

The comparative study of Internet purchase behavior: British students and international students in London

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Abstract: This paper investigates the impact of demographic factors including age, gender, household income level, education level and nationality on Internet shopping behavior of British students and International students resident in London. In fact, this study attempts to look at the association exists between the variables involved, by tapping the responses of 84 respondents from postgraduate British and overseas students living in London. In this research, we conducted a questionnaire survey based on a model called AIDA (Attention, Interest, Desire and Action) to explain consumer behavior of online shopping. SPSS17.0 was used in order to analyzing the data. Our results suggest that demographic characteristics of age, gender, and education level, as well as household income level and nationality have no effects on student's online shopping behavior. The main findings of the current study demonstrated that the viewpoints of British students and international students in terms of limitations and advantages of shopping online are different. The first group considered "Wider variety of goods to choose" and "Disappearing of shopping website" as the advantages and limitations of Internet shopping respectively. The second group, International students resident in London, perceived "Time Saving" and "Credit card security issue" as the main advantages and limitations of online shopping respectively.

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Introduction

The emergent of Internet has introduced new opportunities for human beings life that did not previously exist. One aspect of it, online shopping, is becoming increasingly popular. For instance, In the UK 8.1% of total retail sales in April 2010 were online sales which are greatly expanded over recent years (<http://www.statistics.gov.uk>). A report explains that 79% of UK internet users used the internet to order goods or services in 2010 which is higher than any other European country (<http://consumers.ofcom.org.uk>). Thus, the need to study the behavior of consumers is seriously recognized. To date, from the perspectives of consumer demographics, online behavior has been widely examined (O'Keefe et al. 2000, Chau et al. 2002, Park et al. 2004, Brown et al. 2003, Stafford et al. 2004, Korgaonkar et al. 2004, Park and Jun 2003, Li et al. 1999)

The principal purpose of this study is to assess the demographic factors associated with students' shopping behavior. A secondary, precursor aim is to identify whether British students and International students behave differently through online shopping. Finally, the advantages and limitations of online purchase from both group perspectives. The rest of the paper is organized as follows: First, we review

consumer factors that influence online shopping behavior in Section 2. Then, we explain consumer behavior of online shopping by the help of AIDA model, and present research methodology in Section 3. In Section 4, a conclusion summarizes the findings and the results.

Shopping behavior

Consumer behaviour can be defined as the decision processes to search, select, purchase, use, and dispose of goods and services, in satisfaction of individuals' needs and wants. In this regard, factors affected on internet shopping have been broadly examined. As a result, early research showed that across different studies some consumer factors is known to have consistent effects, while others have mixed or even contradictory impacts on Internet shopping. For instance, from the perspectives of consumer demographic profile, online shopping behavior has been broadly examined (Park et al. 2004, Li et al. 1999, Stafford et al. 2004, Brown et al. 2003, Hyokjin, et al. 2002, Donthu and Garcia, 1999, Chau et al. 2002, Doolin, et al. 2005, O'Keefe et al. 2000, Park and Jun 2003, Korgaonkar et al. 2004, Teo, 2001).

AIDA Model

The classical model of AIDA (Attention - Interest - Desire - Action) was first promoted by E.K. Strong in 1925 and it is still helpful in today's business environments since it is simple to apply. The model provides an illustration about the whole process of how advertising influence consumer behavior. It's noted that advertising needs to attract attention, maintain interest, create desire, and get action. According to the AIDA model consumer behavior begins from attention to interest, followed by desire and action as the last phase of the model. Figure 1 shows AIDA model.

The AIDA model which displays in Figure 1, consist four different steps to lead consumer to the purchase of goods or services. The four phases of AIDA are as follows:

Attention is the 1st phase refers to the advertisers' efforts to catch the attention of the consumer. If consumer's answer to the first phase is positive, the next step will be formed. Interest, is where a consumer will want to know more about the particular product or service. Afterward, in the next step, Desire may grow which will lead to the purchase of the specific product or service.

Finally, in Action step, the customer moves into actual buying behavior after completing the last 3 phases. According to the AIDA model, some questions were prepared for different phases of the AIDA (Attention- Interest-Desire-Action) separately. Accordingly, participants were asked whether the listed factors below can attract them in order to move to the next step of the model. The question is that the below outlined factors could be desirable to customers' attraction. These factors are listed for each phases of AIDA model.

Attention

- a) The well designed website
- b) Online advertising messages
- c) Products with new innovation
- d) Convenience and spending shorter time to purchase goods
- e) All time shopping accessibility
- f) The well-known brand name
- g) Words like 'FREE' or 'DISCOUNT' on the seller's website

Interest

- a) The electronic-catalog through the seller's website
- b) The ease of product's price and quality comparison
- c) The variety of the products
- d) Customer's review availability
- e) The appropriate information, news article, fact about the product
- f) Online guide/support service

- g) Relevant constantly updated website

Desire

- a) The cheaper /discount price of goods
- b) The special offer like 'BUY ONE GET ONE FREE '
- c) The product grantee and return policy
- d) The picture of the product from different angles
- e) The after – sales services
- f) The shorter delivery period
- g) The high quality packaging
- h) The extra accessories /a small gift
- i) The Experience of free trial product

Action

- a) The simplicity of buying processing
- b) Personal privacy and security
- c) The 'ADD TO BASKET' sign
- d) Using words like 'BUY NOW 'or CLICK'
- e) Secure payment system like PayPal
- f) The trust of seller's website

Hypothesis

After a careful review of the literature hypotheses formulated as follows:

H1: Socio-demographic factors have impact on online shopping behavior of British students as well as international students resident in London.

- a) Customers' age has a relationship with online purchase behavior of the consumers.
- b) Customers' gender has a relationship with online purchase behavior of the consumers.
- c) Customers' nationality has a relationship with their online buying behavior.
- d) Customers' household income level of family has a relationship with their online purchase behavior.
- e) Customers' education level has a relationship with online purchase behavior of the consumers

H2: Online purchase behavior of British students differs of the purchase behavior of oversees students.

H3: The viewpoints of British students and international students in terms of advantages and limitations of online purchase behavior are different.

Methodology

All International master and PhD students resident in an international accommodation in London and equal population of British students studying in a university in London were taken as the population of this study. Since the population of oversees students was limited therefore, the total population was studied. The instrument of data gathering in this study was questionnaire. Questionnaires have been distributed personally face to face among all oversees students on voluntary

basis. Then, 84 respondents were requested to complete the questionnaire.

The online buying behavior items were adopted from AIDA model, (Strong, 1925). In addition, 5-point Likert scale ranging from (1 = definitely disagree, 5 = definitely agree) was used to measure the factors.

Reliability was checked by the help of Cronbach's Alpha. The value of Alpha was 0/94 which confirmed the reliability of the questionnaire. The questions designed according to the four steps of AIDA model including Attention, Interest, Desire and Action. Consequently, data collected from 84 respondents and then responses were fed into the Statistical Package for Social Sciences (SPSS) in order to analysis and evaluation too.

Therefore, the current study consists of a sample group of 84 respondents. In term of gender, 69% of the respondents were male and 31% of the respondents were female. In term of nationality, more than 55% were European, and less than 4% were from North America. 41% of the respondents were between 26 to 30 years old. And 33% of them

were between 26 to 30 years old. All respondents were postgraduate students as 68% were PhD students and 32% studying at master program. In terms of family income level 30% have between 800-1200 (British pound) and 16% have under 800 pound per month. The respondents were also asked about the frequency of shopping online. 62% selected "sometimes" as their answer.

Result

Regarding hypothesis 1, all five sub-hypothesis are rejected based on their weak relations among the variables involved ($p > 0.05$). With regard to sub-hypothesis 5, marginal findings illustrates that there is a correlation between two first steps of AIDA model (Attract and Interest) with higher level of customer's education at ($p < 0.05$). In other words, demanding online shopping will increase by the higher level of education. The results are displayed in table 1. Table 1 shows Pearson Correlation and education level.

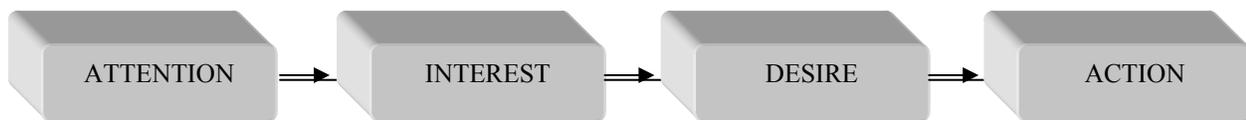


Figure 1: AIDA model

Table 1: Pearson Correlation and education level

		Attract	Interest	Desire	Action	Online shopping behavior
Years of university education	Pearson Correlation	-.246 *	-.251 *	-.050	-.080	-.192
	Sig. (2-tailed)	.025	.022	.651	.470	.081
	N	83	83	83	83	83

* Correlation is significant at the 0.05 level (2-tailed).

The results also reveal that hypothesis 2 is rejected. Hence, the view point of British students and overseas students regarding the advantages and limitations of purchase behavior are same. Since, t- value is not significant at ($p > 0.05$) for this hypothesis.

For hypothesis 3, as table 2 displays, T-test was used to evaluate. t- Value for 6 advantages out of 8 is not meaningful. But for two of them which are "Time Saving" and "Wider variety of goods to choose" is meaningful at ($p < 0.05$). Table 2 shows T-test, the advantages of online purchase for both groups.

The first factor is exposed as the most advantage of online shopping by international students while British students mentioned the second factor as the

most important advantage when they shop online. Also t-value is not significant for limitations except for two of them. As shown in table 3, they are "Credit card security issue" and "Disappearing of shopping website" where $p < 0.05$. Table 3 shows T- test, the limitations of online purchase for both groups.

The rate of limitations and advantages of Internet shopping

Marginal issues from hypothesis 3 result that British students and International students living in London have different points of view concerning the rate of limitations and advantages through Internet shopping. Freidman test was used in order to rank the limitations and advantages of Internet purchase to clarify which limitation/advantage is most important and which one has less degree of importance.

Based on the results, "Saving time" and "Wider variety of goods to choose" are the most important advantages of Internet buying for International students and British students respectively.

The results of Freidman test also clearly indicate that the most important limitation for overseas students is "Credit card security issue" while British students perceived "lack of touch/feel of goods" as the most significant limitation.

Rating the advantages was also clarified. British students and international student have mentioned the factor of "Saving time" as the first priority of online shopping.

Table 2: T-test, the advantages of online purchase for both groups

	t-test for Equality of Means		
	t	df	Sig. (2-tailed)
1. Convenience at shopping	-1.329	81	.187
2. Cost saving /cheap price	.658	81	.512
3. Time saving	-2.068	81	.042
4. Shopping at any time	-.226	81	.822
5. Wider variety of goods to choose	2.553	81	.013
6. Availability of price comparison	-.726	81	.470
7. No pressure shopping	.488	81	.627
8. No more driving!	1.053	81	.295

Table 3: T- test, the limitations of online purchase for both groups

	t-test for Equality of Means		
	t	df	Sig. (2-tailed)
1. Credit card security issue	-2.278	81	.025
2. Personal privacy issue	-1.880	81	.064
3. Disappearance of shopping website	2.143	81	.035
4. Ordering the wrong item	1.423	81	.158
5. Lack of touch/feel of goods	.276	81	.783
6. Delivery cost	-.037	81	.971
7. Items are delivered not immediately	-.062	81	.950
8. Billing errors	.767	81	.445

Discussion

According to the results of data analysis, age has not impact on students in their shopping behavior. Scholars have found dissimilar findings regarding age and internet shopping intention (Donthu and Garcia 1999, Rohm and Swaminathan 2004, Stafford et al. 2004). In this study, regarding the four steps of AIDA model, findings show that through the first three stages of Internet shopping including Attract, Interest and Desire, older student having age more than 40 are more attracted to shop online. While, students between 26-30 years approach the last step of AIDA model (Action) earlier than the first mentioned group. In other words, duration of decision making for younger students are shorter compared to older

students. The importance of this is for marketers to distribute appropriate goods for specific age groups.

Looking at gender, in previous researches, researchers and scholars have illustrated that men customers attend to purchases online and spend more money than women (Rodgers and Harris 2003, Slyke et al. 2002, Li et al. 1999, Korgaonkar and Wolin 1999, Stafford et al. 2004, Brown et al. 2003, Alreck and Settle 2002). Further, In Internet shopping, men are looking for known websites to shop, while women visit shopping websites via search engines in order to find their desired products or services (Abrams, 2009). But in this study, gender has not significant impact on Internet shopping.

According to Bellman et al. 1999, Susskind 2004, Liao and Cheung 2001, as well as Bagchi and Mahmood 2004, Education level shows different effects from no effect to a positive effect on online shopping. As illustrated in this study, education level has not influence on shopping online.

Income is a known factor that positively associated to online shopping tendency (Donthu and Garcia 1999, Li et al. 1999, Bagchi and Mahmood 2004, Susskind 2004, Korgaonkar and Wolin 1999). Based on the results, this study does not support the impact of household income level on Internet shopping for both British and International students.

The study showed, the nationality of the students not having any influences on shopping behavior. Because most of the people often thinking the same way as others in the community.

Conclusion

The results of this research study clearly indicate that there exists a weak association between students' demographic factors including age, gender, household income level, education level and nationality with his/her internet shopping behavior. Additionally, the research conducted here implies that British students and International students have the same shopping behavior.

It is also established through this research that the viewpoints of British students and International students resident in London are different regarding the limitations and advantages of online shopping. "Time Saving" and "Wider variety of goods to choose" are most important advantages of online shopping from International students and British students' perspective respectively. Our results here also offer some information about internet shopping behavior in terms of its limitations. "Credit card security issue" and "Disappearing of shopping website" are mentioned by international students and British students respectively.

While we have mainly focused on consumer demographic factors in an online shopping behavior research, there are other related factors that could be important predictors of consumer behavior. This study shed light on some future research issues. Our suggestions for further studies are as follows:

To assess the link between students' culture and shopping behavior

To examine the relationship between nationality of students and loyalty in online shopping behavior

To assess the association between students' attitude and shopping behavior

To examine the influence of well-known brands on shopping behavior.

To assess the role of students' gender and chosen goods/products in online shopping.

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