THE LOYAL CUSTOMERS’ PERCEPTION REGARDING THE ONLINE BUYING PROCESS

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Abstract: The purpose of the research is to investigate the Romanian online customers’ perception as regards to the process of buying products from the Internet. The research objectives are: (1) to identify the advantages and disadvantages of buying from the Internet; (2) to identify the reasons of buying from the Internet; (3) to identify the reasons of frequently buying from the same website. We employed a qualitative research method, based on depth interviews. It is an exploratory and instrumental research. The sample is represented by 30 Romanian online customers who frequently buy products from a specific website. The results show that the most important reasons for online shopping are: space accessibility, access convenience, evaluation convenience, delivery convenience, time saving and money saving. The motivations for repeating the purchase from the same website are: product quality, product diversity, quick delivery, easy to use, recommendations, good deals, safety, reputation and interactivity.

Keywords: loyalty; depth interview; online buying; advantages; disadvantages

JEL Classification: M31

Introduction

In the international context of the digital communication era, online commerce becomes an important part of business systems. It is a business model which has a major impact on the entire society. Once the Internet became a tool used for communication, promotion and transactions, new platforms for competitive strategies were developed (Celuch et al., 2007).

Electronic commerce includes any form of commercial transaction where involved parts interact in an electronic manner. The most important contribution offered by the electronic commerce was brought by new distribution channels options. Retail companies benefit from this opportunity for accessing consumers from all over the world with smaller costs. Due to online integration, their businesses obtain substantial incomes, much bigger comparing to the old traditional sales method (Molla and Licker, 2001).

The electronic commerce became more and more present on Romanians list of shopping options, in the context of a growing Internet penetration rate: “although Internet penetration in Romania is still low compared to the European average of 70%, by 2018, rates are expected to be significantly more balanced with over two thirds of the population having home access to the Internet” (Euromonitor, 2014).
In a global economy developed in a highly competitive market, consumer orientation is no longer a trend but a necessity for business success. The online consumer behavior is still a challenging subject investigated by academic researchers and business representatives (Tugulea, 2014a). A good understanding of the way consumers leverage the Internet features, to make purchasing decisions in the e-commerce environment, brings a significant advantage for managers in order to develop suitable marketing strategies (Wu and Lin, 2006). Online buyers have unlimited access to the information they require and have the opportunity to choose from a wide range of options in selecting products and services with highly competitive prices (Jiang et al., 2013). Regarding preferences in the online shopping context, Romanians mostly buy electronics and video games, apparel, beauty and personal care products.

With more and more customers switching to online shopping and a constantly growing rate of retailers’ online presence in Romanian market, a great challenge for managers is to attract new clients, while forming loyal customers as well.

With more access to information and having already some buying experience, the online shopping habits of Romanians are evolving. The new generation of young people is more familiar with online technology, has more experience in using the Internet and is more willing to face perceived risk.

The purpose of the research is to investigate Romanian online customers’ perception regarding the process of buying products from the Internet. We focused on customers who use to frequently buy from the Internet because they have more experience and are more likely to be loyal to a specific retail website.

The research objectives are:

1. To identify the advantages and disadvantages of buying from the Internet;
2. To identify the reasons of buying from the Internet;
3. To identify the reasons of frequently buying from the same website.

1. Customers’ perception on the online buying process benefits

Online shopping decision is influenced by consumers’ attitudes toward the Internet as a whole (Whyte, 2001). The reasons for buying from the Internet can be justified by the benefits the online shopping offers: accessibility without time or space restrictions, convenience, a good product selection (Brynjolfsson and Smith, 2000), better possibilities for product searches and price comparisons (Blake et al., 2005; Chang and Wang, 2011; Tugulea, 2014b)
One of the most important reasons underlying customer inclinations to adopt online purchasing is shopping convenience (Jayawardhena et al., 2007; Beauchamp and Ponder, 2010; Jiang et al., 2013). The study of Jiang et al. (2013) investigated convenience in online shopping and identified some important dimensions of this construct: access convenience, search convenience, evaluation convenience, transaction convenience, possession/post-purchase convenience. Also, this research indicates a positive correlation between online shopping convenience and the intention to repeat the purchase: “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” (Jiang et al., 2013, p. 207). Customers who buy from the Internet mention the advantage of reducing sales cost (Chan and Li, 2010; Chen et al., 2010; Ku, 2012). When choosing a specific website, e-service quality, brand recognition and online retailer reputation are criteria for making the purchase decision (Kim et al., 2008; Kwon and Lennon, 2009). The study of Madu and Madu (2002) mentions 15 dimensions of online service quality: performance, features, structure, aesthetics, reliability, storage capacity, serviceability, security and system integrity, trust, responsiveness, product/service differentiation and customization, Web store policies, reputation, assurance and empathy. Cai and Jun (2003) identified four key service quality dimensions web site design/content, trustworthiness, prompt/reliable service and communication.

The Euromonitor research report on Internet Retailing in Romania (2014) reveals as the main reasons for Romanians buying from website the comfort of accessing online stores, the wide range of products available and the lower price comparing with traditional stores.

One of the most significant factor causing anxiety when it comes to making the purchase from a website is risk (Bhatnager et al., 2000) but it can be reduced by knowledge, skill, and experience (Clarke et al., 2007). The research of Forsythe and Shi (2003) shows a strong connection between perceived risk and buying frequency in the online environment.

Online buyers are motivated to be loyal due to one or two attachments: desired-based and customized-based. (Bansal et al., 2004; Tsai and Hunag, 2007). Online loyalty is a “customer friendly attitude towards online business, reflected in a repeated purchase behavior” (Anderson and Srinivasan, 2003, p. 125, Limbu, 2011) or a subjective probability for a customer to make future purchases from the same web site (Chiu et al., 2009). Although the marketing theory and consumer psychology support the existence of four dimensions of loyalty, most studies treat either the behavioral or attitudinal component (Bobalca, 2013). Only a few of them propose models of cognitive, affective, conative and behavioral loyalty (Evanschitzky and Wunderlich, 2006), less applied in Romanian online sale research. Online loyalty is approached in most cases as a uni-
dimensional construct (Limbu, 2011; Hashemi, 2013) and, more rarely, as bi-dimensional. Harris and Goode (2004) propose a sequentially model of loyalty, taking into account satisfaction, trust, perceived value and quality of service as determinants.

Online repurchase intentions refers to the motives online customers remain with a particular web site and is defined as “a consumer’s willingness to repurchase offerings in a particular web site” (Ha et al., 2010, p. 881). The research of Ha et al. (2010) underlined that online purchase intentions are influenced by the following variables: interest, namely, customized information, perceived interactivity, consumer satisfaction and consumer attitudes.

2. Research method

We conducted a qualitative research based on semi-structured depth interview. This research is a part of a larger study for developing an online loyalty model. The necessity for developing a qualitative research is justified by the need of a better understanding regarding the way consumers feel, think and act when buying from the Internet. The results of the qualitative research will be used to build an instrument for collecting quantitative data in a future survey but also for selecting the most relevant variables to be included in the model. The study presented in this paper is an exploratory and instrumental research. We considered depth interview the most appropriate method because it allows a depth investigation of consumer’s perceptions, motivations and opinions regarding the online buying process which is a complex process and needs time to be explored.

3. Research sampling

The investigated population is represented by Romanian online customers who use to buy products from a specific website. The sample consisted in 30 persons who usually buy products from the Internet, between the ages of 19 and 26 years, who bought products from a specific website at least three times in the last six months and consider themselves loyal to that Internet site. We consider buyers’ experience to be very important in this research that is why we chose only loyal customers.

The participants for the depth interview were sampled using a selection questionnaire. The purpose of this questionnaire was to select only the respondents who have the characteristics required by the sample conditions. The introduction presents the purpose of the research and the closed questions investigate products buying frequency from the Internet. The last section contains demographic information about the respondents (gender, age, income, education) and their contact data.
We used snowball sampling technique that assisted in the identification of the respondents fulfilling the conditions presented above (Alam, 2005). The researcher finds respondents through contact information that is provided by other people. “Informants whom the researcher meets are those who supply the referrals” (Noy, 2008, p. 330). Snowball technique is “the most widely employed method of sampling in qualitative research” and its relation with in-depth interviewing is “rather obvious” (Noy, 2008, p. 334).

The final sample was composed from 20 men and 10 women because the business research shows a bigger rate of male online buyers in Romania. The main products that the participants buy from online stores are: clothing (26 answers), electronic products (23 answers), footwear (17 answers), cosmetic products (10 answers) and accessories (7 answers).

4. Research instrument

The research instrument we used was the interview guide. We build this guide based on the documentary literature review and also on business studies from Romanian market. The interview guide was constructed in accordance with the rules and techniques suggested by qualitative research. The interviews were conducted by the author of this article, due to her previous experience. The introductory part presents the general purpose of the research and develops a familiar environment for the following discussion. The second section of the guide contains general questions about buying experience from the Internet: first time the consumers bought products using the Internet, type of products they usually buy, most common sites they prefer, places they access the Internet. The third part of the guide explored the perceived advantages and disadvantages of the Internet, as a shopping center. The next section investigates buyer’s specific experience with the Internet: the last online shopping experience, the positive and the negative situations during time, reasons for using websites and preferences for websites. The fifth part of the interview guide was dedicated to the buying experience from a specific websites: website choosing criteria, strengths and weaknesses of the website.

We used open questions, questions investigating experience (“Could you tell me about a positive experience you had when you bought from this website?”), questions investigating opinions (“What do you think about people who buy products from the Internet”) and feelings (“How do you feel buying from this website?”).

We also used laddering technique, which is based on the assumption that the products and their features “do not in themselves represent any goals, instead they represent means by which to achieve
other ends” (Sørensen and Askegaard, 2007, p. 65). First, the respondents identify a set of attributes or features considered important in choosing a website. They were asked to rank their preferred websites and to justify their answers identifying the most important attributes or features. In the second phase, the interviewer will take every website attribute/feature as a starting point and ask the respondent why this is important for him. For each answer, a new “why is this so important to you” question is posed. In the end, we can link the websites attributes to its consequences and/or personal values for the online buyers.

The guide was tested on two persons who usually buy on the Internet, in order to correct the errors and to improve the coherence of the themes proposed to be discussed. We conducted the interviews at various hours, depending on participants’ schedule, in the faculty’s seminar rooms. The average time spent for every interview was 70 minutes.

5. Research results

All the information from the interviews was transcript and processed using content analysis.

The first objective was to identify the advantages and disadvantages of online shopping. Table 1 presents the identified advantages of buying from the Internet.

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Categories</th>
<th>Answer frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessibility</td>
<td>Time</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Space</td>
<td>24</td>
</tr>
<tr>
<td>Convenience</td>
<td>Delivery convenience</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Evaluation convenience</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>Access convenience</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>Transaction convenience</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Search convenience</td>
<td>13</td>
</tr>
<tr>
<td>Product diversity</td>
<td>Time</td>
<td>30</td>
</tr>
<tr>
<td>Cost savings</td>
<td>Time</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Money</td>
<td>29</td>
</tr>
<tr>
<td>Interactivity</td>
<td>Access to other buyers’ opinions</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Online assistance</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: The present research results
a. Accessibility

The accessibility dimension is reflected by two categories: time and space. Buying from the Internet eliminates *time* restrictions. 25 respondents identified this advantage: “The order can be placed at any time”, “You can make an order during day or night, no matter what time it is”. Also, there are no *space* restrictions (24 answers). The products can be bought at any hour from any country: “You can make an order from your home or from anywhere you have access to Internet”, “You can buy products you cannot find in Romania, from other countries“

b. Convenience

We identified five categories for convenience:

*Access convenience.* Most of the respondents (28 answers) consider that buying from Internet means you do not have to go in a store, you can avoid crowded places: “You have easy access to the online store”, “You do not have to go in town to find an open store”. Also they consider it is easy to access the online stores (10 answers).

*Search convenience.* A third of respondents (13 answers) consider that the Internet offers better possibilities for product searches than traditional stores: “You can search for the products you want/need in short time”

*Evaluation convenience.* Almost all respondents (29 answers) consider that online buying facilitates a very good product selection and more efficient and detailed products and/or price comparisons: “You can compare product, their characteristic, their prices, more efficient and more detailed”, “You can compare more products from more online stores”, “You can view more products in the same time”, “You have access to more details about products you compare”. Also, evaluation convenience includes more time for the respondents to think, to evaluate: “You can spend as much time you want before placing your order; no one puts pressure on you, like in a traditional store”, “You can take your time to decide what you want to buy without a pushing seller to hurry you”

*Transaction convenience.* About half of the respondents (14 answers) consider that another advantage is transaction convenience: “Is easy to place an order, you can easily choose the delivery method”. Also, they appreciate the possibilities to pay: “It is easy to buy from the Internet, you place the order, choose the payment type”.

*Delivery convenience.* All respondents (30 answers) consider home delivery to be very important “The products are brought to you at home”, “It is very important that you can receive the order at home, someone else can pay for this, and you do not have to be home”. Also, they mention the possibility to return a product: “You can send the product back if you don’t like it”.

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c. Product diversity

All the respondents (30 answers) appreciate that online stores offer a large diversity of products, much larger than traditional stores: “You can find a lot of products”, “You can track new products”.

d. Cost saving

We identified two categories for cost savings dimension:

**Time saving.** All the respondents (30 respondents) consider this important advantage: “You can buy in short time”, “You do not waste time for going to the store”, “You can save a lot of time buying from Internet”.

**Money saving.** Almost all respondents (29 answers) mention better prices of online products, many special offers that are available in the online environment and the free or small cost of delivery: “The prices are smaller in online stores”, “You can always find special offers”, “Some online stores send you the order with no delivery cost”.

e. Interactivity

In the “Interactivity” dimension, we identified two categories:

**Access to other buyers’ opinions.** 12 respondents said that online buying allows the customers to access feedback from other persons who bought from the same website or the same products: “I can read other people recommendations”.

**Online assistance.** 6 respondents consider online assistance being an advantage: “You can communicate with the seller by phone or by email”, “You can communicate with the representative by website chat”.

Table 2 presents the identified disadvantages of buying from the Internet. The identified disadvantages are:

a. Delivery Costs

For this dimension, we identified two categories:

**Money.** A third of the respondents (10 answers) consider that paying the delivery cost is an inconvenient and that all websites should have free delivery charge: “You have to pay the delivery”, “Sometimes the delivery is free”.

**Time.** All the respondents were agree that buying from the Internet means not getting the product you have bought in time same day: „It takes few days until you get the order”.
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Table 2 – Identified disadvantages of buying from the Internet

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Categories</th>
<th>Answer frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery Costs</td>
<td>Time</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Money</td>
<td>10</td>
</tr>
<tr>
<td>Transaction risk</td>
<td>-</td>
<td>27</td>
</tr>
<tr>
<td>Delivery risk</td>
<td>Delay</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Return the order</td>
<td>10</td>
</tr>
<tr>
<td>Product risk</td>
<td>Product with other characteristics</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>No testing possibility</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>Quality risk</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Product damage</td>
<td>8</td>
</tr>
<tr>
<td>Lack of personal communication</td>
<td>-</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: The present research results

b. Transaction risk

Concerning transaction risk, 27 respondents consider that unsecure payment methods represent a big problem in Romania: “The transaction is risky”, “You can be cheated”, “I have heard about a lot of frauds on the Internet”, “You can pay and never receive the products you have ordered”.

c. Delivery risk

Half of the respondents (15 answers) mention as possible disadvantages regarding delivery the fact that the products can rich the destination with big delay: “You get the order with 4-5 days later than they have promised”.

Another problem is that the order is hard to be returned or even impossible (10 answers): “If you are not satisfied with the products you have received, is hard to send them back”

d. Product risk

Product damage. A few respondents (8 answers) mention as a disadvantage the risk for the product to be damaged during the delivery: “You can receive a broken product”.

Product with other characteristics. The risk that the product might not be the same with the one a buyer ordered is a great problem for all the participants (30 respondents): “The product you receive can have other characteristics comparing to the product you have ordered”, “You must pay attention on what you pay for and what you get”.

Quality risk. More than a half of respondents (17 answers) consider quality risk an important issue in e-commerce: “You cannot be sure of the product quality”.

No testing possibility. The fact that the products can’t be seen, touched or tested before shopping is also a disadvantage mentioned by the participants (28 answers).
e. Lack of personal communication

Online shopping is characterized by a strong lack of personal communication (5 answers): “You do not see the seller”, “You cannot talk face to face with the seller”, “The reviews are not always correct.”

The second objective was to identify the reasons the respondents buy products from the Internet. The motives described by the respondents can be organized the same as the advantages presented in Table 1.

The reasons that all the participants at the interviews have mentioned (30 answers) were: space accessibility (“On the Internet I find products that are not available in traditional stores”, “I live in a small town and I cannot find here the products I want”), access convenience (“I do not have to go to the store, I stay in bed and order what I want”), evaluation convenience (“I have privacy when I choose what I want”, “I can compare products and prices on many web stores”, “I can better evaluate products”), delivery convenience (“It is very important to me that the order is delivered to my home”) and time saving (“When I buy from the Internet, I save a lot of time”, “I do not have to stay for hours in traditional stores, searching for what I want or what I need”, “Time is too precious to lose it doing shopping”).

Most of the answers (26) describe money saving motivation to buy from online stores: “The most important reason for me is the price, you can find good products at an attractive price”, “The online prices are smaller than the ones in the traditional stores”, “You can find a lot of promotional offers”, “Some special offers are available only on the Internet”. Almost half of the respondents declared that buying from the Internet means for them have access to product diversity (17 answers).

An interesting motivation to online shopping was also revealed—habit (15 answers): “I am used to buy from the Internet”, “I am already familiar with the Internet”.

Other motives, described by about a third of participants, are: time accessibility (12 answers: “I can place the order whenever I want”), access to other buyers’ opinions (11 answers: “I can reach other people ‘opinion on the product I want to buy”, “The recommendations I find on forums are helpful for me”) and search convenience (7 answers: “It is easy for me to search and to find a product”).

The third objective was to identify the reasons the respondents repeat the purchase from the same website. We grouped these motivations in the following categories: product quality, product diversity, quick delivery, easy to use, recommendations, good deals, safety, reputation and interactivity.
All the respondents (30 answers) mention that they use to buy products from the same website because they are convinced by the **product quality** (“I was satisfied by the products”, “I have received exactly the phone I ordered”) and the **quick delivery** (“I was delighted by the fastness the order was sent to me”). Another important reason for repeating the purchase (25 answers) was the **good deals** that the buyers make (“I have found very good offers on the website”, “This online store has better prices that the others”).

About half of the participants are loyal to a website because it is **safe** (17 answers: “This website gives me a feeling on security”, “It is safe to pay with the card”), due to the **recommendations** they get on the specific online stores (15 answers: “The other customers’ opinions are positive”) and its the **reputation** (13 answers: “This site has a good notoriety”). Other reasons are the **product diversity** (11 answers) and the fact the site it is **easy to use** (9 answers). The interactivity is also a motivation for repeating the purchase (9 answers): “The seller asked me if I am pleased with the products I have bought”, “I called the seller and he answered to all my questions”.

**Conclusions**

This research is an exploratory investigation of online buyers about the advantages and disadvantages of direct selling and the reasons they buy from the online stores. The main advantages identified in this research are: accessibility (time and space accessibility), convenience (delivery convenience, evaluation convenience, access convenience, transaction convenience and search convenience), product diversity, cost savings (time and money savings) and interactivity (access to other buyers’ opinions and online assistance). Online shopping has also some disadvantages, comparing to traditional process of buying from the stores: delivery costs (time and money), transaction risk, delivery risk (delay, returning the order policy, receiving products with other characteristics, no testing possibility, quality risk, product damage) and the lack of personal communication. The most important reasons for the participants use to buy from online stores are: space accessibility, access convenience, evaluation convenience, delivery convenience, time saving and money saving. The motivations for repeating the purchase from the same website are: product quality, product diversity, quick delivery, easy to use, recommendations, good deals, safety, reputation and interactivity.

Also, using laddering technique, we identified:

• **Important attributes of a website**: quick delivery, easy to use, small prices;
• Consequences for the respondents: saving time, using the product when they need it, saving money;
• Personal values: more time for personal issues, happiness, safety, self-esteem.

**Research limits.** The research was conducted on a sample of students, but they are not representative for the entire population.

**Future research directions.** This research will be continued with a quantitative research that aims to identify the factors affecting online buyers’ satisfaction and loyalty. Based on the qualitative research, the instrument for the survey will be build and the variables for the loyalty model will be selected.

Another possible research direction is to investigate non-buyers perceptions (persons who have access at the Internet) about the process of online buying, in order to understand the reasons they do not buy from websites and their opinions about the advantages and disadvantages of the Internet as a shopping option.

The research might be developed on a larger sample with more categories of respondents, regarding age and education level. The results have significant implications for commercial web sites but the research results must be confirmed on a quantitative study.

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