

ATTITUDES TOWARDS ONLINE COMMERCE: A CASE STUDY OF STUDENT POPULATION IN TIMIȘOARA

Ciprian OBRAD, Vasile GHERHEȘ

West University of Timișoara, *Politehnica* University of Timișoara, Romania

Translated into English by **Claudia E. STOIAN**

Abstract: Nowadays, online commerce is increasingly popular worldwide and has a tendency to grow at a fast pace. Also in the future Romania, it is expected that more and more people buy their necessary products and services online. This study illustrates the perceptions of a category receptive to what happens in the online environment, namely students. The research conducted has focused on their attitudes towards e-commerce, their frequency of online shopping, the types of products and services they buy, the main advantages and risks of this phenomenon, etc.

Keywords: e-commerce, online shopping, attitudes towards online commerce

1. Introduction

The concept of e-commerce emerged in the specialized literature somewhere in the 1970s, at the beginning existing various conceptual overlaps and confusions between the terms “e-business”, “e-commerce”, “e-markets”ⁱ, etc. In a general sense, the term e-commerce refers to any form of economic activity, conducted through electronic connections.

Subsequently, e-commerce begins to be understood as a modern business technology, as the amount of on-line activities (Internet), created to adapt to the present needs of companies, intermediaries and final consumers. It is characterized by the improvement in the speed with which the product or service reaches consumers (reduction of time costs) and by the reduction of transactions costs in generalⁱⁱ. In the modern sense of the term, e-commerce means the process of selling, buying, transferring and exchanging products, services and/or information via computer networks, including the Internetⁱⁱⁱ.

In Romania, e-commerce began in February 2004 (the first online card transactions)^{iv}. Currently, with an approximate population of 11 million Internet users, in January 2016, there were approximately 16,375 Romanian sites with the “add to cart” function. However, out of these, only 5,000 e-commerce platforms are functional^v. According to the figures and estimates of the main players in the Romanian e-commerce together with GPeC, the total value of the national online retail has grown from 1.1 billion euros in 2014 to over 1.4 billion euros in 2015. Some companies in the field even consider that the value is closer to the amount of 1.5 billion euros^{vi}. The main products sold through e-commerce over the past year are, in the following order: electronics and IT products, fashion-type and subsidiary products, products for home and decorations, products for children. From all the fields of e-commerce, the highest growth is represented by the online fashion market, which is estimated to have increased by more than 20% in 2015, as compared to 2014. According to the latest data available, around 6.7 million Romanians have bought online at least once.

2. Methodological aspects

The present research has been conducted using a quantitative approach, based on the sociological survey method. The instrument used for data collection was an anonymous online questionnaire, posted on Google Docs platform. Answers were registered from 348 students, coming from the existing universities in the city of Timișoara, the registered margin of error being of 5%.

The objectives of the study were:

- O1. Identification of the frequency with which students do online shopping;
- O2. Identification of the product categories with the highest purchase frequency among the population investigated;
- O3. Determination of the shopping behaviour and the reasons that ground it;
- O4. Exploration of the obstacles that can affect online shopping;
- O5. Identification of the most used e-commerce platform by the students in Timișoara.

The first question in the questionnaire asks subjects if they have shopped online at least once. About 89% of the students participating in the survey said they did this at least once.

Regarding the frequency with which students shop online, only 7% of them have a shopping behaviour that makes them favourite recipients for online business entrepreneurs, highlighting that there are people who buy very often and quite often (monthly). As can be seen from the figure below, other 27% of students buy online moderately, while two thirds of the surveyed population (66%) are very rare or rare online buyers. Almost half of those who, through their behaviour fall into this category, have shopped online only once.

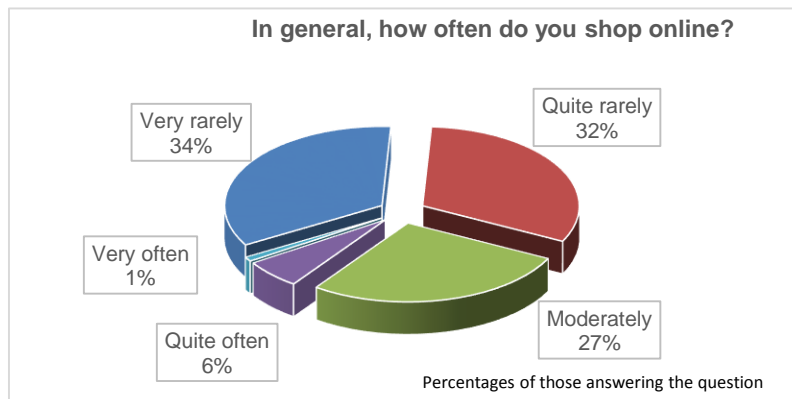


Figure 1. Frequency with which students shop online

In general, the categories of products students are interested in when shopping online are those in the fashion category (clothes, footwear, accessories) – 59.8%, followed by electronics and domestic appliances – 48.9%, books – 47%, IT&C products – 38%, cosmetics – 32.4%, and tickets to concerts, festivals, cultural events – 26.9%.

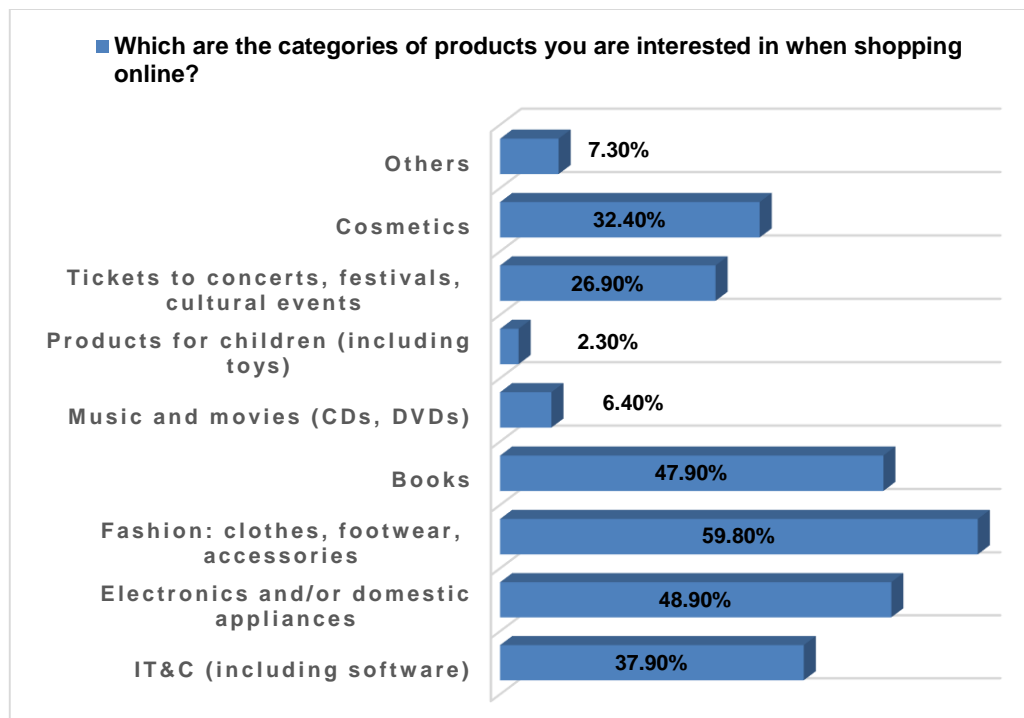


Figure 2. Categories of products most frequently bought by students

Regarding the initial reasons provoking the need to purchase products via the Internet, students' answers were quite varied, existing though several predominant reasons or triggers for the online shopping behaviour. Among these, we mention: "better price than in offline stores", "the fact that those products were available only in e-stores", "saving time, the fact that students did not have to move", "practicality of e-commerce and the fact that, on the Internet, there is a greater variety of products to be seen in a very short time", "ease of purchase of these products", "speed", "comfort", "the fact that those products are not found in the geographical proximity", etc. Correlating these answers to the allegations to another question, the motivation related to the speed and comfort of shopping prevails (just over 50%), together with the reasons related to price advantages (23%) and the ones referring to the product uniqueness and its online exclusive existence (12%).

When shopping online, the majority of those surveyed seek offers and discounts and place the order afterwards (60%). Other 39% said they usually know exactly what they want to buy and where, probably due to previous behaviours of informing and buying from those sources. There is also a percentage of approximately 32% of respondents already decided on the product they want to buy online; their behaviour is to search the store which offers this product in relation to their needs (price, delivery, etc.).

As for the online stores from which students acquire products frequently, several brands were mentioned, such as www.okazii.ro, www.emag.ro, www.aoro.ro, www.elefant.ro, www.whitestrips.ro, www.naturo.ro, www.kurtmann.ro, www.zumzi.ro, www.yves-rocher.ro, www.kalapod.ro, www.zibra.ro, www.libris.ro, www.sportsdirect.com, www.amazon.co.uk, www.ebay.com, etc.



Figure 3. Online shopping behaviour

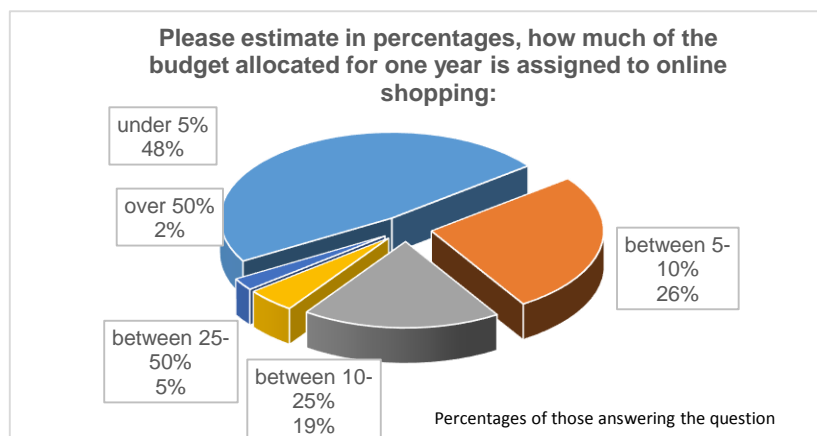


Figure 4. Online shopping budget

Regarding the percentage from the total budget allocated for online shopping for one year, the answers of the respondents are illustrated graphically in Figure 4. We can see that a very small percentage of students (5%) do half of their shopping online and half offline. Other 5% spend online between 25-50% of the annual shopping budget, 19% spend less than a quarter of this budget, and between 5-10% of respondents stated the online budget represents a quarter of the total budget. Only 2% of the surveyed students said that sometimes the online budget exceeds half of the annual budget allocated to all the shopping.

Besides the factors facilitating the decision to buy online, there are also some risk factors perceived by students in the online shopping of products. Among the obstacles encountered, we can point out: distrust in the product quality (the most important obstacle, because the product cannot be evaluated directly), distrust in the matching of clothes' size, uncertainty in the correlation between product specifications on the website and in reality, distrust in certain payment systems, risks of products' transportation, etc.

About 36% of respondents have encountered some difficulties/problems when they bought products online, among which a third has experienced delays in product delivery. Around 10% of the problems encountered were related to the products' poor quality, 7.8% referred to malfunction during transport. The relation with the transport/courier companies, as indicated by students, is not always the best. However, 77% of students say they would shop online again in the future.

Following a ranking conducted according to the agreement/disagreement expressed by subjects regarding certain statements/characteristics of online commerce, we highlight the main advantages of this type of commerce, i.e. time saving, the fact that one can buy at any time of day and night. In general, students consider the description of products in online stores to be correct and that the information posted regarding the online products is sufficient. Nevertheless, when choosing the payment system, most of them hesitate to choose payment by credit card. On the other hand, students believe that, although the online shopping infrastructure in Romania is insufficiently developed, the online shopping will replace the traditional shopping at some point (Table No.1).

	Totally agree	Partially agree	Neither agree nor disagree	Partially disagree	Totally disagree
By shopping online, I save time	54,8%	30,1%	10,5%	1,8%	2,7%
It is a big advantage to be able to buy at any time of the day	65,8%	22,4%	7,8%	1,4%	2,7%
Online shopping is risky	21,5%	32,4%	29,7%	14,2%	2,3%
Online shopping will replace the traditional shopping at some point	12,8%	37,9%	24,2%	10,5%	14,6%
Shopping online involves a long delivery time	11%	33,3%	29,7%	21,5%	4,6%
The array of product choices is narrower when shopping online	3,7%	19,6%	32%	20,5%	24,2%
Description of products from online stores is correct	8,7%	46,6%	34,2%	8,2%	2,3%
Information posted regarding the online products is sufficient	9,1%	38,8%	37%	13,2%	1,8%
Online shopping is as safe as classical shopping	5,9%	23,7%	31,5%	21,5%	17,4%
When shopping online, I hesitate to choose payment by credit card	35,6%	22,8%	22,8%	8,2%	10,5%
Internet reduces the costs had by traditional shopping	13,2%	25,1%	41,1%	11%	9,6%
I prefer to pay cash upon product delivery when shopping online	53%	22,8%	15,5%	5,5%	3,2%
Online shopping infrastructure in Romania is insufficiently developed	20,5%	31,1%	37%	7,8%	3,7%

Table 1. Characteristics of online commerce

3. Conclusions

The e-commerce market in Romania is growing and has reached the point where we can talk about more daring projects. Therefore, it is foreseen that by 2020, the percentage of those who use the Internet to purchase products and services to reach 30%, although at present, the percentage is only 10%. However, we must take into account a number of features that the type of beneficiaries (the students) have, such as the preference to pay cash for online shopping, which requires from suppliers services of assembly, storage and transportation of products that add more value to superior customer satisfaction in relation to competition. The fact that students hesitate to choose as payment the credit card system and consider *online shopping risky* represents the main obstacles for the development of this type of commerce. Information campaigns about the security of online transactions could be a solution for the problems mentioned above.

The growth of the number of Internet users in Romania (over 11 million users currently) and the entry on the market of both more suppliers and more products could represent in the future the engines leading to a growth of online commerce in our country. The beneficiaries would be, thus, satisfied as they can save time and buy products and services at any time of day or night.

The present study has some methodological limitations. Sociological investigation of virtual spaces through well-known research methods and techniques involves taking into account several features specific to the new object of study. The lack of control over the respondent, the fact that there is no real contact between the operator and interviewed makes the interrogative techniques more sensitive, with the risk of distortions in data recording, including the factual one.

References

1. Cernicova, M., and D. Dejica. 2014. *Dictionar de comunicare și relații publice, română- englez*. Cluj: Casa Cărții de Știință, Timișoara: Orizonturi Universitare.
2. Pleșea, D. 2000. *Domotica*. București: Editura A.S.E.
3. State, O. and I. Costache. 2007. Electronic commerce and e-business in Romania. *Amfiteatru Economic* 21:149-155. București.
4. Turban, E. 2006. *Electronical Commerce. A managerial Perspective*. USA: Pearson Prentice Hall.
5. Wigand, R. T. 2006. Electronic Commerce: Definition, Theory and Context. *The Information Society* 13: 1-16. UK: Routledge Taylor & Francis.

ⁱ Wigand, R.T. 2006, Electronic Commerce: Definition, Theory and Context. *The Information Society*, 13:1-16, ISSN: 1087-6537 (Online) Routledge Taylor & Francis

ⁱⁱ Pleșea, D. 2000, *Domotica*, Editura A.S.E, București, pp 38-40

ⁱⁱⁱ Turban, E. 2006, *Electronical Commerce. A managerial Perspective*, Ed. Pearson Prentice Hall, pp.4

^{iv} State, O. and Costache, I. 2007, Electronic commerce and e-business in Romania, in *Amfiteatru Economic*, nr.21/2007, Bucuresti, pp.149-155

^v <http://netindex.trafic.ro/istoric.php>, accessed on February 12th, 2016

^{vi} <http://www.gpec.ro/blog/page/2>, accessed on February 12th, 2016