Consumer Attitudes toward Online Shopping: An Exploratory Study from Jordan

Ahmad Nabot, College of Engineering, Design and Physical Sciences, Brunel University, Uxbridge, UK
Vanja Garaj, College of Engineering, Design and Physical Sciences, Brunel University, Uxbridge, UK
Wamadeva Balachandran, College of Engineering, Design and Physical Sciences, Brunel University, Uxbridge, UK

ABSTRACT

In the era of the diffusion of e-commerce and its services offered to the consumers over the Internet, the Internet is commonly used by both consumers and businesses to buy and sell their goods and services worldwide. This study focuses on the factors influencing customers' decisions and attitudes toward adopting online shopping in Jordan. The study found that online shopping in Jordan is still not very common, due to challenges and barriers that affect the diffusion of online shopping: delivery barriers, such as the lack of prepared transportation and mapping infrastructure, lack of reliable delivery system for delivering bought goods to the customers caused by the lack of postcode system; and lack of knowledge and awareness about the benefits of e-commerce among retailers and consumers. A structured questionnaire was distributed among 50 participants (university students, employees/professionals etc.), and then the collected data were analyzed using the Statistical Package for Social Sciences Version 18.02 (SPSS). The results show that attitudes toward online shopping and intention to shop online were affected by lack of human resources, such as low level of experience in using the Internet and shopping websites for shopping, lack of developed IT infrastructure, trust in e-retailers, and online payment and delivery service concerns. However, Jordanian consumers are willing to adopt and recommend online shopping for others as an alternative way for shopping.

Keywords: Customers' Attitudes, Jordan, Online Shopping, Online Shopping Adoption, Online Shopping Benefits, Online Shopping Concerns

1. INTRODUCTION

Rapid technological development over recent decades attracted businesses such as traditional high street shops and new format retailers into the revolution of online shopping. The Internet quickly emerged from being a domain of networking between institutions to being a global platform for transactions between retailers and consumers (Delafrooz et al. 2010). Moreover,
easy access and relatively low Internet subscription prices have driven more customers to shop online (Cole 2000). The phenomenon of online shopping, which is a part of e-commerce has grown around the world. E-commerce is defined as the process of buying and selling services and goods over Internet (Chaffey 2009). E-commerce users benefit from the advantages of online transactions by utilizing Internet shopping websites and searching for the intended merchandise when they recognise their need for a commodity or service. Additionally, some customers are attracted by the available information about products or services they looking for (either via online advertising or other forms of information communication), and they then compare alternatives and choose desired purchase options.

Detailed studies have been conducted about consumers’ attitudes toward online shopping in recent years. The main objective of these studies was to identify the factors that influence the consumers’ decision to shop online or not. Online shopping became a medium for e-commerce transactions in order to increase the quality of service provided to customers and to increase their satisfaction by providing merchandise with good quality at competitive prices; that is why online shopping is more convenient and its popularity increases day by day (Sultan 2011). However, customers’ attitudes toward online shopping in Jordan (and many developing countries) remain sceptical, due to concerns about product quality and standards, profile privacy, payment security and delivery service (Elbeltagi 2007, Scott and Scott 2008).

Jordan has witnessed a rapid growth of in the number of the Internet users in the last ten years; this growth provides e-marketers with a bright prospect. A new survey of the Internet users in Jordan was concluded by the Arab Advisors group in 2012. The survey revealed that in 2011, 24.4% of Internet users used e-commerce to buy products or services or pay their bills online; this percentage went up from 15.4% in 2010. The number of e-commerce users in 2011 was 514,000, which is around 8.2% of the total population in Jordan. Those e-commerce users spent an estimated $370 million in 2011, a major rise from $192 million spent in 2010 (Arab Advisors Group 2012). These results show that Jordanians are willing to spend money over the Internet to get the benefits of using e-commerce transactions. Moreover, if e-marketers ascertain the factors that affect customers’ online purchase decisions, and how the customers make these decisions, they can develop their strategies in order to attract customers to shop online.

The objective of this study is to provide a comprehensive picture of the current status of e-commerce and online shopping in Jordan and explore Jordanian customers’ opinions toward adopting this new concept as alternative way for their shopping in the future.

The paper has four parts. First, it reviews the existent literature relevant to e-commerce, online shopping and customers’ attitudes. The study methodology is presented and data analysis techniques are then discussed, followed by discussion and summarisation of the findings.

2. LITERATURE REVIEW

2.1. Online Shopping

Online shopping is an Internet application that has spread rapidly in the developed countries, but whose progress has been markedly slower in developing countries, due to infrastructural (information technology hardware, Internet access) and cultural barriers (high uncertainty avoidance) (Nuseiret al. 2010).

Online shopping is defined as buying a basket of commodities and its related services (e.g. delivery service) over the Internet (Chaffey 2009). According to Shergill (Chen 2005), the customers can be attracted to the shopping website depending on its commodity value, quality of service and customers’ service, convenience, experience of using online shopping websites, and finally payment security and privacy. These factors affect customers’ behaviour when shopping online.
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