Chapter 26

A Review of Antecedents of Online Repurchase Behavior in Indian E–Commerce Paradigm Shift

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ABSTRACT

The purpose of this chapter is to highlight research areas of customer satisfaction and repurchase intentions and their antecedents in the Indian e-commerce industry. To retain, attract, and satisfy customers, e-retailers need to understand how and why online customers evaluate a web store. The relevant areas of consumer behavior and marketing research were derived to explain the possible gaps to study with respect to e-commerce in India. To do so, a systematic review of online consumer behavior literature is conducted. Following inclusion and exclusion criteria, a total of 109 journal articles are analyzed. The major finding of the chapter was that there is very less amount of research considering the areas of customer satisfaction, trust, loyalty along with repurchase behavior of the online customer in specific to the Indian context. Therefore, it is a need of the hour to extend the study to know the repurchase behavior of the online consumer in present time.

INTRODUCTION

India is one among the fast-moving and drastically growing countries with respect to e-commerce when compared with developed and developing countries. Now a day’s internet is playing a vital role in person’s life as well as for corporate houses. Because of expanding noticeable quality of e-retailing, enthusiasm among researchers and professionals have expanded towards customer perception and reception.

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Researchers have attempted to speculate e-shopping regarding social brain science and data framework perspective of view to investigate its different determinants (Celik, 2016).

Nowadays, people are so involved in their way of life and they claim that it is difficult to go outside and shop. For such factors, the online stores give them countless options to peruse, including refunds that a standard store can never stand while they sit in their home. It should also be noted that if individualists unsatisfied with psychological needs in a face-to-face relationship then they would seek to satisfaction in other contexts such as the online buying (Li, Zhang et al, 2016; Li and Zhou, 2016; Ibrahim Arpaci et al, 2018). Electronic business has become immeasurably worldwide and its aggressiveness is expanding over the previous decades. The most important aspect of the business is to not only attract customers but also retain them to survive and withstand the competition. Hence repurchase from a customer is ending up increasingly noticeable for web-based shopping sites and sellers than at any other time (Jansen et al, 2008).

The number of users when compared around the world, Asia ranks the first with 50.2% internet users, Europe 17.1%, Latin America 10.3%, Africa 9.3%, the remaining percentage is shared by North America, Middle East and Australia (Internet World stats, Mar 31, 2017). Headway in the computer supported innovation and the quick development of web based apps has helped internet business drastic growth (Oh et al., 2012). Web based business has turned into a vital piece of the virtual space and has brought about quick development of e shopping space and online shopping websites (Alden et al., 2006; Kamarulzaman, 2007).

E-commerce business makes open doors for business endeavors to acquire purchasers globally (Al-Maghrabi et al., 2011). It engages buyers with a broad determination, colossal item data and minimal fleeting and spatial restrictions, which urge them to buy items and services through online rather than physical stores (Wen et al., 2011).

The KPMG Report (2017) on E-commerce Retail Logistics India stated that the infiltration of online retail in India’s aggregate retail advertise is relied upon to go up from 2.5% in 2016 to 5% by 2020. Aranca Research (March 2018), the report quantified that the online business advertising is expected to reach US$ 64 billion in 2020 from US$ 38.5 of 2017 and US$ 200 billion by the ending of 2026. With developing web infiltration, web clients in India are expected to reach 829 million by 2021 against 481 million as of December 2017 (Ibef, March 2018).

Morgan Stanley (2017) stated that India’s e-commerce market will rise to 30 percent to $200 billion by 2026. This milestone will also raise market penetration to increase from 2% to 12% in coming decade and there will be an increment in new internet users from 14% in 2016 to 50% by 2026 and it will help e-commerce industry to grow (India’s Digital Leap report 2018). Thus there is a vast market for new entry and as well as the existing e-retailers to grow in future. This marks that research should be done to know the mindset or new consumer’s behavior.

In order to predict consumer behavior of online shopping, many models highlighting socio psychological items and informational system items have been developed which includes technology acceptance model, motivation theory, theory of planned behavior and unified theory of acceptance. These studies contributed in support to online consumer behavior, they failed to accomplish keeping online buyers retaining and repurchasing. In the Indian scenario, online shopping portals are increasing drastically. Many retailers that were only into brick and mortar business are forcing themselves to be in electronic commerce due to change in the market environment. Several multinational online shopping players also have made their existence in the Indian market as the usage of online shopping is growing among the Indian consumer.