

A STUDY ON BEHAVIORAL CHANGES OF CONSUMERS DUE TO ONLINE SHOPPING

Archana H R

*Assistant Professor, Department of Commerce and Management
Indus Valley Degree College*

N. Swathi

*Academic Coordinator & Assistant Professor, Department of Commerce and Management
Indus Valley Degree College*

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Abstract

Online shopping has transformed the traditional buying behavior of consumers in recent years due to technological advancement and internet penetration by offering convenience, variety, and competitive pricing. The rapid growth of e-commerce platforms and digital payment systems has significantly influenced consumers' purchasing decisions, preferences, and habits. This study aims to analyze the behavioral changes of consumers due to online shopping, focusing on factors such as convenience, perceived benefits, perceived risks, psychological factors, and convenience, price comparison, time-saving, trust, and satisfaction. The study is based on secondary data from journals, articles, and previous research. The findings reveal that convenience, time saving, price comparison, and accessibility positively influence consumer behavior, whereas perceived risk, lack of trust, and security concerns negatively affect online purchasing decisions. The study highlights how online shopping has shifted consumer preferences from traditional retail to digital platforms and provides insights for marketers and e-commerce businesses.

Keywords: *Online Shopping, Consumer Behavior, Perceived Risk, Convenience.*

Introduction

Online shopping has transformed modern consumer markets. The growth of digital platforms has significantly influenced consumer behaviour by changing purchase decision patterns, information search processes, and spending habits. Important aspects such as perceived risk, consumer

experience, and trust play a vital role in shaping online shopping behaviour. This study is completely based on secondary data sources.

Consumer buying behavior refers to the study of customers and how they behave while deciding to buy a product that satisfies their needs. It reveals the actions of

the consumers that drive them to buy and use certain products.

4 Factors of Consumer Behavior

- 1. Personal Factors:** Individual demographics, lifestyle, and personality shape purchasing decisions. For instance, a buyer's age, income, and occupation influence what, when, and how they purchase. Understanding these aspects allows marketers to create personalized campaigns that resonate with specific groups.
- 2. Psychological Factors:** Mental processes like motivation, perception, and attitudes impact how customers respond to products or services. For example, if customers perceive a product as high-quality based on reviews and marketing, they're more likely to buy. Addressing perceived risks and highlighting benefits boosts consumer confidence and sales.
- 3. Social Factors:** Family, friends, and social networks heavily influence buying behavior. The growing dominance of Social media platforms like Instagram and TikTok amplifies this effect, with influencers shaping trends and decisions. Using social proof and influencer marketing can effectively sway consumer opinions.

- 4. Cultural Influences:** Cultural norms, traditions, and values play a significant role in shaping purchase decisions.

For example, companies like McDonald's adapt menu offerings to suit regional tastes. Similarly, Coca-Cola modifies its flavor profiles and marketing strategies to align with local cultural preferences, ensuring greater brand resonance in different regions.

In the rapidly evolving landscape of the digital age, the behavior of consumers has undergone a profound transformation, primarily driven by the widespread adoption of the internet and technology. To succeed in this environment, companies must comprehend the underlying drivers and motivations behind consumers digital purchasing decisions. By synthesizing existing literature, data, and insights, this study aims to shed light on the key factors that influence consumer behavior in the context of online shopping. It delves into various aspects, such as the impact of user experience, social influences, perceived risks, and trust, among others. By understanding the intricacies of these factors, businesses can formulate effective strategies to engage customers, improve their online shopping experience, and ultimately enhance their bottom line. Moreover, as the digital landscape continues to evolve, it is essential to identify emerging trends and consumer

preferences that may influence future shopping habits.

Review of Literature

Guo Jun and Noor Ismawati Jaafar (2011) conducted a study on consumer's attitude towards online shopping. Marketing Mix and reputation were the factors found to have significant positive influence over the consumer's attitude towards online shopping. The local culture and reality determines the attitude and behavior of the local people towards online shopping was concluded from the study.

Zuroni Md Jusoh and Goh Hai Ling (2012) analyzed the factors influencing the consumer's attitude towards e-commerce purchases through online shopping. The study revealed that e-commerce experience, product perception and customer service had significant relationship with the consumer's attitude towards e-commerce purchase. The study concluded that consumer risk in online shopping does not had significant relationship over the e-commerce purchases through online shopping.

Mohammed Hossien Moshref Javadi et al., (2012) studied the various factors affecting the Online Shopping behavior of consumers in the online stores of Iran. The findings witnessed was that financial and non-delivery risks affected the consumer

attitude. The study concluded that websites must be made safer and assure customers regarding the delivery of the products.

Ruchi Nayyar and Gupta (2011) examined different demographic psychographic factors and the interest of the consumers in online purchase. Gender, age and income are the demographic, PEOU influenced the online buying behavior of the consumers. The study exposed that the Indians viewed marketing as an hedonic activity and so they hesitate to purchase online.

Hernandez et al. (2011) in a study "Age, gender and income: do they really moderate online shopping behavior?" Analyzed whether individuals' socioeconomic characteristics – age, gender and income – influence their online shopping behavior. The individuals analyzed are experienced e-shoppers i.e. individuals who often make purchases on the internet. The results of their research show that socioeconomic variables moderate neither the influence of previous use of the internet nor the perceptions of e-commerce; in short, they do not condition the behavior of the experienced e-shopper.

Chen (2009) in his dissertation entitled "Online consumer behavior: an empirical study based on theory of planned behavior" extends theory of planned behavior (TPB) by including ten important antecedents as external beliefs to online consumer behavior. The results of data analysis

confirm perceived ease of use (PEOU) and trust are essential antecedents in determining online consumer behavior through behavioral attitude and perceived behavioral control. The findings also indicate that cost reduction helps the consumer create positive attitude toward purchase. Further, the findings show the effects of two constructs of flow – concentration and telepresence, on consumers' attitude. Concentration is positively related to attitude toward purchase, but telepresence likely decreases attitude due to the consumers' possible nervousness or concern about uncertainty in the online environment.

Demangeot and Broderick (2007) in a research entitled "Conceptualizing consumer behavior in online shopping environments", seek to adopt a holistic approach to consider how consumers perceive online shopping environments. The conceptual model proposes that consumers perceive these environments in terms of their sense-making and exploratory potential, and it considers the influence of these on user involvement with the web 84 www.ccsenet.org/ijms International Journal of Marketing Studies Vol. 4, No. 5; 2012 site, shopping value and intention to revisit Findings indicate that sense-making and exploratory potential are distinct constructs; exploratory potential mediates the relationship between sense-

making potential and involvement. Furthermore, involvement is essential in producing shopping value and intention to revisit.

Ying (2006) in his study "Essay on modeling consumer behavior in online shopping environments" examined online purchase behavior across multiple shopping sessions. Shopping cart abandonment is the bane of many e-commerce websites. He investigated abandoned shopping carts in an online grocery shopping setting. Specifically, he developed a joint model for the cart, order, and purchase quantity decisions. The interdependence between the three decisions is captured by the correlations between the error terms. Empirical analysis shows that not all abandoned shopping carts result in lost sales. Customers routinely pick up abandoned carts and complete the final orders. Among the factors that propel customers to continue with aborted shopping are the time of shopping, time elapsed since the previous visit, the number of items left in the abandoned cart, and promotion intensity. The study offers marketers important managerial implications on how to mitigate the shopping cart abandonment problem.

Khalifa and Limayem (2003) in a research entitled "Drivers of internet shopping" applied well-established behavioral theories to explain Internet consumer

behavior. Then, they conducted a longitudinal survey study to identify key factors influencing purchasing on the Web and to examine their relative importance. The results indicate that the intentions of Internet consumers are significantly affected by the perceived consequences of online shopping, the consumers' attitudes towards it, and social influence.

Kim and Park (2003) in a study "Identifying key factors affecting consumer purchase behavior in an online shopping context" investigated the relationship between various characteristics of online shopping and consumer purchase behavior. Result of the online survey with 602 Korean customers of online bookstores indicate that information quality, user interface quality and security perceptions affect information satisfaction and relational benefit that in turn, are significant related to each consumers' site commitment and actual purchase behavior.

Methodology

The study is based exclusively on secondary data collected from journals, books, research articles, government reports, and authentic online databases. Data has been analyzed using descriptive methods and presented through graphical representation.

Need of the Study

With the rapid expansion of e-commerce, it is necessary to understand how online shopping influences consumer behaviour. Businesses require insights into perceived risk and consumer experience to improve digital marketing strategies and customer satisfaction.

Objectives of the Study

- To examine changes in consumer behaviour due to online shopping.
- To analyze the impact of perceived risk on online purchase decisions.
- To study the role of consumer experience in online shopping.
- To study the role of convenience and psychological factors in online shopping.

Limitations of the Study

- The study depends entirely on secondary data.
- Findings rely on the accuracy of published sources.
- Lack of primary survey limits direct consumer insights.
- Rapid technological changes may affect data relevance.

Characteristics of the Online Shopping Environment

- **Differences between online and offline shopping**

There is a significant difference between the Internet and traditional shopping. This difference is reflected not only in the shopping experience but also in its profound impact on consumers' psychology and purchasing decisions. First, online shopping breaks the limitations of time and space, allowing users to conduct transactions on various e-commerce platforms anytime and anywhere.

- **The role of big data in personalized recommendations**

With the advent of the internet era, e-commerce can better understand consumer preferences, enabling it to offer more precise and personalized recommendations. By analyzing customers' browsing history, shopping patterns, and interests, customized products are recommended to enhance product quality and customer loyalty.

- **Psychological and behavioral changes in consumer groups**

In the digital age, people's consumption mentality and habits are evolving. Traditional consumption choices were primarily influenced by external factors such as advertising,

product displays, and network communication, while in the digital society, they are increasingly driven by algorithms, recommendation systems, and social media.

Consumer Psychology in the Online Environment

- **Trust building and sense of security**

Trust and a sense of security are the cornerstones of online transactions. In a virtual shopping environment, consumers face the limitation of not being able to directly experience the products, making their trust in the platform particularly critical. The reputation of the e-commerce platform, the payment security mechanisms, and the authenticity of user reviews constitute the three major factors that shape consumer trust.

- **Social influence**

In the digital age, social media plays a pivotal role in customer behavior. When making purchasing decisions, customers rely not only on platform recommendations but also on social networks and social media, which exert significant influence. Key Opinion Leaders (KOLs) and celebrity promoters on platforms like Weibo and Instagram often use their personal charm and professional insights to

guide customer choices. User-generated content (UGC) on social media has become a key source for customers to obtain information and evaluate products.

- **Instant gratification**

With the rapid development of the digital society, “immediate satisfaction” has emerged as a key driver in shopping decision-making. This concept refers to a consumer’s mental inclination to acquire the products or services they desire quickly, which is especially important in online shopping situations. E-commerce platforms effectively meet this psychological requirement through various innovative actions, such as optimizing logistics efficiency and providing immediate responses to client needs, significantly enhancing user experience and satisfaction.

Changes in the Purchase Decision Process

- **Information overload**

Information overload is one of the most representative phenomena in the digital era. When making purchases, consumers are confronted with multiple product options, price comparisons, user reviews, and promotional information. Although the

explosion of this information provides a broader foundation for consumer choice, it also leads to “difficult selection” or “decision-making fatigue.” Consumers not only feel overwhelmed when buying something, but this overload also decreases the effectiveness and satisfaction of their decisions.

- **Impulse buying**

Impulse buying is relatively common in online shopping, especially when limited-time discounts or immediate offers are used as incentives to increase the likelihood of unplanned purchases. Tactics such as flash sales and quantity discounts exploit consumers’ sense of urgency and scarcity, stimulating their propensity to buy.

Strategies of Online Retailers

- **Simplify navigation and product display strategy**

Firstly, the Adaptive Navigation Framework facilitates clients in finding their favorite products and prevents the confusion and decision-making issues caused by excessive information. A cluttered user interface (UI) layout or complex product details often add to the mental stress of the client, tarnishing the shopping experience. Visual design, such as the simplicity of

Apple's website, provides comfort to clients and eases decision-making.

- **Customized marketing strategy**

Customized marketing is a powerful tool for online sellers to enhance user interaction and conversion rates. By leveraging big data and AI technology, sellers analyze users' past behaviors, interests, and browsing history to provide tailored product recommendations and targeted advertising. This customized marketing approach optimizes customer experience and improves advertising accuracy and efficiency. Its advantage lies in recommending products that better align with users' needs and interests, thereby deepening user engagement.

- **Customer loyalty program**

Amazon's Prime membership service serves as a typical example of a customer loyalty scheme. With its rapid delivery, exclusive discounts, and features such as video and music streaming, Prime membership has successfully integrated customers into the Amazon ecosystem. Offering diverse membership benefits not only meets the varied needs of consumers but also enhances their reliance on the platform. The membership scheme

fosters long-term loyalty to the platform.

Consumer Challenges in the Digital Age

- **Data security and privacy protection**

Personalization and ease of use in the digital era have provided customers with an unprecedented experience. Nevertheless, privacy and data security issues are also focal points of public concern. This is based on the collection and analysis of large amounts of personal data, such as search history, purchase history, geographical location, and more. This information helps firms achieve accurate marketing.

- **Decision complexity and information screening**

In the Information Era, customers are confronted with an increasing number of choices, leading to a notable information overload. E-commerce platforms are filled with goods, and price volatility and promotional information are rampant, making it difficult for customers to navigate the vast amounts of data. This state of information overload not only increases the mental burden on consumers but also gives rise to the common phenomenon of selection barriers and decision-making fatigue.

These barriers weaken consumers' enjoyment of the purchasing experience and significantly prolong the decision-making cycle, potentially triggering shopping abandonment.

- **Information transparency and trust building**

Information transparency has become a key indicator affecting customer trust in platforms. In online shopping, customers rely on images, descriptions, and user reviews provided by the platform, and information asymmetry can easily lead to a crisis of trust. Inaccurate product descriptions or overly modified images can create disappointment when customers receive the goods, damaging both the shopping experience and their trust in the platform. Trust is particularly important in an environment with transparent information. A lack of transparency often leads to increased dissatisfaction and complaints after transactions.

- **Psychological pressure and impulse consumption**

In a digital shopping ecosystem, information overload and difficult decisions undoubtedly add to the cognitive burden and mental stress of consumers. In addition to decision-making challenges, customers often

feel anxious when faced with a steady stream of advertisements, limited-time offers, and complex demands for priority items. This stress not only diminishes the enjoyable shopping experience but may also lead to impulsive buying or buyer's remorse, significantly affecting the consumer's psychological state.



Convenience

Convenience is the most significant driver for online adoption, primarily because it reduces the cost of shopping in terms of time and physical effort. The ability to shop anytime and anywhere of 24/7 accessibility eliminates the constraints of store operating hours and travel. Digital platforms allow for near-instantaneous price and product comparisons, a process that is cumbersome in physical retail. Factors of service efficiency such as door-to-door delivery and easy return policies significantly lower the effort expectation of consumers.

Psychological Factors

Beyond ease of use, internal mental processes shape how consumers perceive and act in digital marketplaces.

- **Perception and Trust:** Consumers rely heavily on social proof of reviews and ratings to manage risk perception since they cannot physically inspect products.
- **Motivation:** Shopping shifts from functional needs to seeking invigorating experiences. For some, the release of dopamine from a new purchase serves to alleviate sadness or boredom.
- **Emotional Triggers:** Marketing strategies like flash sales and limited-time offers create a psychological sense of urgency, often leading to impulse buying.
- **Attitude and Learning:** Positive past experiences lead to conditional learning, where consumers develop long-term brand loyalty based on the reliability of the digital interface.

Perceived Risks

Perceived risk refers to the nature and amount of risk perceived by a consumer in contemplating a particular purchase decision. Before purchasing a product, a consumer considers the various risks associated with the purchase. The different

types of risks are referred to as perceived or anticipated risks. Research suggests that consumers generally prefer to use electronic commerce for purchasing products that do not require physical inspection.

The higher the perceived experience risk, the consumer may shift to brick-and-mortar retailer for the purchase of the product. Whereas, the lower the perceived risk, the higher the propensity for online shopping. Risks perceived or real, exist due to technology failure (e.g., breaches in the system) or human error (e.g., data entry mistakes). The most frequently cited risks associated with online shopping include financial risk (e.g., is my credit card information safe?), product risk (e.g., is the product the same quality as viewed on the screen?), convenience (e.g., Will I understand how to order and return the merchandise?), and non-delivery risk (e.g., What if the product is not delivered?) The level of uncertainty surrounding the online purchasing process influences consumers perceptions regarding the perceived risks.

The Role of Consumer Experience

Online Customer Shopping Experience is defined as the aggregate psychological impact of interactions with virtual touchpoints.

Online platforms eliminate travel and queuing, allowing 24/7 shopping regardless of location which helps to save time and physical efforts of consumer. The ability to instantly search for products and compare prices across multiple vendors reduces the search cost for the consumer and gives accurate information about product and services. Seamless payment systems like Buy Now, Pay Later and localized gateways significantly reduce friction during the final purchase stage. Home delivery, easy return policies, and clear exchange procedures provide a high level of post-purchase convenience that traditional stores often lack.

Findings

- Online shopping usage has consistently increased over the years.
- Perceived risk significantly influences consumer decision-making.
- Positive consumer experience leads to repeat purchases.
- Convenience remains the strongest factor in behavioural change.
- Consumers increasingly rely on digital reviews and ratings.

Suggestions

- Need to focus on consumer satisfaction.

- Need to improve on safety and security in online shopping.
- Adoption of efficient online payment system.
- Speed delivery of goods and services.

Conclusion

In conclusion, this research paper endeavors to contribute to the body of knowledge surrounding consumer behavior in the digital era, offering valuable insights for businesses, marketers, and researchers alike. As the online shopping landscape continues to evolve, grasping the nuances of consumer preferences, motivations, and decision-making processes becomes an indispensable foundation for developing successful strategies in the dynamic and competitive digital market place. Based on secondary data analysis, it is evident that online shopping has significantly changed consumer behaviour. Perceived risk and consumer experience are key determinants of purchase intention. While convenience encourages adoption, trust and satisfaction ensure long-term engagement with online platforms. Online shopping has reshaped consumer behavior by prioritizing convenience and leveraging psychological influences. Consumers are now more comfort-oriented, digitally dependent, and emotionally influenced in their purchasing decisions. Businesses must focus on

improving user experience and understanding psychological triggers to enhance customer satisfaction and loyalty. The digital age has a profound impact on consumer psychology and behavior patterns. Companies need to understand consumer psychology, optimize user experience, and integrate emerging technologies to adapt to the market. Through data analysis, organizations can deepen their understanding of consumer preferences, customize personalized experiences, and improve engagement and satisfaction. Embracing artificial intelligence and big data analysis enables companies to predict market trends and optimize products and services. In summary, companies can enhance their competitiveness, create rich personalized experiences for consumers, and promote the establishment of long-term, mutually beneficial relationships. In the wave of digital transformation, companies and consumers explore together, create value together, and achieve win-win results.

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