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Does the demographic variable influence the online purchase intention?

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Abstract

Internet usage and online shopping has undergone a tectonic shift during the pandemic period. However, the extent of change may not be uniform across the consumers. Demographic variables such as age, gender, education, occupation and income may have differing influence on the consumer attitude and purchase intention. This study aims to examine the same. The variables considered for the purpose of the study are experience with internet use, perceived usefulness, and perceived ease of use, e-WOM. Convenience sampling method was used to identify 125 respondents and data was collected using a specially designed web-based questionnaire. Finding reveals that 'Electronic word of mouth' and 'perceived ease of use' has a significant influence on the consumer's attitude towards online purchase. The findings also highlight that, age has a significant influence on the online purchase intention.

Keywords: 1 Online purchase 2. Attitude 3. e-WOM 4. demographic variables 5. online purchase intention

1.0 Introduction

Shopping scenario in India has undergone a tectonic shift in the covid Pandemic era. Access to internet and dependence on webservices for work related reasons and house hold life has increased manifold during the pandemic situation. The internet world stats (2021) reported that 4.66 billion people around the world are using internet and internet users of 2021 is accounted with 59.5% of overall population, Internet users are currently growing with 8,75,000 new users each day. Digital 2021 stats that internet users in India enlarged by 47 million and internet saturation stood at 45.0% in India

Globally, online shopping has been resorted to as the preferred purchase medium for customers to fulfil their basic needs. Online shopping statistics for 2021 says that the growth of global online shopping market hit 4 trillion in 2020 and it is expected to have 300 million online shoppers in 2023.

The increase in online shopping is attributed to various factors viz., technological advancement, better purchasing capacity, availability, convenience, easier payment methods etc. Internet sites like Facebook, Instagram, snapchat, blogs and e-mail marketing have made consumers online shopping more comfortable. Though there are many factors that have contributed for increase in online shopping, the root cause for the shift is the change in the consumer's preferences and attitude towards online purchase. However, the extent of change may not be uniform across the consumers belonging to various generational ages. There are four major generations that economist recognized as separate markets: baby boomers, Gen X, Gen Y and Gen Z each are unique when comes to Purchase intention and preferences.

Traditional media such as radio, television, newspaper, and magazine are consumed most heavily by baby boomers (1946-1964) between the ages of 57 and 75. Regardless of whether they are conventional or not, 90% of baby boomers have a Facebook account and have began to use technology to keep in touch with their friends and family. Between the ages of 41 and 56, Gen Xers still read magazines, newspapers, watch TV, and listen to the radio. They are also digitally savvy, spending about 7 hours on Facebook. Although 95% of Gen Y (1981-1996) are between the ages of 25 and 40, they are very flexible when it comes to using mobile devices; still, 32% of them use a computer for online purchases and SM accounts, and while 95% watch TV, they prefer Netflix for entertainment. Gen Z (1997-2015) has grown up in a more connected world, with smart phones as their primary mode of communication.

The physiological mind of a customer when completing an online purchase is referred to as their attitude towards online buying. When a customer recognises the need to purchase a product, they begin looking for information on the product. They weigh the pros and cons of several items before deciding to buy the ones that best meet their requirements. Various factors impact a consumer's willingness to make an online purchase. Experience with internet use, perceived utility, simplicity of use, and E-Word of mouth are all characteristics that have an impact on attitude in this study.

2.0 Review of Literature

Ali Yayli et al. (2010) investigated the influence of e-wom, namely online customer reviews, on electronic product purchase decisions. Buyers don't regard demographic characteristics of reviewers as a key element in the purchase process, and there is a big difference between buyers' internet usage time and reading reviews, reviews has a substantial impact on their purchasing choice.

Anita Kshetri et al. (2016) explore the link between social media com and purchase intention, particularly among young customers, with a focus on vehicle purchases in

India. The factors used in the study are brand equity, brand attitude, brand purchase intentions, user generated communication and learning style. Both User generated communication and brand attitude positively affect brand equity, and brand equity positively affect purchase intention.

Gobinda Roy, et.al. (2018) investigate the impact of WOM valence and e-WOM content on online purchase intent. The study considers aspects such as mixed WOM, positive WOM, negative WOM, e-WOM, and rich E-WOM. Customers like positive or MN e-WOM valences that provide pros and disadvantages details more than negative or neutral e-WOM valences, according to the study, and these sorts of reviews also have a favourable impact on online shopping intent.

Ghasem Zarei , et.al, (2019) explores the effect of Internet service quality on consumers' purchasing behaviour by focusing on the mediating role of consumers' satisfaction, attitude and online purchase intention. According to the findings, the quality of Internet service has a substantial impact on consumer happiness. Consumer satisfaction with Internet service security is high, and it has a measurable impact on Internet purchasing behaviour.

J.C.Athapaththu, et.al, (2018) determines the elements that influence online purchase intent, such as utility, ease of use, trust, and website content. According to the findings, trust has a facilitating influence on utility, ease of use, and website content on online retail buying intention.

Monica Law, et.al, (2016) explores demographic variables and other antecedents influence the purchasing intent of adult online users. The elements studied include personal security awareness, personal inventiveness, ease of purchasing, utility, attitude toward online buying, online buying intention, and demographic profile. Purchase intent and security are inextricably linked. Innovativeness, usefulness, convenience of purchasing, and online buy intention are all linked to attitude.

Mazzini Munda, (2016) Attempts to understand Gen Y's online purchasing behaviour. Four variables are postulated to influence Gen Y's purchase intention risk, utility, perceived trust, and ease of use. Consumers behave differently when making procuring decisions when considering certain Web sites or product categories, and young people have less privacy concerns than older individuals.

Moslehpour, M. Wong, et.al, (2017) examined factors influencing Taiwanese consumers to repurchase Korean beauty products. Perceived price, country of origin, WOM and repurchase intention is used as a factor. Price and WOM all have a substantial impact on repurchase intention, according to the study.

Nurul Nadia Abd Aziz , et.al, (2018) The impact of factors such as Benefits, Online Purchase, Past Experience Intention, and Ease of Use on online purchase intention was investigated. According to the findings, advantages and convenience of use function as full mediators, and the direct influence of previous experience on online purchase intention is insignificant.

Olfa Bouhlef, et.al, (2010) investigates the consumers' attitude and the influence of the consumption intention. The parameters considered in the study include perceptual variables such as credibility, interaction, ease of use, helpfulness, and purchase intention. The credibility, usefulness, and simplicity to produce a favourable attitude have a positive influence on purchase intention.

Ron Kwok, et.al, (2016) investigates the element that boosts the online purchasing intentions of middle-aged non-online purchasers. The study seeks to comprehend the function of frequent online usage as a moderator. The criteria utilised in the study include attitude and internet habits, ease of use, innovativeness, and purchase intention. Attitude and regular internet usage both play a role in mediating the relationship between innovativeness, ease of use, and purchase intention.

Upasana Kanchan, et.al, (2015) the research looks at the elements that influence Indian customers' online buying decisions. The study's factors are predictors of amenity value and consumer sentiment. According to the study, customers' online buy intentions are substantially connected to their gender, education, age, security concern, technical familiarity, and previous online purchase frequency.

3.0 Objectives

1. To comprehend the variables impacting customer attitudes about wired purchases.
2. Determine if respondents' perceptions of the factors impacting wired purchase intention differ considerably.
3. To comprehend the impact of demographic factors on wired purchases intention.

4.0 Methodology

For the aim of carrying out the study, a descriptive research design is used. Data is gathered via a specifically developed questionnaire administered to 125 respondents chosen using the convenience sample approach. Respondents are customers who have already made an online purchase. For analysis, statistical techniques such as descriptive statistics, Chi-square, ANOVA, and regression are utilised.

5.0 Discussions

Following a thorough study of the literature, the variables impacting customer sentiment are determined. The researcher has decided to investigate the impact of several variables, including previous internet usage, e-wom, perceived utility, and reported simplicity of use. The consumer impression of these factors, as well as the consumer attitude, is gathered using a series of statements provided in the questionnaire. A more in-depth debate is categorised and provided below.

The Demographic profile of the respondents and the internet usage pattern is presented below;

Table 1 Demographic Profile

Demographic	Characteristics of sample	Frequency	Percentage
Gender	Male	44	35.2
	Female	81	64.8
Age	18-24	23	18.4
	25-40	72	57.6
	41-56	25	20.0
	57-75	05	4.0
Education	Diploma	07	5.6
	Undergraduate	46	36.8
	Postgraduate	48	38.4
	Other professional	24	19.2
Occupation	Student	19	15.2
	Employed	58	46.4
	Business	17	13.6
	Profession	31	24.8
Monthly income	Less than 15,000	17	13.6
	15,001-20,000	38	30.4
	20,001-35,000	53	42.4
	Above 35,000	17	13.6
Year of access to internet	1 to3 years	16	12.8
	4 to 6 years	63	50.4
	7 to 9 years	35	28.0
	Above 9 years	11	8.8
Time spent in internet per day	1-3 hours	30	24.0
	3.1-6 hours	72	57.6
	6.1-9 hours	18	14.4
	9.1 and above	05	4.0

According to the above data, the majority (64.8%) of respondents are female and between the ages of 25 and 40. (57.6%). The majority of responders (38.4%) are postgraduates who are employed (46.4%). (42.4%) have a monthly income of Rs 20,001-35,000. The majority of respondents (50.4%) have had access to the internet for 4-6 years. (57.6%) of respondents spend 3.1-6 hours each day on the internet.

5.1 Factors impact consumer attitude toward online purchase

Elements affecting customer attitude toward online purchase. Regression analysis is used to investigate the factors influencing consumer attitude. The variables considered include internet usage experience, e-wom, perceived utility, and perceived ease of use. The findings are shown below;

Table-2 Factors influencing consumer attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838 ^a	.702	.692	.43641

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	53.896	4	13.474	70.747	.000 ^b
	Residual	22.854	120	.190		
	Total	76.750	124			

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.020	.196		.101	.919
	experience	.043	.188	.058	.231	.817
	e-wom	.361	.105	.347	3.440	.001
	Perceived Ease of use	.481	.057	.513	8.471	.000
	Perceived usefulness	.113	.163	.151	.693	.490

According to the data in the table above, electronic word of mouth and simplicity of use have a substantial impact on consumers' attitudes regarding online purchases.

5.2 Demographic Variables Vs Factors influencing online purchase intention

The following hypothesis is proposed to determine whether there is a significant difference among respondents about the variables affecting online purchasing.

H₁: Respondents' perceptions of the factors influencing online purchasing intention do not differ much.

The above hypothesis is tested for all the demographic variables and results are presented below;

Table 3 Age Vs Factors influencing online purchase intention

Factors	F	Sig	Result
Experience with internet use	6.314	.001	Rejected
e-wom	3.783	.012	Rejected
Perceived ease of use	.337	.799	Accepted
Perceived usefulness	7.415	.000	Rejected

According to the above table, there is a considerable variation in the significance assigned to characteristics such as experience with internet use, e-wom, and perceived utility depending on the age group of the respondents.

Table-4 Gender vs Factors influencing online purchase intention

Factors	F	Sig	Result
Experience with internet use	6.844	.010	Rejected
e-wom	2.401	.124	Accepted
Perceived ease of use	.541	.463	Accepted
Perceived usefulness	5.667	.019	Rejected

From the table it is confirmed that male and female respondents differ in their perception regarding the variables 'experience with the internet use' and 'perceived usefulness'

Table-5 Occupation vs Factors influencing online purchase intention

Factors	F	Sig.	Result
Experience with internet use	1.345	.263	Accepted
e-wom	2.346	.076	Accepted
Perceived ease of use	1.345	.263	Accepted
Perceived usefulness	1.565	.201	Accepted

According to the above table, there is no statistically significant difference between respondent groups based on profession and the factors impacting online purchase intention.

Table-6 Monthly income Vs Factors influencing online purchase intention

Factors	F	Sig.	Result
Experience with internet use	2.022	.114	Accepted
e-wom	5.360	.002	Rejected
Perceived Ease of use	2.432	.068	Accepted
Perceived usefulness	1.732	.164	Accepted

According to the above table, there is a substantial difference between the responder groups based on monthly income and e-word of mouth.

Table -7 Education Vs Factors influencing online purchase intention

Model	F	Sig.	Result
Experience with internet use	2.112	.102	Accepted
e-wom	2.531	.060	Accepted
Perceived Ease of use	4.250	.007	Rejected

Perceived usefulness	1.948	.125	Accepted
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According to the above table, there is a substantial difference between the respondent groups in terms of education and perceived ease of use.

5.3 Demographic variables Vs online purchase intention

A series of statements is used to capture the respondent's online purchasing intention. The following hypothesis is proposed to investigate the impact of demographic factors on online purchasing intention;

H₂: The demographic variable has no substantial impact on online purchasing intention.

Chi square analysis is used to assess the effect of demographic factors, and the results are shown in the table below.

Table-8 Demographic variables Vs Online purchase intention

Demographic variables	X ² value	P value	Result
Age	46.897	.000	Rejected
Gender	10.186	.117	Accepted
Education	19.388	.368	Accepted
Income	17.915	.461	Accepted
Occupation	15.502	.626	Accepted

The chi-square finding indicates that age has a substantial impact on online purchasing intention.

6.0 Conclusion

Consumer purchasing behaviour has experienced a seismic change in response to the emergence of the internet and, in particular, the pandemic scenario. Understanding the elements that influence consumer attitudes and online purchase intent can offer marketers with insights into developing winning tactics. In this regard, the study found that 'e-wom' and 'ease of use' had a substantial effect on customers' attitudes about online purchases. The data also show that age has a substantial impact on online purchasing intent. Knowing that respondents' perceptions of factors impacting online purchase varied would allow marketers to develop tactics based on demographic characteristics in order to reach the target market.

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