

ROLE OF CONVENIENCE IN E-SHOPPING - A LITERATURE REVIEW (THE MOST ESSENTIAL OF **CUSTOMER CENTRIC BUSINESS)**

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ABSTRACT

Today's consumers are seeking solutions that allow them to maximize their free time and disposable income dollar, and spend more time doing the things they value. The convenience trend is driven by this desire to create more leisure time. Shopping convenience has been one of the principal motivations underlying customer inclinations to adopt online purchasing. In this study we will develop the construct of e-convenience through literature reviews. The study will highlight the number of variables affecting convenience preference. It will help to develops the hypothesis of e-convenience through literature reviews & how convenience can be achieved.

Analysis revealed that e-Convenience has direct positive impact on customer satisfaction, cost reduction & increase customer loyalty towards e shopping. Satisfaction also have positive relation with repurchase intention. A satisfied customer is more likely to make another online purchase and intention to buy, to recommend online buying to his friends, colleagues or relatives and finally, to patronize online buying over traditional buying. The more convenience perceived in searching, transaction & possession/post-purchase, the grater is the possibility for repurchasing and recommendation by the customer.

Key Words: Customer loyalty, e-Convenience, e-shopping, Satisfaction,

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A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.Ŝ.A., Open J-Gage, India as well as in Cabell's Directories of Publishing Opportunities, U.S.A.



ISSN: 2249-1058

1. INTRODUCTION

1.1 e-Shopping Convenience

Online shopping convenience is one of the major factor that prompt consumers to access online retailers' web sites much of the prior research on e-commerce has treated the convenience construct as one of the predictor variables, such as customer service and trust, that affect outcome variables, such as customer satisfaction and behavioural intentions or as one of the facets of online service quality, such as accuracy and responsiveness. Consumer's perceptions of convenience can vary from one setting to another.

The modern consumer seeks to maximize the value they derive from their marketing exchanges. Convenience helps to increase value by decreasing the time, space and effort costs of shopping. The important factors behind the increased consumer focus on convenience reflect social trends. They are associated with consumer desires to improve their quality of life, expressed as "lightening the burden" and in a general reduction in stress along with demands for more leisure time.

1.2 Why is Convenience an Important Factor in e-commerce?

- a. Convenience reduces costs to serve
- b. Convenience creates loyalty online
- C. Convenience determines usages
- d. Convenience increase customer satisfaction

1.3 Objectives:

- 1. To develops the constructs of e-Convenience through literature reviews.
- 2. To study variables affecting convenience preference.
- 3. To develops the hypothesis of e-convenience through literature reviews.

2. CONVENIENCE

2.1 Definition

Customer convenience means different things at different stages of the purchasing cycle, which creates a complex logistical landscape for retailers. According to Merriam-Webster, It is something (as an appliance, device, or service) conducive to comfort or ease.

June 2016



Volume 6, Issue 6

In early marketing literature, the concept of convenience proposed by Copeland (1923) classifies the consumer products into convenience goods, shopping goods, and speciality goods. Convenience goods are taken as the savings in time and effort that consumers spend in purchasing products, rather than as an attribute of product itself. A number of studies have investigated convenience as a motive in the areas of electronic banking, online shopping and product choice in retail (Woodside & Trappey, 2001). Convenience is generally viewed as one of the most important factor to consumer behavior (Chen et al., 2011). Convenience has become an important product benefit for time-constrained consumers and, as such, is increasingly of interest to marketers (Farquhar &Rowley, 2009). Time-poor consumers are looking for providers offering value that is convenient in terms of search, access, purchase and use (Seiders et al., 2000). It has been reported that 52 percent of consumers surveyed want to spend less time shopping in the future (Seiders et al., 2000), thereby highlighting the importance of convenience. Service convenience is defined as: a judgement made by consumers according to their sense of control over the management, utilization and conversion of their time and effort in achieving their goals associated with access to and use of the service (Thuy, 2011).

2.2 e-Convenience:

According to Berry et al. (2002), There are five dimensions of convenience: decision convenience, access convenience, transaction convenience, benefit convenience and post-purchase convenience. They reflect the stages of the customers' activities through purchase or service usage. In the traditional shopping process, customers decide on the shop, feel beneficial in the shop, access the products, pay for the products and contact the store again for product return or maintenance, as needed. However, on-line shopping has a different process. Customers decide on the website.

without any time constraints or the need for transportation to the location, feel the benefit on the website, select the products, pay for the products, wait to access the products, and contact the website again for product return or maintenance, as needed.



2.3 Dimensions of E-Shopping Convenience based on literature review

Source	Type of Convenience	Dimensions of Convenience
Yale and Venkatesh (1986)	Characteristics of	Time utilization, Accessibility,
	Convenience goods	Portability, Appropriateness,
		Handiness.
Brown (1990)	General	Time, Place, Acquisition, Use,
		Execution convenience
Gehrt and Yale (1993)	General	Time, Place, and Effort
Seiders et al. (2000)	Retail Convenience	Access, Search, Possession, and
		Transaction
Berry et al. (2002), Seiders	Service Convenience in a	Decision, Access, Transaction,
et al.(2005, 2007), Colwell	retailing context	Benefits, and Post benefit
et al. (2008)		convenience
Reimers and Clulow (2009)	Retail centre Convenience	Time convenience, Car
		convenience,Spatial convenience,
		and Effort convenience
Beauchamp and Ponder	Retail Convenience both for	Access, Search, Transaction, and
(2010)	in- store and online shoppers	Possession convenience

Source: http://consumeraffairs.nic.in/consumer/writereaddata/e-Retailingindia.pdf

3. Variables affecting convenience preference

There are following variables like spatial, psychological, sociological, philosophical, and situational which affect convenience preference.



- a. Spatial Variable: This variable is inferred from the temporal/ economic and variable. Proximity in location or in time offers utility to the consumer in a simple efficiency sense. This spatial sense is colloquially "being in the right place at the right time." It is this sense that Copeland implied in his original work. Once the consumer recognizes a need, the first opportunity to fulfil that need will be taken. The consumer will prefer to satisfy several needs in one location if given the option, as long at the economic cost incurred is not seen as significant
- b. Psychological Variable: This variable includes values, personality, opinions, attitudes, abilities, and preferences of an individual will influence his/her choice of consumption behavior. Different individuals will have different preferences for each style of consumption, each consumption strategy (Etgar 1978). A traditional mother-wife may place great value on her role as nurturer and therefore she will prefer consumption strategies which allow her to actively participate in production activities which she perceives as nurturing to her family. This same woman, when placed in a more time constrained situation (e.g., she takes a job outside the home), will most likely continue with her values and traditional consumption strategy in order to maintain her feelings of fulfilment as nurturer. Many examples such as this can be suggested to demonstrate the importance of the psychological dimension of convenience. All that will be emphasized here is that, just as psychological variables influence all individual behavior, similar variables will influence the consumer's want for, and perception of, convenience.
- c. Sociological Variable: The various roles that an individual plays will influence the individual's perception of, and use for, convenience. Reference groups such as family, church, state, and peer groups all will contribute to the importance and meaning of convenience to the individual. In addition, social class, race and cultural norms and values may suggest or preclude certain behaviors which have an impact on convenience as manifested in society. The classic story of the rationale for the exclusion of powdered eggs from cake mixes serves as an example of cultural norms influencing socially acceptable convenience-seeking behavior.

- d. d. Philosophical Variable: Cultural and personal values, in their most macro sense, give rise to differing philosophies. There may indeed be a philosophical dimension to convenience. Above and beyond apparent cultural norms, the individual's philosophy of life may affect his/her perception of convenience and whether or not he/she chooses to value convenience as a product attribute or benefit of behavior.
- e. e. Situational Variable: As product choice has demonstrated situational variation (Belk 1975, 1979), convenience perception and need can also be expected to vary among differing usage situations. Hornik (1982) found that time allocation was situational influenced. As convenience admittedly includes a temporal dimension, one can deduce that in severely constrained time situations, convenience may be of greatest importance. In less time constrained situations, convenience may not be considered salient at all. Similarly, other variables of convenience may be situational affected.

4. LITERATURE REVIEW AND HYPOTHESIS DEVELOPEMENT

Based on the review of literature, the proposed conceptual framework proposes following hypothesized relationships.

4.1. Relationship between One-Stop Shopping and e-shopping convenience A company or a location that offers a multitude of services to a client or a customer. The idea is to provide convenient and efficient service and also to create the opportunity for the company to sell more products to clients and customers. For example, a bank may be able to offer you not only personal banking services and loans, but also investment advice, investment vehicles and insurance policies. Compared to visiting a separate institution for each area of need, the "one-stop shop" saves the consumer a lot of time and effort. A brick-and-mortar retailer that provides all kinds of living goods can save customers' time and effort when making their purchases with efficiency and without any troubles (Kaufman, 1996). It is for this same reason that an e-retailer provides as wide a range of merchandise as possible. Customers collect all the wanted products in one purchase that passes the free-shipping price-thresholds. Offering the same kind of goods but under different brands can satisfy the different segments of customers so that e-retailers take advantage of this aspect for their own market expansion. If customers can find anything on a



given website, they would not switch to another e-retailer. An offering of various products by an e-retailer reduces a customer's search costs. When they perceive the convenience, they will come back often and stay on the website longer to buy the products that they wanted. Although making the switch can be as easy as one finger pointing on the mouse, to purchase products from different websites will add time to the search and complicate the account management and further raise the cost of delivery. It may result in an increase of the time and effort cost, search opportunity cost and higher delivery fees. Conversely, customers buy all the needed goods in one website to save on the cost of time and effort so that they feel the convenience (Srinivason et al., 2002). One-stop shopping can decrease delivery and returns complexity compared with many-stop shopping. Thus, we expect one-stop shopping to be positively related to each of the three e-convenience dimension.

Hypothesis 1: One-stop shopping has a direct positive effect on shopping convenience.

4.2 Relationship between Website Design and e-shopping convenience

Cyr (2008) proposes three facets of web design: information design, navigation design, and visual design. Information design refers to the customization of product information or service information. Navigation design refers to the scheme used that can help or hinder users as they access the different sections of a website. Visual design deals with balance, emotional appeal, aesthetics and graphic unity of the web site as an overall graphical appearance. This includes colours, photographs, shapes or fonts. There is a relationship between navigational design and convenience. Schaffer (2000) indicates that 30% of customers leave a website without purchasing anything. This may be because they cannot find their way through the site. He further suggests that a logical website navigational design will minimize the likelihood of customer mistakes so that they feel certain and satisfied with the transaction. A well-structured website decreases the probability of the customer making an erroneous search and reduces the search time. Therefore, we expect website design to be positively related to each of the three e-convenience dimension.

Hypothesis 2: Website design has a direct positive effect on shopping convenience.

4.3 Relationship between Shopping Service and e-shopping convenience

Shopping service refers to the service that e-retailers provide as part of the shopping process



which includes payment method and delivery. In making payments, many researchers indicated that having a variety of payment methods can increase perceived convenience by customers (Zeithaml et al., 2002; Liang and Lai, 2002). For delivery services, Schaupp and Belanger (2005) pointed out that an on-line shopping website should not only minimize delivery time but also provide parcel tracking mechanisms to reduce customer anxiety. Hence, we propose shopping service to be positively related to each of the three e-convenience dimension.

Hypothesis 3: Shopping service has a direct positive effect on shopping convenience.

4.4 Relationship between Personalization and e-shopping convenience

Kim (2002) defined personalization as transferring information highly related to a person. E-retailers can provide information needed by customers. Websites can record customer surfing paths or purchase history. Then, the website can provide customization suggestions. An example is the recommendation system of Amazon. Personalization also creates the perception of increased choice by enabling a quick focus on what the customer really wants. If the e-retailer is able to accurately trail or narrow choices for each individual customer, it can minimize the time that customers spend on browsing through an entire product assortment to locate a particular product (Srinivasan et al., 2002). We do not expect personalization to be significantly related to delivery, or post-purchase convenience, because they relate to logistics of the products. Personalization focuses on the purchase information provided. Hence, we propose personalization as an antecedent factor of shopping convenience.

Hypothesis 4: Personalization has a direct positive effect on shopping convenience.

4.5 Relationship between Information Richness and e-shopping convenience

Hurme (2005) defined information richness as the information that customers have to obtain to help them make the decision for their on-line shopping. This is a great help when customers shop in the Internet, especially when faced with unfamiliar or high-value products. Cook and Coupey (1998) argued that the increased information on the web has the potential to result in more knowledgeable customers, who are then able to make better decisions and who will then experience greater satisfaction with their purchases. Liu (2006) examined how the effects of recommendation information (e.g., word-of-mouth) exceed advertising and help customers make decisions. When products or service information are more detailed and richer, customers will

June 2016



Volume 6, Issue 6

understand the products better. If information given efficiently, it can save customers' search time. We do not expect information richness to relate significantly to delivery, or post-purchase convenience, because information richness focuses on the purchase information provided and decrease search time, so there is not relationship in delivery, or post-purchase convenience. Thus, we view information richness as a key factor influencing shopping convenience.

Hypothesis 5:Information richness has a direct positive effect on shopping convenience

4.6 Relationship between Effects of e-Convenience on satisfaction, loyalty and repurchase intentions.

Srinivasan et al. (2002) proposed that a website that is logical and convenient to use will minimize the likelihood that customers will make mistakes and will make their shopping experience more satisfying. Kim et al. (2009) identified that convenience positively influences esatisfaction. Devaraj et al. (2002) examined that time and ease of transaction strongly affects EC channel satisfaction from the transaction cost perspective. These outcomes will likely enhance customer e-loyalty. Szymanski and Hise (2000) proposed that convenience will impact directly on satisfaction. Not only will convenience influence satisfaction, but that it will also increase loyalty (Srinivasan et al, 2002). Yen and Gwinner (2003) also showed that convenience has a direct effect on loyalty. Therefore, we propose that convenience does have a direct positive effect on satisfaction (H6) and loyalty (H7). Butcher et al. (2002) indicated that there is positive relationship between convenience and re-purchase intention in their research studies that were related to the social influence of re-purchase intentions. Thus, we also propose that convenience has a direct positive effect on re-purchase intentions.

Hypothesis 6: e-shopping convenience have direct positive effects on satisfaction.

Hypothesis 7: e-shopping convenience have direct positive effects on loyalty.

Hypothesis 8: e-shopping convenience have direct positive effects on repurchase intentions.

4.7 Relationship between satisfaction and Re-Purchase Intention

Hellier et al. (2002) defined re-purchase intention as the individual's judgment about whether to buy a designated service from the same company again, taking into account his or her current situation and likely circumstances. Desatnick (2006) indicated that appealing to a new customer costs five times more than it does to maintain existing customers. Therefore, re-purchase

June 2016



Volume 6, Issue 6



intention is viewed as an important topic for on-line shopping. A direct positive relationship between customer satisfaction and re-purchase intention is supported by a wide variety of product and service studies (Oliver, 1980;Bolton, 1998). We likewise propose that satisfaction has a direct positive effect on re-purchase intentions.

The individual's judgements about buying again a designated product or service from the same e-store take into account his/her current situation and likely circumstances. Re-purchase intention refers to the likelihood of using a service provider again in the future. Daugherty et al. stated that re-purchase intention was a measure of response behavior and consumer reaction to certain experiences. Kim and Kim described that online stores had the potential to influence customer's re-purchase intention if they convinced that online shopping was interactive by providing rich information about the product performance and chatting communication and offering decent store layouts in terms of quality graphics and images. Customer's intention to repurchase online goods and services has been studied as a manifested form of loyalty towards this alternative way of buying. Kim et al. pointed out that satisfaction was the strongest predictor of re-purchase intention of customers in online stores. The TAM theory developed by Davis explained user's acceptance of technology in the workplace. TAM adopts a causal chain of beliefs, attitudes, intention, and plain behavior that social psychologists Fishbein and Ajzen have put forward, and that has become known as the Theory of Reasoned Action (TRA). Based on certain beliefs, a person forms an attitude about a certain object, on the basis of which he/she forms an intention to behave with respect to that object. The intention to behave is the prime determinant of the actual behavior. Therefore, it is concluded that a satisfied customer is more likely to make another online purchase and intention to buy, to recommend online buying to his friends, colleagues or relatives and finally, to patronize online buying over traditional buying. Many researchers have begun to postulate satisfaction as the main predictor of customer's intention to repurchase online **Hypothesis 9:** Satisfaction has a direct positive effect on repurchase intentions.

6. CONCLUSION

E-Convenience has been deemed to be an important issue for online shopping. Understanding e-Convenience better will help e-retailers improve the value of the products and services that they offer. online shopping convenience positively correlates with behavioral intentions & satisfaction.



Satisfaction is directly positively correlated with customer loyalty. Every stage of e-convenience is positively related to satisfaction. The perception by customers of e-Convenience directly influences their satisfaction over a specific shopping experience.

Understanding the core issue about the dimensions of e-Convenience is critical to improving a website's convenience. The shopping convenience features attract customers and retain them. Customers make the decision on which e-shop they will go to and select which goods to purchase. Specifically, the more convenience that is perceived on searching, transaction and possession/post-purchase, the greater is the possibility for repurchasing and recommendation by the customer. The need for online retailer is to develop an understanding of the salient dimensions of online shopping convenience and the specific domain within each dimension.

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