Empirical Analysis of Factors Influencing Consumers’ Satisfaction in Online Shopping Agricultural Products in China

Wu Yanyan, Harbin University of Commerce, Harbin, China

ABSTRACT

With the development of e-commerce, online shopping for agricultural products has been more popular. And how to improve consumer’s satisfaction has become more important. Literature review shows that few researches on online purchasing agricultural food focus on the consumers’ satisfaction. This article designs a questionnaire, including 20 factors based on agricultural product characteristics, website quality and service quality to evaluate consumers’ satisfaction. The evaluation shows that service quality, agricultural products’ safety, brand and website quality significantly impact consumer satisfaction. Moreover, service quality is the most important factor. Finally, some recommendations are made in this article to develop cold chain logistics system, strictly control the agricultural products quality, build an agricultural products brand, improve the quality of agricultural product websites and strengthen policy control and guidance.

KEYWORDS

Agricultural Products, Consumers’ Satisfaction, Customer Experience, E-Commerce, Online Shopping

1. INTRODUCTION

Secure and high-speed Internet has contributed to a major breakthrough for e-commerce businesses. E-commerce is changing the way of consumers’ shopping. Global e-commerce transactions increased from $1.2 billion in 1994 to $300 billion in 2000; only 6 year later, the figure went up to $12.8 trillion in 2006, accounting for 18% of global merchandises transactions. And in 2015, global E-commerce sales reached $22.1 trillion according to UNCTAD (United Nations Conference on Trade and Development). And eMarketer predicted that global online retail sales expected to reach $27 trillion in 2020. China is the biggest market of business-to-consumer (B2C). In 2015 the B2C revenue reached $623 billion. The number of online stores in China also ranks first in the world.

The 38th China Internet Development Statistical Report showed that as of June 2016, Chinese Internet users reached 710 million and Internet penetration rate was 51.7%. Moreover, internet users with online shopping experience reached more than 447 million, 63.1% of the total internet users. And huge Internet users provide the foundation for Chinese e-commerce development. According to the Electronic Commerce Department of Ministry of Commerce, in 2014 China’s e-commerce transaction was about 13 trillion yuan, rising 25% year after year. Companies are increasingly aware of that e-commerce is more important distribution channel where companies need to be present. After books, cloths and 3c (computer, communication and consumer electronics), agriculture e-commerce has become the 4th commercial revolution. In 2015, agriculture e-commerce platform reached more than 4000, and online retail sales of agricultural products exceeded 100 billion yuan. The comprehensive

DOI: 10.4018/JECO.2018070106
e-commerce platform such as JD.com, Tmall.com, Dangdang.com etc. have paid more attention to agriculture e-commerce. Besides, more professional agricultural products e-commerce companies includingFruitday.com, Benlai.com and SFbest.com have gained mushroom growth. Agriculture e-commerce has created new opportunities for companies and consumers in China.

Compared with other commodities, agricultural products are seriously affected by seasons and geography. Therefore, it is more difficult to operate agricultural products e-commerce, which requires more safe and convenient logistics service especially. Agricultural products especially fresh agricultural products such as vegetables, fruit, flowers and plants are easily rotten, low level of standardization and high transaction costs. Internet consumers require more in products quality, distribution services and other aspects. Therefore, consumers’ experience is more important for agricultural products e-commerce. And poor experience easily reduces consumers’ confidence in online shopping of fresh agricultural products. From the companies’ point of view, it is necessary to understand customers’ experience especially customers’ satisfaction, which directly affects the healthy and fast development of e-commerce of agricultural products. Only by comprehending the factors that influence users’ decision to purchase online will companies be able to satisfy their needs. Moreover, how to enhance the users’ experience and improve consumers’ satisfaction of online shopping agricultural products is also an essential issue for agricultural product e-commerce. Our research will focus on the agricultural products e-commerce and aim at analyzing customers’ satisfaction of online purchase.

Individuals’ acceptance of ICTs (information and communication technologies), such as e-commerce websites, was analysed through different theoretical approaches. Among the most notable are the theory of planned behavior, technology acceptance model and the unified theory of acceptance and use of technology. Based on previous research, the present study analyses the factors that determine consumers’ intention to purchase agricultural products by e-commerce website. Plenty of research has conducted in the field of agricultural products at different variables affecting online agri-food purchase intention: internet technology, security, consumer behavior, privacy, supply chain management and marketing processing. Recently, the research of agricultural products e-commerce focuses mainly on e-commerce business model, development strategy and logistics technology. For example, Hu TianShi (2005) analyzed the development trend of the agricultural products e-commerce in China. Zhao Ping (2011) studied the development strategy of e-commerce in China. At the same time, the research on influence factors of agricultural products online shopping focuses on consumers’ purchase intention: consumers’ personal characteristics, e-shopping experience, website design and supporting services. Lin Jiabao (2012) concluded that the word-of-mouth recommendation and third-party certification are the main factors affecting consumer purchase intention. Cao Weibin (2013) found that products’ quality, logistics and prices were the main factors affecting consumers to purchase agricultural products. Zou Jun (2011) and Liu Huanan (2014) studied that agricultural product characteristics and logistics seriously influenced consumers’ intention. However, these studies mainly focus on the analysis of consumers’ purchase intention from sellers and lack some essential variables affecting the satisfaction of consumers’ purchase of agricultural products.

With the rapid development of e-commerce, consumers’ usage of information and communication technologies is giving many companies in the agriculture valuable competitive advantages. Therefore, whether consumers are satisfied has become the key factor to the sustainable development of agricultural products e-commerce. This paper aims to study the factors affecting the intention to buy agricultural products online from the view of consumers’ satisfaction; to examine how the variables can influence the customers’ satisfaction through e-commerce websites. Finally, on this basis some suggestions will be put forward to promote the development of agricultural products.

2. RESEARCH FRAMEWORK

Our research is based on a general framework, as shown in Figure 1. The general framework consists of four steps:(1) preliminary analysis, (2) questionnaire and survey, (3) factors analyzing and (4) conclusions and suggestions.
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