INFLUENCE OF RATINGS AND REVIEWS ON PURCHASING DECISION OF GARMENTS ONLINE

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Introduction:

The advent of technology has given rise to new areas of its application. Ecommerce is an evidence of this technological proliferation. E-commerce has changed the way we do our business. For a consumer, it has also changed the shopping experience from a traditional retailing to online retailing. E commerce is helping the businessmen and the consumers likewise not only in the cities but also in towns and villages. This technology has increased the awareness of a consumer by putting a plethora of options and choices in front of him. The small time entrepreneurs have now a channel to place themselves before a wider audience. The availability of convenient facilities such as online banking, door delivery, easy return and exchange options have made online

purchases easy for the seller and the buyer likewise. In spite of the boost it has given to the entrepreneurs, it has not been easy to gather the confidence on the online consumers. The online customer's greatest relief comes from the fact that they don't have to visit the shop personally. Amazon, Flipkart, ebay, Myntra, Jabong, Snapdeal, Pepper fry, Lime road Voonik, Craftsvilla, Ajio, are some of the major brands in this sector. However, the major traditional retailers such as Lifestyle, Homecentre Shoppersstop and many more also offer online shopping experience facility. Customers with restrictions on movement, funds, and choices now opt to shop online. In the traditional shopping, customers depended on the sales persons advise, friends and family member's opinions before making



their decision to purchase. Today, an online customer depends on the reviews and the ratings of a particular product provided by the other customers. Customers can read about the products through literature shared by millions of customers across India. This trend is fast catching up and the purpose of this study is to understand to what extend an online customer is influenced by the online reviews and ratings.

Merits of Online Shopping:

1.E-business: It is not required to have brick and mortar shop. One can sell products from home too. The investment to start a business in far low compared to having a tradition store.

2.Wider options to the customers: Online buyers have a wider options through multiple brands. The buyers can choose depending on the price, discounts available, colour, brand and quality.

3.Interactive user Interface: The customer friendly and interactive websites that are easy to navigate and the retailers' information protection policy put the customers at ease to give personal information and make online payments.

4.Payment Options: Customers get a variety of options to make the payments, such as cash on delivery, installment and credit facilities etc
5.Saving time and energy: The online shopping saves time and energy.
6.Exclusive products: Many products

are available exclusively online. This make the customer to go back to be an ardent online shopper

e-WOM:

E-word of mouth(eWOM) (Mohmmad Reza Jalivand, 2011) define Electronic word-of-mouth (eWOM) communication as any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet. Online review: Online review is the information added online by the customer about a product. This information may carry positive or negative statements about the product predominantly the opinions of the customer. So there is transfer of knowledge and the buying decision is now a dependant of the adoption of this new knowledge. The adoption of information depends on the argument quality and the credibility of the source.(Information adoption Model by Sussman and Seigal, 2003). Previous studies show that consumers pay more value to the reviews made by professionals on websites or blogs however they relate better to the reviews written by fellow consumers. Many studies have also shown that buyers also are influenced by the feedback given by other buyers.

Review of Literature:

Deshmukh, Gopal & Joseph, Sanskrity. (2016) convey that

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Shopping online is different from traditional shopping in terms of experience on the part of consumers. Consumers in traditional markets can touch and feel the products before purchasing it and on the other hand in virtual markets products can be assessed visually only. The purpose of this paper is to understand online shopping behavior of consumers in India. Design/methodology: Researchers have conducted an empirical study of 100 online shoppers to identify their online shopping behaviour using Structural equation modeling. The key finding of the study indicates that demographic profile of customers, type of products to be purchased, online seller of the product, and the characteristics of online shopping website had positive impact on the intention and online shopping behavior of the customers in India.

(Benedict, 2001) quote that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping. (K.Vaitheeswaran, 2011) on the convenience of online shopping stated that "With product getting standardized, specifications getting fixed and the concept of service getting eroded, the post sale responsibility of the retailer has come down drastically.

5

Hence customers go to stores to explore the product physically detail but by online at a cheaper rate. Heavy discounts of e-commerce firms are possible because of their no warehouse model."

Objectives of the Study:

This research aims to study the following:

1.Do online customers consider the online reviews and ratings before making a decision?2.Does the online rating influence the purchasing decision?

Research Methodology:

The sample consisted of 100 people between the age groups of 18 to 45.The sample was selected from Pune city only and have at least shopped three times online and have purchased garments. A questionnaire requesting responses on personal information, yes/no types of questions were administered to the group. The responses were recorded and the data was analyzed. 50 male respondents and 50 female respondents were selected to make an equal gender representation.

Demographic Details of the Respondents:

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1.Gender: Males: 50 Females:502.Age : 65% are in the age group of 18-2535% above 25

3.Occupation : 45% are students and have no job

: 55 % are engaged in either self employed or Salaried employment 4.Education: 75% of the employed respondents have either a bachelor's degree or a master's degree 5.Internet savvy: 100% of the respondents are computer/smart phone or internet savvy

6.Income levels: 69% of the employed are in the income bracket of Rs 30000 to Rs.50000

31% of the employed are in the income bracket of Rs.50,000 and above

91% of the self employed are in the income bracket of Rs. 50000 and above

7. Marital Status : 22% are married and only 18% have children

Questionnaire responses:



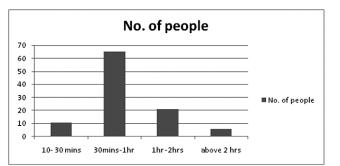
1. Average time spent on online shopping.

45% of the respondents spend 30 minutes to 1 hr on e- purchase. The average time spent online for shopping is 45 minutes.

2. Time spent on Product browsing

Respondents agreed that they spend time in browsing about the product.

6



There are many sites that offer the same brands of garments but the prices differ. The average time spent on browsing to collect information is 30 minutes to 1 hr.

3.Why do you choose to shop online?



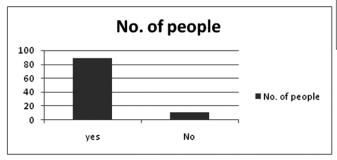
The respondents have given varied reasons for shopping online.92% of the respondents shop online because they can arrive at a decision by considering the reviews and ratings. They can compare the prices with other brands of products. 89% of the respondents shop online because they can make payments easily with number of payment options available such as zero % interest on installments, credit and cash on delivery .65% of the sample also feels that the flexibility of shopping anywhere and anytime also increases the probability of going back to online shopping. Exchange policy, easy returns are other factors

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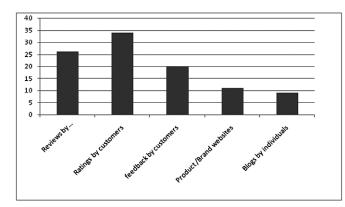
that make online retail shopping a great experience.

4.Do you consider online ratings and reviews?



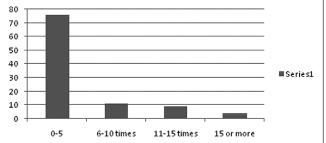
88% of the respondents have agreed that they consider the online ratings and reviews before making an online purchase.

5. Which of the following review type do you consider?

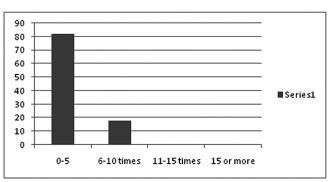


39% of the sample has responded that they rely on the online ratings given by the customers while purchasing garments online. Brand websites and blogs have least influence on the customer's buying decision as they are visited or read by few people.

6.How many times have you rejected the product based on the reviews/ratings?

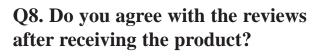


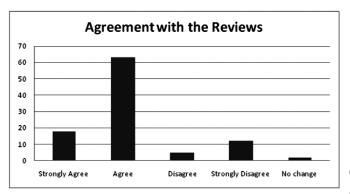
Respondents have agreed that even though they are pleased with the product specifications and description present on the sites, there were occasions of rejections. The poor reviews force them to abandon the product and move on. 100% of the respondents have agreed that they have abandoned the products atleast once during their online shopping activity. **Q7. How many times have you bought a product of a new brand or brand not known to you?**



Due to the availability of wide range of brands and products online, respondents have agreed that they have been exposed to multiple brands and their presence in the market with their product range.82% have bought garments of brands that they were ignorant of at least once .

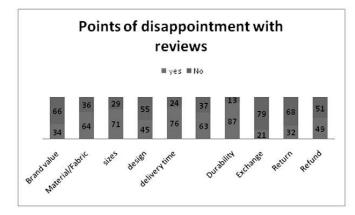






62% of the sample have remarked that the product reviews/ratings have matched the original product when received. A significant 12% of the respondents also point that the reviews did not match the real product.

Q9. What have been the points of disagreement with the reviews while purchasing garment?



The respondents had disappointments and disagreement with the online reviews on Exchange process, returns and the brand image projected online. **10. Do ratings and reviews affect brand loyalty?**

79% of the respondents agreed that the online ratings and reviews have



effect on the brand loyalty. Poor reviews shake their faith in the brand and force them to rethink before making a purchase.

Conclusion:

The study proves that online buyers of garments heed to the ratings and reviews. Significant amount of time is spent on browsing and for reading the reviews. The customer feedback is taken into consideration before making any buying decision. The poor reviews force them to abandon the product and move on. 100% of the respondents have agreed that they have abandoned the products atleast once during their online shopping activity. Brand websites and blogs have least influence on the customer's buying decision as they are visited or read by few people. Poor reviews shake their faith in the brand and force them to rethink before making a purchase.

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9

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