

Factors Affecting On Decision Making Pattern in Online Shopping In

Sri Lanka.

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Introduction

Electronic commerce has become one of the essential characteristics in the Internet era. According to University of California, Los Angeles (UCLA) Center for Communication Policy (2001), online shopping has become the third most popular Internet activity, immediately following e-mail using/instant messaging and web browsing. It is even more popular than seeking out entertainment information and news, two commonly thought of activities when considering what Internet users do when online. Of Internet users, 48.9 percent made online purchases in 2001, with three-quarters of purchasers indicating that they make 1-10 purchases per year. Online shopping behavior (also called online buying behavior and Internet shopping/buying behavior) refers to the process of purchasing products or services via the Internet. The process consists of five steps similar to those associated with traditional shopping behavior (Liang and Lai 2000).

Research Problem

Sri Lanka's e-commerce among with online shopping sites is in the developing stage. According to the Computer Literacy Survey of Sri Lanka report (2009) Sri Lanka has a fast development in Information and Communication Technology [ICT] and it has greatly contributed in enhancing human living standards. Through website's, newspaper and television advertisements the it has noted that online shopping has become a feature among the present day Sri Lankan consumers and business enterprises too. So parallel to the novel developments that have been taking place in the Sri Lankan goods and services industry, the business enterprises also have been introducing online shopping to get their businesses facilitated.

Objective

In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the Internet and search for need-related information. However, rather than searching actively, at times potential consumers are attracted by information about products or services associated with the felt need.

They then evaluate alternatives and choose the one that best fits their criteria for meeting the felt need. Finally, a transaction is conducted and post-sales services provided. Online shopping attitude refers to consumer's psychological state in terms of making purchases on the Internet.

Methodology

By going through the online shopping web sites in Sri Lanka, the researcher has realized that the companies in Sri Lanka are interested in doing business through websites. At the same time online shopping web sites which were hosted by the Sri Lankan companies were studied for the research. In order to verify the development of ICT in Sri Lanka, the researcher has done a comparison with foreign online shopping sites. Referring articles and research done on other related e-commerce topics has given the researcher a basic nature of e-commerce behavior in Sri Lanka. But no research has been done so far to check the growth of online sales in Sri Lanka, and to understand up to what extent use of the available product information affect the consumer decision making process.

Further reading has indicated that previous research on the Sri Lankan web sphere has found that there is a problem with the quality of information provided for users. A research on 'Effective Website to Provide Total Customer Satisfaction' states that "Product and service information are also not enough to give total customer satisfaction" (Wickramasinghe C.N and Thanthiriwatta D.N, 2005).

Results

Many Sri Lankan online purchasers are less satisfied with the website design. The ambience associated with the website, and how it functions, plays an important role in whether online consumers are satisfied or dissatisfied with their online shopping experiences. Moreover, website efficiency and usability can facilitate the buying process and establish consumer confidence in the site. On the other hand, online Sri Lankan buyers are not satisfied with website reliability/fulfillment and customer service. In order to consolidate this strength, E-retailers should choose more well-known products or brands to market online. Branded products and services are usually perceived by consumers as possessing better qualities. At present, advanced technologies such as 3D technology can provide some functions (such as online interactive fitting rooms), to help consumers make better-informed choices.

Ideally, information should be organized in three hierarchical levels from the initial homepage. Norman and Chin (1998) have recommended that complex websites adopt a concave structure that is broad at the top and the bottom levels and narrow in the intermediate levels. This has been shown to substantially increase ease of navigation. Buyers of different products often follow different buying patterns.

Conclusion

A customer who buys something on the Internet has one major disadvantage compared to a customer in real space. Internet customers cannot touch, smell, or experience the good before they buy it. This makes a shopper insecure about buying a product. In order to minimize this insecurity, an e-business should offer brands that are well-known, good product quality, and, of course, guarantees.

Results indicate that the three most important attributes of consumers for online satisfaction are privacy (Website & Technology Factor), merchandise (Product factor), and convenience (Shopping factor). These are followed by trust, delivery and guarantee, usability, product information, product customization, product comparison, product quality, and security.

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