI1		.860			
SI3		.843			
BI2			.913		
BI1			.886		
BI3			.786		
PE2				.954	
PE1				.913	
PE3				.679	
PI1					.963
PI2					.797

Extraction Method: Principal Axis Factoring. (Forced five factors)
Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Table 5: Factor Correlation Matrix

Factor	Attitude towards E-WOM	Social Influence	Brand Image	Previous Experience	Purchase Intention
Attitude towards E-WOM	1.000	.435	.059	.492	.688
Social Influence	.435	1.000	.110	.239	.365
Brand Image	.059	.110	1.000	.392	.076
Previous Experience	.492	.239	.392	1.000	.600
Purchase Intention	.688	.365	.076	.600	1.000

Hypothesis Development

The factor correlation matrix gives us an indication of the relationship of the various dimensions of brand equity. Henson and Roberts (2006) pointed out that a correlation matrix is a most popular tool for researchers to check if they should accept the EFA results or not. All the correlation coefficients were above the mark of 0.50 (Hair, Anderson, Tatham & Black, 1995; Tabachnick & Fidell, 2007). After the EFA, the hypotheses have been stated as:

- H₁. Perceived Quality has a significant positive effect on brand equity
- H₂. Brand Awareness has a significant positive effect on brand equity
- H₃. Brand Loyalty has a significant positive effect on brand equity
- H₄. Brand Association has a significant positive effect on brand equity

Confirmatory Factor Analysis (CFA)

CFA was done on the data obtained using IBM-Amos Version-21. The data was checked for validity, reliability as well as for the model fit. All the 16 items were used in the CFA to obtain a model fit. All of the items loaded very well with scores lying between 0.72 and 0.94 except AT1 with the loading of 0.49 and thus was excluded from further analysis leaving only 15 items. Further, a fitness of good was achieved with χ^2/df less than 2 (Tabachnick & Fidell, 2007), RMSEA almost in the range of 0.05 (Browne & Cudeck, 1993), CFI greater than 0.90 (Cheung & Rensvold, 2002)

Table 6: Loading of the items after CFA

	Estimate		Estimate
SI → SI3	.873	AT → AT3	.907
SI → SI2	.894	AT → AT2	.801
SI → SI1	.878	PE → PE3	.778
BI → BI3	.831	PE → PE2	.926
BI → BI2	.887	PE → PE1	.877
BI → BI1	.870	PI → PI2	.835
AT → AT5	.858	PI → PI1	.931
AT → AT4	.766		
<i>Fit Statistics</i> χ^2/df ratio/p value 1.451 / .000 Root Mean Square Error of Approximation (RMSEA) .053 Comparative Fit Index (CFI) .978 Normed Fit Index (NFI) 0.935 Goodness of Fit Index (GFI) 0.918			

Validity Analysis

A validity analysis was also done to check the overall validity of the data as well as the model. The results obtained are as follows:



Table 7: Validity Analysis

	CR	AVE	MSV	ASV	PE	SI	BI	ATT	PI
PE	0.897	0.744	0.359	0.211	0.863				
SI	0.913	0.777	0.214	0.109	0.233	0.882			
BI	0.897	0.745	0.168	0.049	0.410	0.114	0.863		
ATT	0.902	0.697	0.530	0.253	0.511	0.463	0.072	0.835	
PI	0.877	0.782	0.530	0.263	0.599	0.393	0.095	0.728	0.884

CR=Composite Reliability, AVE=Average Variance Extracted, MSV=Maximum Shared Variance, ASV=Average Shared Variance.

The scale was found reliable with CR > 0.7. There were no issues with convergent validity as AVE > 0.5 or discriminant validity as MSV < AVE, ASV < AVE and square root of AVE was greater than inter-construct correlations (Hair, Black, Babin & Anderson, 2010; Bagozzi & Yi, 1988).

Reliability

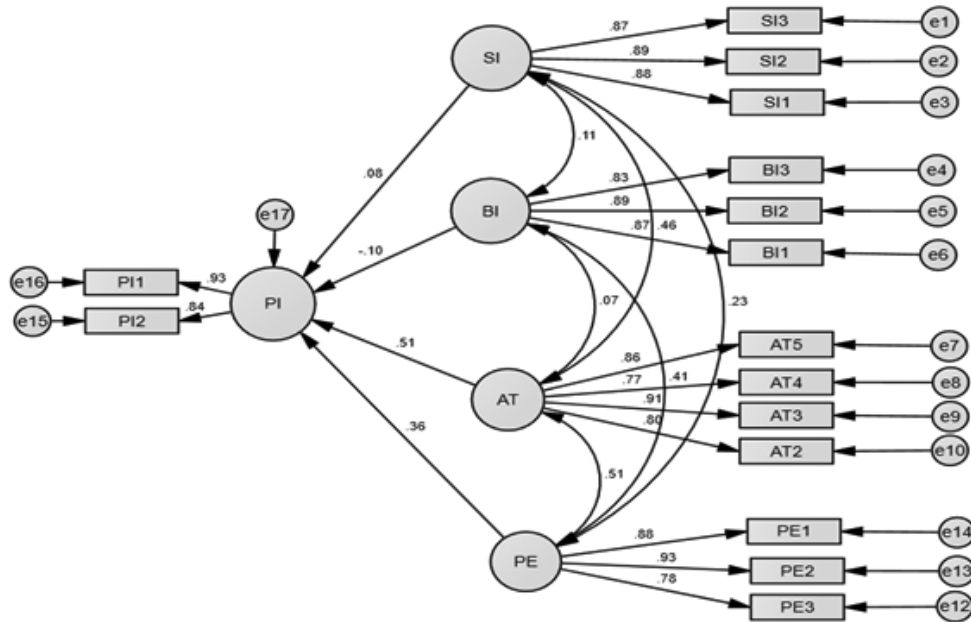
After validity analysis, a reliability analysis was done on remaining 17 items of the five factors. The results obtained were above the satisfactory values (Nunnally, 1978); Social Influence (3 Items) - **0.913**, Brand Image (3 Items) - **0.896**, Attitude towards e-WOM (4 Items)- **0.901**, Previous Experience (3 Items) - **0.892**, Purchase Intention (2 Items) - **0.875** and Total Scale (15 Items) - **0.887**. All the factors are above the value of **0.70** thus proving scale reliability (Churchill, 1979).

Structural Equation Modelling

Present study used the two phase-modelling approach suggested by Anderson and Gerbing (1988). In the first phase a measurement modelling (CFA) was done wherein, it was found that all the measures (items) adequately define (measure) their respective constructs. The second phase is to do a structural modelling wherein relationships between various latent variables will be evaluated through structural equation modelling (SEM). After performing CFA, SEM was performed on the dataset using IBM-Amos Version-21. The following results were obtained. (Figure 1 & Table 8)

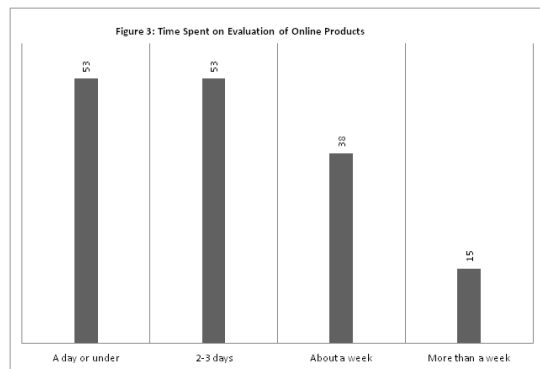
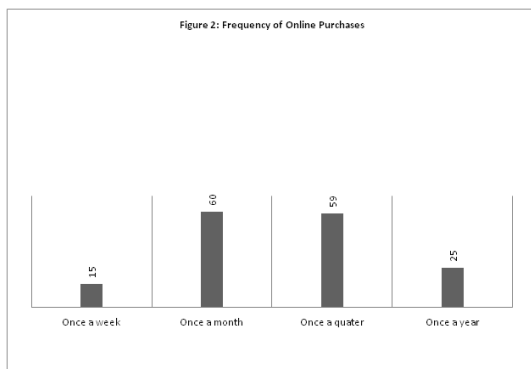
Table 8: SEM Results

Hypothesis	Structural Paths	Standardized Estimate	Hypothesis Acceptance
H1	Social Influence → Purchase Intention	0.083 ^{ns}	Rejected
H2	Brand Image → Purchase Intention	-0.098 ^{ns}	Rejected
H3	Attitude towards E-WOM → Purchase Intention	0.514*	Accepted
H4	Previous Experience → Purchase Intention	0.357*	Accepted
<p>* Significant at $p < .001$; n.s. Non-Significant Fit Statistics χ^2/df ratio/p value 1.451 / .000 Root Mean Square Error of Approximation (RMSEA) .053 Comparative Fit Index (CFI) .978 Normed Fit Index (NFI) 0.935 Goodness of Fit Index (GFI) 0.918</p>			



Results

All the four hypotheses were proposed to have a positive and significant impact on online purchase intentions. However, H1 and H2 were rejected because of an insignificant effect on purchase intention. H3 and H4 were accepted because it was found that both attitude towards e-WOM and previous experience of shopping online have a significant and positive impact on the online purchase intention of a customer. Further, it was seen that most number of respondents shop online once a month or so, and while shopping they take the maximum time to evaluate a particular product by either reading reviews or seeking advice from friends. The evaluation time was found to be at 2-3 days.



Besides, 49% of the respondents feel that watching a TV commercial about a product, or a shopping site enhances their chance of buying online while 59% feel that reading about a site or a product on social networking sites motivates them to purchase online. 53% of the respondents said that it is the ads on newspapers that enhance the likelihood of them purchasing online while 28% of them felt that reviews on the shopping sites increase the chances of them buying that particular

product online. The respondents were further enquired about the preferred online shopping sites on which they usually purchase. According to 45% of the respondents, they prefer or use Flipkart to purchase online. Amazon was stated as a preferred site by 19% of the respondents while Jabong and Myntra were used by 3% and 2% of the respondents respectively. 13% of the respondents use Snapdeal to purchase online whereas Shopclues, Paytm and the original product/brand sites were other options that respondents accessed to buy online.

Discussion and Implications

The findings of this study are very peculiar in nature. Many of the previous researches have indicated that both social influence and brand image are major contributors to the development of online purchase intentions. However, the study found that none of the two factors have a significant effect on the online purchase intentions in the current study. The investigation into the matter as to why these factors are not significant enough for e-shoppers in India is beyond the scope of the study. However, one can make the inferences that because of the growing popularity and trust towards the e-shops and the fact that products are available at lower prices, people nowadays don't rely on the referent groups or the referral of others to shop online. Also the fact that presence of an enormous number of brands to choose from has probably decreased the importance of brand image in the minds of customers while choosing to shop online. Earlier there was a minuscule number of high quality branded products available in India but, now their number has increased exponentially. Additionally Indian brands are giving a tough competition to the foreign brands. With the growing number of high quality branded products on various web portals, the customers are not worried about the brand image of the products. However it may still affect their decision making. It was found that a positive attitude towards e-WOM was a major determinant of online buying intentions along with previous experience of shopping online. The reasons one can attribute to this is that companies nowadays are making sure that online reviews about their products are positive and genuine. In a recent case, Amazon.com sued many people for making fake and inconsistent reviews. This highlights the fact that even companies realize that how much negative e-WOM can affect their business. Companies are weeding out bogus and fake reviews to improve their image in the market. E-WOM is rapid and easily available to a person besides being personalized. A person who wants to buy a particular product can read reviews and posts about its quality and the service on the portal thus giving him/her a better idea whether he/she should proceed to make the purchase. Being more personalised in nature, e-WOM can affect a person more than social influence exerted in the physical world and can influence a buyer to make last minute changes in his/her decision to buy. Similarly, a favourable previous shopping experience can encourage a buyer to revisit the online shops and buy again, and the bad taste left in the mouth does not go away fast. This is the reason a big company like Flipkart.com had to publish an apology letter quickly to its customers because it failed to provide a good experience to its customers. All the aesthetics, visuals appeals, trying to make sites readily available and making the search of products easy are means to enhance the customer experience.

The implications of this study for the online retailers are to focus on providing a good shopping experience to their customers and list only genuine and quality products on their sites. This will in turn automatically generate a favourable e-WOM for these shopping sites that will help to attract more and more customers to shop online. Companies shall work on the product service and delivery part as well to enhance the customer experience of shopping online. Though brand image was found to be insignificant, still it is advised to put only good quality products on sale because this will lead to the fulfilment of the latter two objectives.

Conclusion

The primary goal of the study was to highlight the major determinants of online purchase intentions of Indian online consumers. From a diverse set of factors that were thought to be crucial in the formation of online purchase intentions, only four were considered to be of greater importance. Attitude towards e-WOM and previous experience of shopping online were found to be the main drivers of online purchase intentions whereas there was no significant effect of social influence and brand image on the same. The study highlights the importance of e-WOM towards the formation of intentions for online purchase. In addition the study reflects the importance of relationship marketing by the companies because favourable previous experience also effect the intentions in a positive manner. The findings of the study are in an overall manner very insightful for the players of e-commerce in the Indian scenario. These findings are vital for the online shopping sites to help them make customers buy products from their websites. These results are also valuable for the customers to evaluate their behaviour towards the shopping sites and help them better their decisions in future.

Limitations and Future Directions

This study is beneficial in the area of e-commerce. However, it has its limitations. The first limitation of the study is the sample size. A study that has a population in millions needs a significant sample size to justify the results. However, due to time and monetary constraints, it was not possible to go beyond a certain number for the current study. This is one of the points that researchers working in this field shall consider for future research. Also, the sampling technique that somewhat limits the study is one such area where future researchers can improve upon using probability techniques. The other limitation of the study is its limited scope to explain why social influence and the brand image showed no significant impact on the intentions. This is another area wherein future research can be conducted to see why social influence that has been considered to be one of the important factors for the formation of intentions has an insignificant effect in the Indian scenario. One more limitation is that the findings are based on the expressed opinions of the respondents who are subjected to normal errors inherent in human nature.

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