

The advantages of online shopping according to Albanian customers

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Abstract

This paper aims to provide a better understanding of the benefits of online buying according to Albanian customers. A questionnaire was designed online since the research was an online consumer behavior study, online data collection methods were preferred. 217 were responded, and the sample consisted of individuals who made at least one online buying, during the last month. Among them, 62% were women and 38% men. Their age structure was divided in this way: 42% of them were 18-25 years old, 35% of them were 26-36 years old and 23% of them were over 37 years old. 11 % of the interviewed have made an online buying 1-2 times, 47% of them 3-5 times, 18% of them have made an online buying 6-8 times and 24% of them have bought online more than 8 times.

The factor analysis showed that the perception of the benefits of online buying is influenced by the following factors:

(i) shopping convenience (25.6%), (ii) wide range of products (21.4%), (iii) purchase facilities (16.7%) and (iv) satisfaction (10.6%). These factors explain 74.3% of the total variance regarding customer perceptions.

The factors that affect the customer perception regarding the benefits of online shopping have a positive correlation with the perception of the internet as a buying medium, the frequency of

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internet visits, the frequency of online buying and the time spent for online buying.

Since we have a small sample size and the market in Albania is characterized by continuous change, the results must be accepted as preliminary ones that give us information to understand the customer behavior in virtual markets.

Keywords: *online buying, advantages, perception, customer*

Introduction

The online shopping of goods and services is increasing day by day. E-commerce is modifying the consumer behavior toward goods and services, therefore has a lot of impact on marketing strategies and campaigns¹.

Even though there are no statistics on this phenomenon in Albania, referring to the data published by the Albanian Post, which is also the main agent providing the transport service for goods purchased online, it is noticed that the trend of this kind of purchase is increasing. The opportunities offered by online purchase of goods and/or services are increasingly being used by the Albanian consumer. Meanwhile, it should be highlighted that for such purchases, in most cases, the Albanian customer is interested in consumption of goods, clothing, and electronics².

Literature Review

The online shopping process is always and unavoidably accompanied by the inducement of both, encouraging and restraining feelings for the end consumer. The process by which

¹ World Wide Worx, 'SA online retail to pass 1% of total', *Market Research News*, April 2016.

² Jonida Rrumbullaku, 'Evaluation of risk perception to Albanian customers in the case of online buying through E- Bay', *Interdisciplinary Journal of Research and Development*, Vol.III, No.1, Durrës, Albania, 2016, pg. 67-71.

this purchase takes place, from the beginning and until the customer receives the product or service he asks, is accompanied by positive feelings about the advantages that it has in comparison to the traditional purchase in store. From the other side, this process encourages the consumer to feel the risk.

This makes the consumer's behavior toward online products and services to emerge as a complex phenomenon, the formation of which is the result of the simultaneous action of encouraging and restraining factors.

Studying this feeling is one of the key issues that has attracted and continues to be among the main objects of consumer behavior study.

Identifying factors that are related to the positive and negative feelings, the way these factors interact with each other and measurement of this effect, is necessary to create the tools needed to develop the marketing strategies and campaigns with the aim to maximize the success of online shopping.

In any case, despite the way the purchase is made, the customer is always interested in maximizing profitability and satisfaction as well as minimizing losses or risks. Different researchers have identified the factors that generate benefits in online purchases, benefits that are not easily accessible in the case of purchases in the traditional way³.

Other researchers have identified and evaluated the impact of economic, social, psychological factors etc.,⁴ which are related to the perceptions of the customers for the risk that accompanies online purchases⁵.

³ Amit Bhatnagar, Sanjoy Ghose, 'A Latent Class Segmentation Analysis of E-Shoppers', *Journal of Business Research*, Vol.57, No.7, Jul.2004, pg.758-767.

⁴ Amit Bhatnagar, Sanjoy Ghose, 'A Latent Class Segmentation Analysis of E-Shoppers', *Journal of Business Research*, Vol.57, No.7, Jul.2004, pg.758-767.

⁵ Amit Bhatnagar, Sanjoy Ghose, 'Segmenting Consumers Based on the Benefits and Risks of Internet Shopping', *Journal of Business Research*, Vol.57, No.12, 2004, pg.1352-1360.

Some of them have identified as factors influencing the risk perception in online purchases the financial factors, product quality, transport conditions and time, the possibility of misusing personal data of the customer, social and psychological factors⁶.

Others concluded that consumers are generally more concerned about the perceived risks than about the advantages and benefits.⁷ However, they emphasize that in the behavior of online buyers, there is always evidence of a sense of profitability and positive perception of the advantages of this way of buying. Attention and study of this component in the behavior of the customer buying online is also paid attention to other works⁸. The aim of this study is to identify the factors that condition the perception of Albanian customers for the advantages of online purchase, and the evaluation of how and how much these factors impact on the positive perception.

Methods

For this study, we used the data gathered from 217 online questionnaires during September 2016 - January 2017. The questionnaire was addressed to customers who had made at least one online purchase during the last month. The selection of respondents was random. The survey was placed in Tirana and Durrës. The questionnaire had 25 questions that were used to evaluate the perception of online shopping advantages as values of a 5-point Likert scale variable, where value 1 corresponds to the "completely disagree" response and value 5 corresponds to

⁶ Amit Bhatnagar, et al. 'On risk, convenience, and internet shopping behavior', *Communications of the ACM*, Vol.43, No.12, Nov.2000, pg. 98-105.

⁷ Ibid.

⁸ Charla Mathwick et al. 'Experiential Value: Conceptualization, Measurement and Application in the Catalog and Internet Shopping Environment', *Journal of Retailing*, Vol.77, No.1, 2001, pg. 39-56.

the answer "fully agree". To identify the factors that cause the perception of the advantages of online shopping, data were processed using exploratory factor analysis (SPSS –version 15.0)

Interpretation of results

Respondents were 15-50 years old, which is also the age group that uses the most the Internet and therefore purchasing online. Among respondents, 62% were females and 38% males. According to the age group, the customers asked are grouped as in Fig. No.1. According to the number of online purchases made over the last 6 months, customers are grouped as in Fig. No.2.

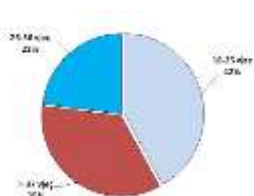


Fig.1 Age group

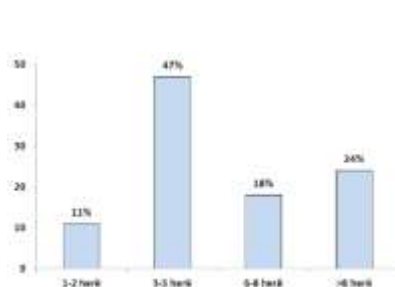


Fig.1. Online purchase frequency

The data on Tab.No.1 for the values of the KMO and Bartlett's Test statistical tests shows that the information collected through questionnaires is statistically qualitative. It can be used successfully for the purpose it has been accumulated.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.801
Bartlett's Test of Sphericity	Approx. Chi-Square	4638.26
	df	216
	Sig.	.000

To estimate the existence of the relationship between the variables that correspond to different queries which are part of the questionnaire, we calculated Pearson correlation coefficients. These coefficients measure the relationship between each of them and the variable whose values are the sum of all the responses provided by the interviewer and correlations with dimension values that are assumed to be related to the respective variable. This gave the opportunity to identify variables that correspond to questions that have greater internal consistency. Of these 25 variables, for 16 of them the Pearson correlation coefficient was statistically significant ($p < 0.05$, $p < 0.01$) and with a value > 0.5 . Under these conditions, to identify the key stakeholders responsible for forming consumer perceptions, the data that corresponds to these 16 questions for the advantages associated with online purchases were analyzed according to the requirements of the factorial exploration analysis using the core component analysis (PCA). From this analysis, we identified 4 factors (the first four components), which also correspond to their own values greater than 1. Together, these factors explain about 74.3% of the overall variance. Using the Varimax - Kaiser Normalization method, we identified the factors determining the content for these 4 dimensional, latent variables. The criterion used for selecting these factors was the value and the weight of the coefficient. We selected the factors with the weight > 0.5 , which were also used for naming the dimension. (Tab. No.2)

Table no. 2 Rotated Component Matrix ^a					
Factor	Dimension				Alfa
	1	2	3	4	
Buying Convenience					0.823
I can buy privately, from home	.832				
I don't have to go out for shopping	.801				
I can buy as many times as I want	.793				
This way of shopping saves my time	.705				
Wide range of products					0.796
I can see different offers from different offerers at the same time		.811			
I can have a real-time information about the products		.792			
There is a lot of choices		.704			
I can choose different brands and different stores		.689			
Purchase facilities					0.762
I don't have to wait for the service			.798		
The purchase can be done immediately			.764		
There is not a problem if I will not buy the product			.609		
I don't have any obstacle to make the purchase			.583		
Satisfaction					0.712
New Experiences				.737	
Taking the order makes me feel better				.683	
I can catch the promotion whenever I am				.604	
I can buy what I want				.581	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 7 iterations.					

The first dimension, which explains up to 25.6% of the overall variance, is linked to the factors that have to do with the comfort offered by the online purchase process, such as the ability to buy

under the terms of full privacy, without leaving the house, buying as often as you like, and saving time. The second dimension "the ability to buy the desired product", explains about 21.4% of the overall variance of perceptions of the advantages of online purchases, while the third dimension, "shopping convenience" and the fourth dimension "online shopping satisfaction", respectively explain about 16.7% and 10.6% of the total variance. In order to judge the frequency of online visits, the frequency of online purchases, the time spent on the internet, and the overall perception of the consumer for the benefits associated with this purchase method, we can use the data obtained from the MANOVA multifactorial variance analysis (Tables 3, 4, 5). The results show that the frequency of online visits, the time consumers spend on the internet and the frequency of purchases, have a statistically significant impact ($p < 0.05$) in each of the four dimensions that form the perceptions for the benefits of this purchase. The increase of the frequency of online shopping, leads to a higher positive perception of the advantages associated with this kind of buying. We can admit that the online shopping in the case of Albanian customers, encourages the formation of positive perceptions regarding the advantages of this kind of buying, similar to the perception of the customers in other countries.

Tab. No. 3 Link between the frequencies of internet visits and the perceived advantages

Dependent variable	Online purchase frequency				
	1-2 times /week	3-5 times/week	6-8 times/week	>8 T/W	F
Perceived advantages					
Buying convenience	3.12	3.24	3.89	4.02	10.04*
Wide range of products	3.14	3.12	3.89	3.95	9.84*
Purchase facilities	3.02	3.12	3.36	3.73	8.16*
Satisfactions	2.02	2.76	3.12	3.27	7.41*

*p<0.05

Tab.No. 4 Link between the frequencies of online purchasing with the perceived advantages *p<0.05

Dependent variable	Online purchase frequency				
	1-2 T/W n=24	3-5 T/W n=102	6-8 T/W n=39	>8 T/W n=52	F
Perceived advantages					
Buying convenience	4.02	4.13	4.21	4.30	12.14*
Wide range of products	3.03	3.21	3.78	4.01	13.24*
Purchase facilities	2.92	3.04	3.48	3.67	7.96*
Satisfactions	2.82	2.96	3.09	3.12	6.84*

Tab.Nr. 5 Link between the time spent on internet and the perceived advantages

Dependent variable	Online purchase frequency				F
	30-60 min/da	61-90 min/da	91-120 min/da	> 120 min/da	
Perceived advantages	y	y	y	y	
Buying convenience	3.01	3.17	3.82	4.00	11.86*
Wide range of products	3.12	3.42	3.71	4.13	10.04*
Purchase facilities	2.12	3.04	3.18	3.26	7.82*
Satisfactions	2.98	3.12	3.32	3.28	7.52*

*p<0.05

Referring to the results for online shopping frequency (presented in Tab. No. 4), we see that among four dimensions, shopping convenience is ranked first, with a value of 4.17, followed by the wide range of products (3.48), purchase facility (3.26) and finally, the satisfaction that online shopping provokes to the consumer (3.01). These values are similar to those identified in case studies about the factors that stand at the basis of perceptions of the online purchasing preferences to consumers in other parts of the world.

Based on the above results to explain the Albanian consumer behavior in the virtual market and its relation to perceptions of the advantages of this market, we can use the conceptual model given in Fig.no.1.

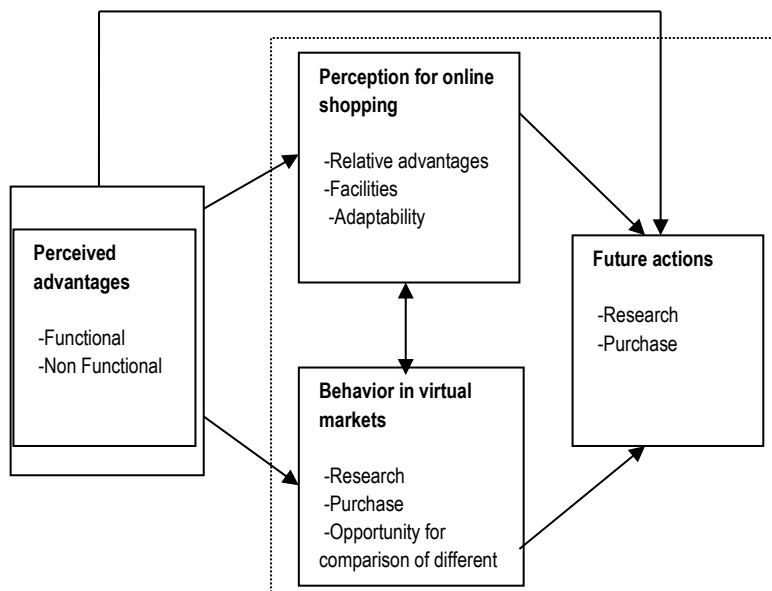


Fig. Nr. 1 Conceptual model for the perceived advantages and risk in consumer behavior in virtual markets

Discussion

The merchandise and the provision of services through the Internet is a relatively new business model⁹. When consumers become part of the virtual market, they actually accept this innovative market^{10,10}. Meanwhile, it is important to note that the process of customer participation in this market is complex. They include and act on factors of different economic, social, demographic, cultural and technological development level, knowledge and level of acquisition and its use by the customer, experiences, and capacities of providers of goods and services in

⁹ O'Cass, A., Fenech, T. 'Web Retailing Adoption: Exploring the Nature of Internet Users Web Retailing Behaviour', *Journal of Retailing and Consumer Services*, Vol.10, No.2, 2003, pg.81-94.

¹⁰ Sultan, F. 'Consumer Response to the Internet: An Exploratory Tracking Study of On-Line Home Users', *Journal of Business Research*, Vol.55, No.8, 2002, f. 655-663.

this market etc. Such factors and the ways and forces of their actions in shaping consumer behavior in the virtual market are characteristic of different consumer communities. They have as distinctive features the high dynamics of time and space changes. The ways consumers use the Internet to facilitate the purchase of goods and products and, together with their intention to increase the variety of bids that can be consulted in the unit of time, are always influenced by the perceptions that are formed in them about the risk associated with this way of buying and the potential benefits that it offers online shopping. Together, these perceptions influence the formation of new constructs and qualities to the online purchasing customer, which are also based on the changes that it has in its behavior, with the behavior of the consumer using the traditional way of purchasing, in store. In the case of the Albanian consumer, it is noticed that his behavior in the virtual market is influenced positively by the fact that the use of the internet is time-saving, decision making choices without being influenced by others. For online shopping, in general, is accompanied with pleasure both during the online and purchasing consultation process, and when the purchase action is finalized with the receipt of the product or service commissioned. The Albanian consumer, albeit a relatively new agent in the virtual market, in his behavior exhibits features and characteristics that are similar to those of consumers in countries where this market has established sustainable experiences. This fact is important to be considered by the local operators operating in this market and who have undertaken to develop it as an opportunity for the Albanian consumer. Perceived priorities in the Albanian consumer for the virtual goods and services market are needed to be encouraged and worked to create conditions for their further development. To increase online purchasing frequencies to the Albanian customer it is necessary to work on facilitating online communication. Operators of online merchandise and service

providers should work to increase the variety of bids as well as to facilitate and enhance the quality of online shopping. Operators operating in the market should design and offer to the Albanian consumer the most effective, easy to access and navigate web pages and the richest information about the goods and services they offer. These interventions in the virtual market are advisable for any operator regardless of where it operates and the community to which it is dedicated.

Conclusions

The behavior of the Albanian customers in the online market of goods and services is influenced by the factors that form positive perceptions, which are similar to those in other countries.

The exploratory factor analysis showed that in the case of the Albanian customer, variability in the perceptions of the advantages of online shopping is a consequence of the action of functional and dysfunctional factors that can be grouped into four dimensions. Each of these dimensions contributes to the overall variance of this perception, respectively: (i) shopping convenience (25.6%), (ii) wide range of products (21.4%), (iii) purchase facilities (16.7 %) and (iv) satisfaction (10.6%). Together these four dimensions explain about 74.3% of the total variance regarding customer perceptions. The factors influencing perceived advantages of online shopping are positively linked to the perception of the internet as a shopping medium, the frequency of online visits, the frequency of online shopping, and time spent on this kind of shopping.

Since the sample size is small and that the virtual market in Albania is characterized by a dynamic change, the results of the study should include preliminary results that provide information to understand the Albanian consumer behavior in the virtual market.

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