EVALUATING THE FACTORS AFFECTING CONSUMER'S ONLINE SHOPPING BEHAVIOR: THE CASE OF UZBEKISTAN

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ABSTRACT

This study examines the relationship between various factors that affect consumers' online shopping behavior, which is one of the most important issues of e-commerce and marketing. Initially, relevant literature was integrated and clarified which variables play an important role in consumers' decision. Six hypotheses were formulated influencing consumers' online shopping behavior. Data gathering process in methodology was completed by online survey, which was sent to 150 randomly selected citizens of Uzbekistan. SPSS statistical tool was used to analyze the data and in order to quantitatively explain the hypothesis. According to the analyzed results, the factors such as affordable prices, quality of products, delivery service and the condition of return policy increase the consumer's attitude towards online shopping.

CCS CONCEPTS

• **online shopping**; • **consumer behavior**; • **B2C e-commerce**; • **motivation**; • **online shopping factors.**;

1 INTRODUCTION

This paper has been allocated into 5 parts: Introduction which gives brief information of the study, purpose of investigation, research objectives and hypothesis. Literature review part which gives evidence of relevant research and composes approximately the online shopping behavior of customers. Methodology section where used methods and collected data explained. Results and Discussion will represent the data that was achieved from the survey and the final part is Conclusion and Recommendation.

In his Address to the Oliy Majlis on January 24, 2020, President of the Republic of Uzbekistan Shavkat Mirziyoyev noted that digital technologies not only improve the quality of products and services, reduce costs, but also an effective way of fighting corruption. In order to develop science in the country, to move a competitive

economy and raise it to a new, modern level, the head of our state declared 2020 the "Year of Science, Education and Digital Economy." (Mirziyoyev, 25.01.2020) [1] This in turn, shows how urgent it is to develop the digital economy in the country.

Heng and Shen (2003) [2] mentioned in their research that e-commerce dates for 40 years, and it is growing with updated innovations and many developing businesses are preferring online markets. Online shopping can be clarified as an action that bargains with the offering of merchandise and services through the Internet, also for businesses it is vital to be aware of how customers perceive online purchases. Modern age is predicting that in the coming decade e-commerce could take place instead of traditional business. By the year 2021, worldwide retail e-commerce sales reached $4.1 trillion (Ecommerce Statistics, 2021) [3] and China is the leading country in this list, while Amazon is the leading online marketplace. In 2020, B2C e-commerce accounted for 3.2% of China's GDP, 2.5% in Russia and 1.96% in the United States. (Statistics, 2021) [4] According to (Invesp, 2019) [5], the countries with the leading average e-commerce revenue per shoppers are: USA ($1,804), UK ($1,629), Sweden ($1,446), France ($1,228), Japan ($968), China ($396) and Brazil ($350). These numbers are last year's statistics, but the demand for online shopping has increased even more during the current pandemic situation around the world. In some other countries, such as Uzbekistan however business-to-consumer electronic commerce has been much below the estimated percentage of total trade business due to its certain limitations. The main purpose of this study is to identify and set out the main factors, which increase customers' online shopping behavior and motivate them to purchase in the upcoming.

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2 LITERATURE REVIEW

There are many definitions of e-commerce and they all are similar to each other. "E-commerce is the platform where you can buy and sell different goods and services, simply an electronic network" (Reynolds, 2000) [6]. From Stewart's (2010) [7] research e-commerce represents not only the business of goods and services, where customers and sellers meet but also provides an atmosphere to keep buyers, create relationships with customers and make businesses with them. E-commerce has evolved over its 40-year history and is divided into 2 types: business-to-business (B2B) and business-to-consumer (B2C). According to Gröblinghoff (2002) [8] business to

business e-commerce is an electronic system where companies do transactions, share data with customers and offer many applications for distributors, resellers and suppliers. This communication represents the larger segment of entire business activity (2014) [9]. Business to consumer e-commerce, a study by Khiabani(2006)[10] the type of commerce in which businesses sell products and services directly to consumers. Based on his study, B2C can be simplified as a transmission of goods or services from the supplier to the end consumer. Consumers use the Internet for a variety of objectives in this sort of e-commerce, including researching product qualities, comparing prices, picking a product or service, choosing a payment method, deciding on delivery options, and finally purchasing the product or service. As stated by Zheng (2006) [11] online shopping provides high facilities to consumers which bring advantages of ordering products. Such a type of shopping may reduce all costs like service, distribution in direction to get more consumers and to keep them loyal. Each and every single business mission is to satisfy consumer demands and customers always want to get high quality goods with less quantity money. Chung (2008) [12] confirms that the only differentiation of the Internet stores from traditional stores is their price differences.

Online shopping behavior was studied by several researchers (Rupali, 2018; Mustafa, 2016; Jahongir. A, 2014; Eid. M, 2011; Al-zola. L, 2012) [13–17] with applying some known theories. Those researches have shown that there are many factors that influence consumer behavior, but coverage of all factors in one research and analyzing is almost impossible. Analysis of exploratory factors identified four elements: anxiety, usefulness and price, ease of use, service (free delivery, return policy) (2012) [18]. Anxiety is a very essential primary factor in e-commerce. Ease of use factor gives more convenience to customers and motivates them to purchase more goods. Next important factor is price which plays a huge role in consumer decisions (Panda R., 2014) [19]. Free delivery in a short period and return policy highly keep customers to purchase plenty of goods. It is defined that, gender, occupation, sector of employment are not important factors of online shopping (Malik G., 2013) [20].

A recent study by Shakhnoza Namazova et al., (2020) [21] analyzed the factors affecting consumer's online buying behavior in the case of China and Uzbekistan. The research applied a linear regression model to complete the study, 100 questionnaires were distributed to online consumers of both the countries. In order to quantitatively explain the hypothesis, the study uses SPSS as a statistical tool to examine the data. According to the findings, Chinese consumers are more satisfied with online shopping than Uzbekistani consumers, implying that many aspects of Uzbekistani web stores for online shopping need to be improved.

Moreover, numerous studies by several researchers (Mohammad et al, 2012; Cheung et al, 2005; Taweerat Jiradilok, S. M. 2014; Toister, J. 2014; Vadivu, T. S. 2015; Vasic, K. &. 2019; Wen, G. 2013) [12, 18, 22–26] also investigated the factors which increase customer's motivation towards purchasing products online in a case of different sample countries.

Research objectives and hypotheses

Objectives of this study are: analyze the online shopping behavior in Uzbekistan, identify main factors which influence online shopping, classify the factors which motivate customers to purchase more goods, develop the B2C e-commerce based on the analyses studied.

Hypotheses:

H1: The majority of customers are satisfied with their online purchases;

H2: Availability of product info on websites, diversity of goods motivates consumers;

H3: Price of goods positively influence the consumers' online shopping decision;

H4: There is a positive impact of customer service (free delivery, return policy, high quality internet, discounts, 24/7 online) on consumers' online purchasing behavior;

H5: Delivery of goods among all regions of Uzbekistan will increase the number of customers;

H6: Consumers' future buying behavior is affected by their quality of ordered goods, satisfaction and convenience.

3 METHODOLOGY

A descriptive survey design was used in this research. The primary goal of conducting a descriptive survey was to gather extensive and accurate information on actual events. (Saunders M, 2007) [27]. To accomplish the study primary data was collected through survey. According Blaxter (2001) [28] primary sources can be gathered through achieved information, especially the results of questionnaires and interviews and case study which the researcher created. The target population includes Uzbekistan online shoppers who have or have not purchased products on the Internet, and the mission is to analyze their experience about e-commerce. One hundred fifty respondents were targeted within this survey. The sample size of more than 100 respondents will be sufficient for analyzing and giving solutions, as noted by Jackson, et al (1997) [29]. Investigation consisted of 25 questions, which were structured from previous literature and was designed by application. The questionnaire consisted of demographic information about respondents, factors which influence online shopping behavior, background questions about e-commerce. Before answering questions, it was requested that participants read each question attentively and be truthful. The findings were examined and turned into tables and percentages. Using computer data analysis packages such as SPSS and PASW statistics, the statistical summaries of the results were interpreted in the form of percentages and tables. Secondary data was gathered from a variety of sources in the literature.

4 RESULTS AND DISCUSSION

The present study has been designed to explore essential factors that motivate customers' online shopping behavior in Uzbekistan. The rest of this section briefly describes the response rate of the survey and the following page defines the demographic characteristics of respondents.

Above tables show demographic features of 150 respondents, both females and males. There were 69 female respondents (46%) and 81 male respondents (54%) used in the sample. Second table investigated the age of respondents, as we can see, 4 of them under 20, 59 respondents between 21-30, 68 of them from 31 to 40, and the rest of respondents were over 41. Table 4.3 represents educational qualifications, over 74% of the respondents are university graduates,

Table 1: of respondents (Source: Field Survey, 2021)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Female	69	46	46	46
Male	81	54	54	100
Total	150	100	100	

Table 2: Age of respondents (Source: Field Survey, 2021)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Under 20	4	2.6	2.6	2.6
21-30	59	39.4	39.4	42
31-40	68	45.3	45.3	87.3
Over 41	19	12.7	12.7	100
Total	150	100	100	

Table 3: Educational level of respondents (Source: Field Survey, 2021)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid High school	10	6.6	6.6	6.6
College	29	19.4	19.4	23
Bachelor	65	43.3	43.3	69.3
Master	46	30.7	30.7	100
Total	150	100	100	

Table 4: Satisfaction of consumers (Source: Field Survey, 2021)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	107	71.4	72	72
No	38	25.3	28	100
Total	145	96.7	100	
Missing	5	3.3		
Total	150	100		

about 19.4% of them hold diplomas in various disciplines, and the rest (6.6%) high school graduates.

H1: The majority of customers are satisfied with their online purchases;

Frequency was used to analyze this hypothesis. It is clear from the table that generally 71.4% of consumers are satisfied from online shopping, while 25.3% are not satisfied and the rest of the respondents missed this question. Conferring the results, we can accept H1, and admit "The majority of customers are satisfied with their online purchases".

H2: Availability of product info on websites, diversity of goods motivates consumers

To analyze this hypothesis Anova test is used. After analyzing, results show that the p-value of product availability is 0.687 which is bigger than significance value (0.05), meaning availability of product does not motivate consumers' behavior. But the p-value for diversity of goods is 0.012, which is smaller than 0.05, so we can say it motivates consumers' online shopping behavior

H3: Price of goods does not positively influence the consumers' online shopping decision

Chi-Square was used to test this hypothesis. According to the results p-value is equal 0.000 which means smaller than 0.05, it shows we will reject this hypothesis. It proves that the price of products and services positively affects consumers' online shopping behavior.

H4: There is a positive impact of customer service (free delivery, return policy, high quality internet, discounts) on consumers' online purchasing behavior

Above table shows clear data about the impact of customer service on consumers' online behavior. Almost 88% of respondents agreed that customer service plays an important role while purchasing online products. Delivering goods without extra taxes and

Table 5: Availability of product info on websites, different goods (Source: Field Survey, 2021) ANOVA

	Sum of square	df	Mean square	F	Sig.
Av.product Between group	.735	2	.375	.258	.649
Within group	128.496	90	1.385		
Total	129.231	92			
Diversity goods Between group	2.596	2	1.399	4.005	.012
Within group	30.255	91	.298		
Total	32.851	93			

Table 6: Price of goods affecting consumers. Chi-Square Tests (Source: Field Survey, 2021)

	Value	df	Asymp.Sig (2-sided)
Pearson Chi-Square	20.386a	3	.000
Likelihood Ratio	22.563	3	.000
Linear-by-Linear Association	18.850	1	.000
N of Valid Cases	100		

Table 7: There is positive impact of customer service (Source: Field Survey, 2021)

	Frequency	Percent	Valid percent	Cumulative p
Strongly disagree	5	3.3	3.3	3.3
Disagree	7	4.7	4.7	8
Uncertain	5	3.3	3.3	11.3
Agree	60	40	40	51.3
Strongly Agree	73	48.7	48.7	100
Total	150	100	100	

Table 8: Delivering the good among country will increase customers (Source: Field Survey, 2021)

	Frequency	Percent	Valid percent	Cumulative p
Strongly disagree	5	3.3	3.3	3.3
Disagree	10	6.7	6.7	10
Uncertain	9	6.0	6.0	16
Agree	56	37.3	37.3	53.3
Strongly Agree	70	46.7	46.7	100
Total	150	100	100	

returning them while customer dislikes, give huge confidence to consumers to shop without anxiety. This hypothesis is strongly accepted because there is a positive impact of customer service on consumers' online shopping decisions.

H5: Delivery of goods among all regions of Uzbekistan will increase the number of customers

From Table 4.8 we can conclude that, nearly 85% of respondents confirmed delivering of goods among all regions of Uzbekistan will highly increase the number of customers. During the interview it was also recommended to develop the infrastructure system of delivering. This hypothesis is also accepted.

H6: Consumers' future buying behavior is affected by their quality of ordered good, satisfaction and convenience

Dependent Variable: Satisfaction and quality is 0.001 and 0.002 respectively, which means both significant at 5 %. So, we can conclude that consumers' future buying is affected by their quality of ordered goods, satisfaction and convenience.

5 CONCLUSION

In conclusion, the outcomes of the study met their goals. The scientific approach to online shopping is concerned with the characteristics of consumers, their purchasing decisions, and the factors that influence online shopping (2005) [30]. Current study defines that there is a high level of interest in online shopping among the population. Online demand for primary products has become high, especially in the current global pandemic. In this regard, the

Table 9: Future buying behavior of consumer (Source: Field Survey, 2021)

Model	Unstandardized Coefficients		Standard. Coefficient			95,0% Confidence Interval for B	
	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
(Constant)	2.284	.174		10.375	.000	1.247	2.095
Online Shopping Convenient	-1.649	.089	-.268	-2.987	.001	-.269	-.034
	-.108						
		.026	-.310	-3.345	.002	-.187	-.048
Quality of Good							

pandemic situation in Uzbekistan has also led to the further development of the online market. Above we analyzed factors which influence consumers' online shopping behavior. The results show that affordable prices, quality of products, delivery service, and the condition of return policy will affect consumers' decision to purchase more products with confidence in the future. In turn, if the availability of a product does not affect consumer decision, its diversity increases purchasing power. It is known that many goods have a delivery service only in the capital, and the delivery of products across all regions shows a sharp increase in demand. As a result of the interviews, the following recommendations are listed:

- Creating an online store that includes all products;
- Establishing delivery service in all regions of the country;
- Providing high quality internet to consumers for convenience during shopping;
- Increasing competitive, different products to expand competitiveness;
- Enlarging online discounts on various holidays
- Making an online security system to guarantee safe online shopping.

Every research has limitations. Limitations of this study are:

1. It is clear from literature, there are many factors affecting online shopping behavior. In this study because of time constraints, we didn't examine all factors.

2. In this survey, we exclusively looked at the shopping behavior of Uzbek customers. It is evident that people in various countries have distinct traits, and the findings of this study may not be generalizable to other countries.

3. Questionnaires were used to gather the date and respondents might not be answered exactly what they think inside and behave.

4. Methodology section that used to analyze the data may not completely assess the factors, which affect online shopping behavior.

Overall, the findings of this study may help to improve general awareness about e-commerce and may serve as a starting point for future research.

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