

Factors Affecting Online Purchasing Intention of Apparel among Young Customers in Sri Lanka

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Abstract

The volume of online activities has gained rapid momentum owing to accelerated internet penetration and developments in the arena of information communication technologies. This scenario is true not only within the global context but also within the context of Sri Lanka. This research has uncovered the recent trends in the modern-day online shopping space. The existing developments suggest that consumers often search for products online and make their purchases offline. A great proportion of Sri Lanka's young consumers purchase products through the internet. In this research, the researcher examines the factors that affect purchasing intention among young customers with special emphasis on the Western province of Sri Lanka. A questionnaire was utilized as a research instrument and the researcher collected data to investigate this research topic. Descriptive statistics, chi-square analysis and factor analysis were mainly used to analyse the gathered data. The variables utilized in the study are website content, awareness of existence, price of the item, trust in delivery and transaction, advertising, and distribution of information. Ultimately, the researcher has presented a set of recommendations based on the conclusions of the study.

Keywords: *Apparel, factor analysis, online purchasing intention, young customers*

1. Introduction

The internet is utilized in numerous ways by customers within the business-to-customer (B2C) and electronic commerce (e-commerce) spaces. Some such functions are; uncovering product features, pricing or reviews, selecting

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appropriate products and services among various choices, placing orders, making payments, and other diverse sales services (Sinha, 2010). These days the web isn't solely a networking media, but additionally a definition of dealing for customers in the international market. Conducting business transactions through the internet has become a common phenomenon over the last decade and delivery services, marketing firms, as well as producers of goods and services, are determined to reap maximum benefits from this latest trend (Ziadat, 2013).

According to Gehrt and Yan (2004), the selection of retail formats that are obtainable to today's shoppers is diverse and numerous. It's been quite a decade since e-commerce first evolved (Shergill & Chen, 2005). E-commerce has become a central characteristic of the internet era. According to UCLA (University of California, Los Angeles) Centre for Communication Policy (2001), online shopping is the third preferred internet activity, falling behind email usage and net browsing. At present, B2C electronic commerce has made remarkable progress, in turn acting as a factor that diminishes trade boundaries (Shergill & Chen, 2005). Moshrefjavadi, et al. (2012) concluded that developments made in e-commerce and e-shopping spaces generate opportunities for businesses to expand their clientele and reach global consumers with ease.

According to Cho and Park (2001), over 627 million individuals globally have shopped online at some point in their lives. Liang and Lai (2000) stated that the calculable e-commerce market will hit 228 billion USD in 2007, 258 billion USD in 2008, and 288 billion USD in 2009. It was projected that by 2010 e-commerce would be responsible for nearly 13 percent of total retail sales from a global point of view.

Therefore, online shopping plays a significant role in trade. Most consumers prefer to buy products via the internet at present. Liang and Lai (2000) discovered that the most purchased items via the internet were books (34%), DVDs (22%), airline tickets (21%) and accessories (20%).

The Telecommunication Regulatory Commission of Sri Lanka (TRC) stated that the total of mobile broadband connections has doubled on a year-on-year basis, continually since its introduction in 2009. Moreover, the average growth of connections over the past six years stood approximately at 96.5 percent (TRC, 2018). Fixed internet connections have registered a growth of 68

percent, yet by comparison, the growth seen in mobile broadband services is far superior (Ayoobkhan, 2016). According to Dias and Ranwala (2015), many researchers conducted research based on online shopping behaviour, but many researchers did surveys based on online shopping as a common factor not specifying any products (Dias & Ranwala, 2015). Through this survey, the researcher attempts to determine the factors which influence the online purchasing intention of apparel among the young generation with special reference to the Western province in Sri Lanka.

2. Review of Literature

Unlike communication in physical shopping spaces, which takes a face-to-face form, communication between customer and producer in online spaces happens through the producer's website (Park & Kim, 2003). Ziadat, et al., (2013) pointed out that the internet is perceived not merely as a networking tool in the contemporary world but also as a platform where international transactions take place. This notion is confirmed by According to Delafrooz, et al., (2009), as it was concluded that over 600 million people carried out online shopping activities globally in the year 2009.

Ziadat, et al., (2013) identified four (4) major factors that influenced online buying behaviour; advertising, brand image, trust in the transaction, and consumers' attitude towards e-commerce. Delafrooz, et al. (2009) suggested that creating unique landing pages for specific topics, the convenience of purchasing the product, the price rate of other websites, displaying promotions, and physical viewing were important factors that determined consumers' attitudes toward online shopping. Delafrooz, et al., (2009) manipulated the survey with aid of the findings of Ziadat, et al (2013)'s survey.

Dias and Ranwala (2015) stated that the customer satisfaction rate in Sri Lanka was based on delivering products of apparel at the right time to the right place, website updating, displaying product discounts, price rate of products, the gender of the customer, and submitting personal information and financial information. Udawaththe (2011) mentioned that the decision-making of consumers in online spaces was governed by criteria such as the gender of the consumer, product price, awareness of the brand, security of the transaction, and clarity and familiarity of the webpage.

Brand awareness and product familiarity is created by advertising and marketing strategies that inform consumers of the key features, benefits and

other competitive factors of a certain product or service(Liat & Wuan, 2014). Additionally, word of mouth and mass media also serve the function of creating brand and product awareness (Liat & Wuan, 2014). Thus, promotions are a significant tool that can be utilised to spread the brand name, especially where online services are concerned (Delafrooz, et al., 2009). However, it has been discovered that site awareness is also just as important as online promotions in influencing purchasing decisions of consumers(Delafrooz, et al., 2009). Udawaththe (2011); Dias and Ranwala (2015) concluded that there was a positive impact between the awareness of consumers and the decision of online purchasing behaviour in customers in Sri Lanka.

Lim, et al., (2016) mentioned that the respondents considered the clarity and convenience of the website, comparative superiority of the items, inclusion of a call upon purchase confirmation crucial determinants that influences customer behaviour in Malaysia. Moreover, Lim et al. (2016) mentioned that there was no effect of the price of the product where online apparel purchases were concerned. Hence, the consumers in Malaysia gave importance to quality over price when making apparel purchases via the internet.

Ayoobkhan (2016), Dias and Ranwala (2015), and Udawaththe (2011) emphasized that the highest proportion of respondents was driven by products mentioned on online shopping webpages. Because, when focusing on the global and local context, there were different types of conclusions, and the researcher will be identified the situation based on the apparel materials through this survey.

‘Trust’ was defined by Dange and Kumar (2012) as the willingness of one to make themselves vulnerable to the actions of another, based solely on the expectation that the said party would accurately perform a particular action, regardless of whether the former is able to monitor or control the later (p.14). It is a long-established fact that most transactions have an element of trust irrespective of their form and the space in which it is carried out. In online spaces trust is a crucial factor in developing sustainable relationships with customers (Uzun & Poturak, 2014). Here customers always submit their personal and financial information to the shopper.

Athapaththu and Kulathunga (2018) state that trusts positively impacts purchase intention. Athapaththu and Kulathunga (2018) mentioned that there was a moderate linear relationship between trust in the transaction and

purchasing behaviour. They investigated this as a factor of the behaviour of online purchasing intention based on Davis’s research. These conclusions are presented for the overall online consumer behaviour, not for the apparel products. Hence, the researcher considered the above-investigated factors to manipulate this survey.

3. Research Objectives

The research objectives are;

- To identify the main characteristics of young customers who are purchasing apparel online.
- To identify the association between main variables and previously identified factors affecting to online purchasing intention.
- To identify the risk factors for online purchasing intention for apparel.

4. Research Questions

The research questions are;

- What are the main characteristics of young customers who are purchasing apparel online?
- What is the association between main variables and previously identified factors affecting to online purchasing intention?
- What are the risk factors for online purchasing intention for apparel?

5. Method of Data Collection

A questionnaire was used as the research instrument to gather primary data. All the questions in the research instruments were built up as closed-ended or open-ended questions. The questionnaire was built from the details gathered from the literature review. Under the questionnaire, the researcher states twenty (20) attributes in order to identify the independent variables.

6. Results and Findings

Table 1: Respondents’ profile

Characteristics	Categories	N	%
Gender	Male	99	44.4
	Female	124	55.6
Age Group	15-17 years	20	9
	18-20 years	95	42.6
	21-24 years	108	48.4

Marital Status	Single	177	79.4
	Married	44	19.7
	Divorced	2	0.9
Education Level	Student	18	8.1
	A/L	158	75.3
	First Degree	37	16.6
Current Status	Student	18	8.1
	Undergraduate	45	20.2
	Employed	91	40.8
	Self Employed	30	13.5
	Unemployed	38	17
	Other	1	0.4

Source: Survey Data, 2023

Young individuals who frequently shop online were the target population. The sample that was taken to conduct the survey included customers from the Western Province. 250 young customers from different living areas were surveyed. Out of the 250 respondents, 223 replied to the online questionnaire. The profile of the respondents who participated in the study is demonstrated in Table 1.

5.1 Chi-square Analysis

Table 2: Association between main variables and previously identified factors

Categories	Test Statistics χ^2 Value	P value
Create unique landing pages for specific topics	41.784	0.000
The brand image of the product	64.393	0.000
The price rate of the other websites	81.886	0.000
Include a call to action on nearly	118.433	0.000
Research of the apparel item	87.268	0.068
Advertising of the products	258.486	0.042
Displaying discounts on the product	168.845	0.000
Displaying promotions of the product	83.905	0.001
Favourable Judgement of the website	63.397	0.000
Awareness of the brand or brand family of the product.	258.560	0.000
The honesty of e-commerce in terms of price	241.700	0.003
Presenting the method of the price	105.138	0.001
Provide all the relevant information	67.083	0.000
Submitting the financial information of the customer	284.348	0.000
Submitting personal information of the customer	56.842	0.090
Keep the website up to date	85.407	0.000

Delivering products of apparel at the right time to the right place	95.946	0.000
Physically viewing (colour) of the product	98.325	0.000
Clear transaction	194.321	0.000
Privacy of the transaction	251.322	0.000

Source: Survey Data, 2023

Table 2 shows that most Pearson Chi-square values (p) are 0.000 for rounded three decimal points. And it implies that the $p < 0.05$. Since the p -value is less than the chosen significance level $\alpha = 0.05$, the null hypothesis (H_0) was rejected. Hence, it can be concluded with 95% confidence that there is a significant relationship between all the statements that are identified from the previous research excluding the statements of research on the apparel item and submitting personal information of the customer. Because the p -values of these statements are > 0.05 .

5.2 Use of Exploratory Factor Analysis (EFA)

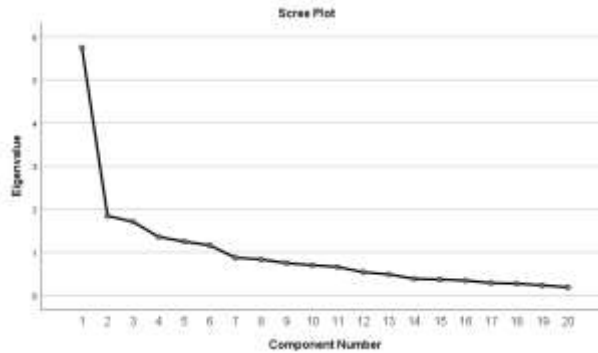
Table 3: Results of KMO and Bartlett’s test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.764
Bartlett's Test of Sphericity	Approx. Chi-Square	1676.432
	df	190
	Sig.	.000

Source: Survey Data, 2023

The significance of Bartlett’s Test of Sphericity (Table 3) ratified that the observed correlation matrix is significantly different from the identity matrix, and thus, common factors due to inter-correlation can be investigated. Results in table 3 also indicated that the KMO statistic (0.764) is greater than 0.6, confirming that the data satisfies sample adequacy for EFA.

Figure 1: Scree plot



Source: Survey Data, 2023

Factor analysis is used for identifying the factors affecting online purchasing intention. Factors are extracted based on eigenvalues greater than 1 and the scree plot (figure 1) displays the number of factors. According to figure 1, there are six factors that can be identified under factor extraction.

The main objective of this study is to identify the factors affecting the online purchasing intention of apparel among young customers. According to the variables found in the literature review, there are 20 variables, that have an impact on customer purchasing behaviour.

4.1 Distribution of Factors under the Principal Components (PCF)

The results show that only six components have an eigenvalue greater than 1. Based on the eigenvalue greater than 1, these six components are taken as the main factors, which describe 74% of the variation of the variable considered. Thus, representing six expression sets of 20 variables. However, six components are sufficient to represent all the features. Table 4 shows the distribution of variables, according to the varimax rotation method, relevant to the six main components.

Table 4: Rotated component matrix

	Components					
	1	2	3	4	5	6
Create unique landing pages for specific topics	.512	.400	-.249	-.299	-.212	-.093
The brand image of the product	.456	.509	.129	-.245	-.352	-.358

The price rate of the other websites	.335	-.057	.454	-.009	.517	.465
Include a call to action on nearly	.019	.511	.190	-.131	.138	.544
Research of the apparel item	.396	.559	.083	-.146	.047	-.202
Advertising of the products	-.359	.178	.103	-.256	.603	.119
Displaying discounts on the product	-.099	-.330	.549	.115	-.123	-.084
Displaying promotions of the product	.268	-.306	.513	-.505	.232	.220
Favourable Judgement of the website	.563	.037	.288	-.115	-.100	.252
Awareness of the brand or brand family of the product.	-.280	.660	-.055	-.179	.253	-.099
The honesty of e-commerce in terms of price	-.279	.144	.555	.001	-.263	-.106
Presenting the method of the price	.335	-.321	.576	-.175	-.039	-.269
Provide all the relevant information	.447	-.054	.319	.205	-.453	.394
Submitting the financial information of the customer	.435	.068	-.297	.146	-.375	.517
Submitting personal information of the customer	.441	.058	-.025	.593	.341	-.244
Keep the website up to date	.566	.184	.265	.492	-.024	-.159
Delivering products of apparel at the right time to the right place	.404	-.007	.442	.483	.170	.107
Physically viewing (colour) of the product	.006	.574	-.641	.042	.013	.180
Clear transaction	-.177	.118	-.409	.601	.203	-.258
Extraction Method: Principal Component Analysis.						
a. 6 components extracted.						

Source: Survey Data, 2023

According to table 5, the variables used in the analysis of the factors affecting online purchasing intention of apparel among young customers can be stated

as: website content, awareness of existence, price of the item, trust in delivery and transaction, advertising and distribution of information.

Table 5: Identified factors

<i>Factor 01</i>	
Create unique landing pages for specific topics	Website content
Favourable Judgement of the website	
Provide all the relevant information	
Submitting personal information of the customer	
Keep the website up to date	
<i>Factor 02</i>	
The brand image of the product	Awareness of existence
Research of the apparel item	
Awareness of the brand or brand family of the product.	
Physically viewing (colour) of the product	
<i>Factor 03</i>	
The price rate of the other websites	Price of the item
Displaying discounts on the product	
Displaying promotions of the product	
The honesty of e-commerce in terms of price	
Presenting the method of the price	
<i>Factor 04</i>	
Submitting personal information of the customer	Trust in delivery & transaction
Delivering products of apparel at the right time to the right place	
Clear transaction	
<i>Factor 05</i>	
Advertising of the products	Advertising
<i>Factor 06</i>	
Include a call to action on nearly	Distribution of information
Submitting the financial information of the customer	

Source: Survey Data, 2023

6. Conclusion and Recommendations

6.1 Conclusion

The majority of the sample were female customers and most of the sample units were between 20 – 24 years old. Further, there was a significant association between selected eighteen (18) variables with consumer purchasing intention. Website content, awareness of the existence, price of the product, trust in delivery and transaction, advertising, and distribution of

information were identified as the main factors influencing online purchasing intention among young customers.

6.2 Recommendation

Barr and Weiss (2012), presented the basic process for developing website content of the relevant product, and also Ganguly, et al., (2006) stated details on how to develop website content in the online business based on identifying who will visit the site, then listing the information & tools that each “profile” will want and need, gathering internal ideas, identifying content that you’ll need for marketing campaigns, checking out the competitors and generating miscellaneous ideas.

Anchor Pricing is where the supplier displays their “regular” price and then visibly lowers that item's price in stores or online. This has proven to be effective as it creates the illusion that the customer is receiving a worthy deal or saving money (Peters, 2019). At this point, the supplier should know where he will start with pricing the product. To ensure profitability in the long run, the producer must analyse current business statistics and design a proactive action plan (Peters, 2019).

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