# Online Shopping: Perceptions and Expectations of the Students at The University of Jordan

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**Abstract:** Electronic marketing is a revolution in today's business world. Most businesses have been forced to adapt to the rapid pace of technological change over the last decade. A new definition of consumer behavior has emerged in an age of digital economy. In a broad sense, electronic marketing is the use of computer technology, or electronic-based activities, to improve marketing performance. It enhances an online execution of delivering customer benefits and satisfaction, thus the convenience of online shopping. This paper seeks to discover the reason why more and more customers prefer to do shopping online rather than in the retail stores and what factors may influence the purchase decision-behavior of the e-shoppers. It is also addresses that one of the fundamental issues of marketing: how to attract and touch the customers' mind in the highly competitive Internet marketplace and analyzes the factors affecting the online consumer's behavior. The scope of this paper is to examine the perception of the student's adopters and non-adopters of online shopping at the University of Jordan in terms of demographic profile, expectation of online stores, and advantages and disadvantages of online shopping.
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## 1. Introduction

In the recent years, the Internet plays a vital role in our daily life. People around the world make use of the Web daily to find products, entertainment and communication, contact with others, and do business (Saba et al., 2012). Due to the emergence of the Internet and its rapid development, it has a profound and significant impact on the customers purchasing behavior; due to the unlimited time and place to the use of the Internet, it also creates a new trend for a group of new consumers (Alqahtani and Saba, 2013). On the other hand, the Internet also creates the opportunities for the business. With the e-business flourishing recently, businesses should pay more attention to the e-marketing strategy, discover the potential customers around the world, and maintain the repeat shoppers on line. It is generally believed that the businesses need to understand the e-customers behavior, research what will be their preference, and then meet their needs (Bai et al., 2008).. In the customers-oriented business philosophy, the business expected be the leader because of touching customers mind in today's competitive market even though in the virtual business world.

It is also important for business to create a customer experience that is synonymous with a particular (Website) brand is becoming increasingly recognized as a vital driver of e-performance. Electronic retailers are just likely try to affect consumers' shopping behavior, through atmospherics and service, as brick-and-mortar stores (Ha and Perks, 2005).

## 2. Literature Review

The increasing dependence of firms on e-commerce activities and the recent failure of a large number of dot-com companies stress the challenges of operating through virtual channels and also highlight the need to better understand consumer behavior in online market channels in order to attract and retain consumers (Saba and Rehman,2012a). While performing all the functions of a traditional consumer, in Internet shopping the consumer is simultaneously a computer use as he or she interacts with a system, i.e., a commercial Web site. On the other hand, the physical store has been transformed into Web-based stores that use networks and Internet technology for communications and transactions (Ana, 2005; Saba and Rehman, 2012b).

In this sense, there seems to be an understanding that online shopping behavior is fundamentally different from that in conventional retail environment; as e-Commerce relies on hypertext Computer Mediated Environments (CMEs) and the interaction customer-supplier is ruled by totally different principles (Nielsen, 2010). Understanding the factors that explain how the consumers interact with the technology, their purchase behavior in electronic channels and their preferences to transact with an electronic vendor on a repeat basis is crucial to identify the main drivers of consumer behavior in online market channels. Online consumer behavior research is a young and dynamic academic domain that is characterized by adverse set of variables studied from multiple theoretical

perspectives (Ethan, 2011). Researchers have relied on the Technology Acceptance Model (Davis, 1989: Davis et al., 1989), the Theory of Reasoned Action (Fisbein and Ajzen, 1975), the Theory of Planned Behavior (Ajzen, 1991), Innovation Diffusion Theory (Rogers, 1995), Flow Theory (Czikszentmihalyi, 1998), Marketing, Information Systems and Human Computer Interaction Literature in investigating consumer's adoption and use of electronic commerce. While these studies individually provide meaningful insights on online consumer behavior, the empirical research in this area is sparse and the lack of a comprehensive understanding of online consumer behavior is still a major issue (Saeed et al., 2003). Previous study on consumer adoption of Internet shopping (Dabholkar and Bagozzi, 2002) suggests that consumers' attitude toward Internet shopping and intention to shop online depends primarily on the perceived features of online shopping and on the perceived risk associated with online purchase. These relationships are moderated by exogenous factors like "consumer traits", "situational factors", "product characteristics" and "previous online shopping experiences" (Faisal, 2012).

Over the last ten years, the history of online shopping has been shaped. While online shopping is commonplace now, it hasn't been around forever. The World Wide Web became popular around 1994 and has since seen an e-Commerce explosion. Online Banking was the second important step in the history of online shopping, beyond the invention of the Internet itself. It was created and developing in 1995, making online transactions possible. Though surprising, Pizza Hut was the first online retailer. It was the first pizza chain to offer online ordering or home delivery during a 1995 test phase in Santa Cruz, California. All locations got that option in 2007. In 1996, Amazon launched as an online bookstore. Once the company realized other goods were also at high demand, they expanded to offer a bigger selection of merchandise. The first online auction site was eBay auction; eBay, also began in 1996 and quickly grew in popularity. To this day, Amazon and eBay are the biggest online retailers. Today, most brick-and-mortar stores have an online counterpart with faster connections and better technology (Julie, 2012).

## 3. Definition

Online Shopping is the act of purchasing products or services over the Internet. It has grown in popularity over the years, mainly because people find it convenient and easy to bargain shop from the comfort of their home or office (Kleinman, 2012). One of the most enticing factor about online shopping, particularly during a holiday season, is it alleviates the need to wait in long lines or search from store to store for a particular item (Zappala, 2006).

## 4. Methodology

### Population/Sample

The current study investigates possible factors that may influence consumer attitudes towards online shopping behavior of the students of the University of Jordan. The study also examines if these attitudes vary by demographic variables. The study is based on an empirical research work, and a convenience sample size of 453. Frequencies, descriptive statistics, and one-way ANOVA test and t-test were used in the data analysis. Data was collected by means of questionnaire, and interviews had been conducted from November 2012 until January 2013 to the students of the University of Jordan. The study shows that most students consumers are likely to have enough knowledge and skills in using the computer and dealing with the Internet, and have reasonable access to Internet services, with a positive impression about the current presentation and promotion of companies' web sites on the internet. However, the issue of security of online transactions seems to be a major factor that restricts the willingness to make a better use of online shopping. Analysis of variance shows no significant differences in consumer attitudes due to demographic variables, with the exception of income.

## 5. Results

The study is based on a convenience sample size consisted of 500 consumers who were students in the University of Jordan. 500 self-administered questionnaires were distributed in the university, using Drop and Collect method. Participants were briefed about the purpose of the study, and given enough time to fill out the questionnaire. 463 questionnaires were collected and found usable for the study. Table 1 shows the distribution of demographic characteristics of the indicated sample.

**Table 1:** Distribution of the sample of the study according to demographic variables (*n*=463)

| Variable | | Count | | | |
|---|---|---|---|---|---|
| | | Adopters | | non-adopter | |
| | | No. | % | No. | % |
| Sex | Male | 203 | 45% | 95 | 20% |
| | Female | 43 | 2% | 122 | 27% |
| Students Level at UJ | | | | | |
| freshmen-sophomores | | 63 | 13% | 64 | 14% |
| Junior/Senior | | 133 | 29% | 151 | 34% |
| Graduates students | | 23 | 1% | 19 | 0.04% |
| Income (JD) | Below 400 | 18 | 0.04% | 96 | 21% |
| | 400-600 | 113 | 25% | 52 | 11% |
| | 601+ | 158 | 35% | 43 | 1% |

**Research Tool**

The required data for this study was collected by means of a self- administered questionnaire. The questionnaire contains four main parts, each of which is dedicated for a separate dimension (see Table 2). Part **A** includes three statements which examine computer/Internet, knowledge, and skills. Part **B** includes three statements which assess access to Internet services. Part **C** contains six statements which evaluate Web site promotional services. The final part (part **D**) includes four statements that assess security of the online transactions. In addition, the questionnaire includes some questions on demographic characteristics of the respondents (sex and income). The attitude statements in the four main parts of the questionnaire were measured by five-point Likert scale of agreement, running from strongly agree to strongly disagree (1=strongly disagree, 3 is the midpoint of the scale, and 5=strongly agree). The higher the score the more favorable the attitude and so on. Furthermore, the questionnaire was validated through a number of specialists in this field. Their comments were considered in the final version. Cronbach Alpha test of reliability correlation showed a correlation of 71%, which is generally considered acceptable in scientific research (above 6%).

At the analytical stage, several statistical techniques were employed to satisfy study objectives, including frequency analysis, descriptive analysis, and one-way ANOVA.

**Data Analysis and Discussion of Results**

For analysis purposes, the agreement scale was regrouped into three categories as follows: Agree, Neutral, and Disagree. The decision rule for testing the four research hypotheses (H1 to H4) were calculated based on t-test and F-test, at 5% significance level ($\alpha$=5%). Statistically, the null hypothesis is accepted when $\alpha$ is greater than 5%.

**Computer/ Internet knowledge**

Table 2 shows frequencies, mean scores, and standard deviations of all attitude statements. Part A of the Table examines the extent of computer/ Internet knowledge, and skills of respondents. Figures in the Table show that the overwhelming majority of respondents were likely to have sufficient skills in using computer and Internet services (mean score is 4.54), though many of the respondents indicated that they either had computer/Internet training, or formal qualifications in this field (mean scores are 3.71 and 3.36 respectively). Clearly, this demonstrates that most respondents were capable of using computer and dealing with Internet services.

**Access to Internet services**

Part B of Table 2 assesses consumer access to Internet services, including cost of these services. Clearly, figures show that the Internet services were available at convenient locations for the majority of respondents (mean score is 4.40), and that the cost of using these services, particularly online shopping, was reasonable. Obviously, these results suggest that respondents had no problem accessing Internet services, which were available at convenient locations in Amman, the capital of Jordan.

**Promotion of Company's Web Site**

Part C of Table 2 evaluates the way companies' Web sites were presented and promoted. Figures in the Table show that companies' Web site were sufficiently informative and attractive (mean scores are 4.36 and 4.13 respectively), with fairly quick response to customer complaints and inquiries (mean score is 4.38). The Web sites also provided additional means of contact, such as fax, telephone, etc. Moreover, the results in the Table indicated that there was an ease of access to companies' Web sites and sufficient feedback on electronic Transactions (mean scores are 4.28 and 4.44 respectively). Apparently, the results in Table 2 revealed positive impressions about the presentation and promotion of companies' Web sites.

**Table 2:** Frequencies, Mean Scores, and Standard Deviations of Attitude Statements.

| STATEMENT | AGREE | | NEUTRAL | | DISAGREE | | Mean | SD |
|---|---|---|---|---|---|---|---|---|
| | *FFr *eq | % | Freq | % | Freq | %% | | |
| **A. Computer/Internet knowledge** | | | | | | | | |
| I have sufficient skills in computer and Internet | 145 | 96 | 6 | 4 | 0 | 0 | 4.54 | 0.57 |
| I received special training in computer and Internet | 80 | 53 | 34 | 2.5 | 37 | 29.5 | 3.71 | 0.96 |
| I have formal qualification in computer and Internet | 98 | 64.9 | 37 | 24.5 | 16 | 10.5 | 3.36 | 1.02 |
| **B. Availability of Internet Services** | | | | | | | | |
| Internet services are usually available at convenient places | 139 | 92.1 | 12 | 7.9 | 0 | 0 | 4.4 | 0.63 |
| The cost of using Internet services is generally reasonable | 129 | 85.4 | 13 | 8.6 | 9 | 6 | 4.26 | 0.92 |
| The cost of making on-line shopping is generally reasonable | 108 | 71.5 | 25 | 16.6 | 18 | 11.9 | 3.89 | 1.02 |
| **C. Web-Site Promotion** | | | | | | | | |
| company web-site provides enough information to encourage electronic purchasing | 138 | 91.4 | 11 | 7.3 | 2 | 1.3 | 4.36 | 0.68 |
| The presentation of Company's Web Site is attractive to encourage electronic purchasing | 130 | 86.1 | 15 | 9.9 | 6 | 4 | 4.13 | 0.75 |
| The response to customer complaints and inquiries is quick in on-line shopping | 135 | 89.4 | 9 | 6 | 7 | 4.6 | 4.38 | 0.8 |
| Additional means of contact with the company (e.g. Phone, fax) is usually available | 128 | 84.8 | 17 | 11.3 | 6 | 4 | 4.16 | 0.78 |
| Access and ease of use of Company's Web Site is easy and encouraging | 135 | 89.4 | 12 | 7.9 | 4 | 2.6 | 4.28 | 0.72 |
| There is enough feedback on electronic transactions | 137 | 90.7 | 10 | 6.6 | 4 | 2.6 | 4.44 | 0.74 |
| **D. Security Issues** | | | | | | | | |
| I am not worried about the security of my financial and personal information in Electronic Purchasing. | 15 | 9.9 | 11 | 7.3 | 125 | 82.8 | 1.54 | 1.08 |
| Only well-known companies can be trusted on financial matters in an on-line shopping | 60 | 39.8 | 55 | 36.4 | 36 | 23.8 | 3.3 | 1.09 |
| I am usually encouraged to give my credit card number to any company over the Internet. | 12 | 7.9 | 23 | 15.2 | 116 | 76.8 | 1.98 | 0.94 |
| I feel that all companies on the Internet are legal and can be very much trusted in online shopping | 118 | 78.1 | 26 | 17.2 | 7 | 4.7 | 1.87 | 0.99 |

**Security of Internet transactions**

Part D of Table 2 examines security issues of online shopping. Results in the Table revealed that most respondents were likely to have worries about the security of their personal and financial information in an online shopping (mean score is 1.54). However, they appeared to show some trust in only well-known companies with an international reputation (mean score is 3.3). They also seemed hesitant to give their credit card numbers in electronic purchasing over the Internet (mean score is 1.98). Moreover, they were likely to believe that there might be some illegal companies which practice unethical and illegal business behavior like frauds and crooks on the Internet (mean score is 1.87).

The following analysis examines differences, if any, in consumer attitudes towards online shopping on the Internet, in terms of demographic variables (sex and income). This analysis is based on One Way Analysis Of Variance (One-Way ANOVA). Attitudes towards online shopping, in the four sections of the survey, are combined for analysis purposes.

**Sex**

The first hypothesis (H1) states that "there is no statistical difference in consumer attitudes towards online shopping due to sex ($\alpha = 0.05$)". To assess this hypothesis, mean scores, standard deviations, and t-values were calculated to find out whether there are statistical differences between the means of respondent scores according to sex, as shown in Table 3. The analysis in the Table reveals that there is no statistically significant difference in consumer attitudes towards online shopping due to sex ($\alpha = 0.15$). This means that we accept the null hypothesis (H1). That is, male and female groups were likely to be similar in terms of their attitudes towards online shopping.

**Table 3:** Means, standard deviations and, t-values for respondent attitude scores by sex.

| Sex | Percent | Mean | Standard Deviation | t-value | Significance level (α) |
|---|---|---|---|---|---|
| **Male** | 70.2 | 3.693 | 0.329 | | |
| **Female** | 29.8 | 3.598 | 0.456 | 1.44 | 0.15 |

**Income**

The last hypothesis (H4) states that "there is no statistical difference in consumer attitudes towards online shopping due to income (α = 0.05)". To assess this hypothesis, mean scores, standard deviations, and F-values were calculated to examine whether there are statistical differences between the means of respondents scores according to income, as shown in Table 4. The analysis in the indicated Table shows that there is a statistically significant difference in consumer attitudes towards online shopping due to the income factor (α = 0.047). This suggests that we cannot accept the null hypothesis (H4). Apparently, income seems to have an impact on consumer attitudes towards online shopping.

Perhaps, the majority of lower income people would not afford the risk of online shopping on the Internet, given the overall impression of the lack of security of electronic transactions (established earlier). Therefore, it is likely that they were more cautious about their buying behavior than higher income people did.

**Table 4:** Means, standard deviations and, F-ratios for respondent attitude scores by Income.

| Income (JD)* | Percent | Mean | Standard Deviation |
|---|---|---|---|
| Below 400 | 36.4 | 3.57 | 0.39 |
| 400 – 600 | 44.4 | 3.71 | 0.35 |
| 601 + | 19.2 | 3.73 | 0.36 |
| F-Ratio | 3.0014 | | |
| F-Probability (α) | 0.047 | | |

* Low income: Below JD 400
Middle income: JD 400-600
High income: JD 601+

**6. Conclusion and Recommendations**

Although the traditional way of purchasing by Jordanian consumers is the dominated way, however, there are positive attitudes of consumers toward e-marketing. Whereas, the study shows that there are positive attitudes of consumer attitudes as (Perceived usefulness, Perceived convenience, Perceived enjoyment, Information on e-marketing, Security and privacy, Website quality) and e-marketing. This is due to the consumer's appreciation toward e-marketing and their knowledge in using computers and accessing internet and websites to do research for product and services, conducting comprising and search for product characteristics. However, Jordanian consumers still hesitant and have doubt in regard to safety and privacy issued when conducting e-marketing , Jordanian consumers are afraid to have their personal information fell into the wrong hands or their credit card numbers be stolen by hackers

This study recommends that companies need to have a better understanding of electronic buying behavior on the Internet in Jordan. They may conduct in-depth market research, focusing on how Jordanians view online buying behavior, and how they can be encouraged to make a better and more effective use of this new buying technology. Furthermore, special efforts may have to be made to improve security of electronic transactions. In fact, consumers must be assured that their electronic transactions are sufficiently safe and secure. Without such assurance electronic buying technology may not thrive in a highly competitive and dynamic environment. In addition, future research efforts may give special attention to the security issues of online buying behavior.

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