

**ROLE OF TRUST AND SECURITY IN SHAPING THE CUSTOMERS' PERCEPTION OF
ONLINE SHOPPING**

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Abstract

Online shopping has revolutionized the way consumers purchase products and services. India has more than 1.2 billion internet users and most of them are doing online shopping. The number is rising sharply every year. Even though there is a rush towards it, many are concerned about the trust and security issues while shopping online. This paper is focusing on the Trust and Security factors which act as an important decision factor to consumers as well as shaping the customer perception while shopping online. For this purpose, the data from 356 respondents have collected through questionnaires and detailed analysis to be made. The study is proposed to conducted in Alappuzha district of Kerala by convenient sampling method.

Key Words: Online Shopping, Trust and Security Factors, Customer Perception

Introduction

The world of online shopping is a vast and interconnected network, where consumers interact with countless websites, payment gateways, and third-party sellers. This interconnectedness has given rise to a multitude of risk factors that can impact both consumers and businesses. Among these multiple factors, the very first concern of a customer who delas with it is the Trust and Security. This research paper embarks on a comprehensive exploration of the pivotal roles of trust and security in the realm of online shopping. It endeavors to dissect the components that comprise trust and security factors which greatly influence the online buying behaviour of people.

Review of Literature

Trust in Online Shopping: A Review of Literature (2018) by Zhang et al. This study reviews the literature on trust in online shopping and identifies the key factors that influence trust, including website quality, customer reviews, and privacy and security protection.

The Impact of Trust and Perceived Security on Online Shopping Intention (2019) by Wang et al. This study examines the impact of trust and perceived security on online shopping intention. The study found that both trust and perceived security have a positive impact on online shopping intention.

The Impact of Trust and Security on Online Shopping Behavior (2020) by Chen et al. This study examines the impact of trust and security on online shopping behavior. The study found that both trust and security have a positive impact on online shopping behavior.

The Impact of Trust and Security on Online Shopping in the Era of COVID-19 (2022) by Zhang et al.

This study examines the impact of trust and security on online shopping in the era of COVID- 19. The study found that trust and security are even more important in the era of COVID-19, as consumers are more concerned about their safety and security.

Online Trust and Purchase Intention: Role of Perceived Risk, Perceived Benefit, and Satisfaction” by Singh et al. (2022) found that perceived risk is a major barrier to online shopping, but that trust can mediate this relationship. The study also found that perceived benefit and satisfaction are important factors in building trust with online shoppers.

Factors Influencing Online Trust and Purchase Intention: A Meta-Analysis” by Liang et al. (2023) found that website quality, security and privacy, and customer service are the most important factors influencing online trust. The study also found that online trust has a positive impact on purchase intention.

The Role of Trust In Online Shopping: A Systematic Review and Research Agenda” by Chen et al. (2022) reviewed the literature on trust in online shopping and identified a number of factors that influence trust, including website quality, security and privacy, customer service, reputation, and social media presence. The study also identified a number of gaps in the literature that need to be addressed by future research.

Chou et. Al. (2015) examined female Online Shoppers: Examining the Mediating Roles of E-Satisfaction and E-Trust on E-Loyalty Development. As the number of female customers shopping in online clothing stores increases, understanding how female customers’ e-loyalty is formed and fostered in this type of online store becomes very pivotal. Yet, despite its importance, little research has been done on this issue. The purpose of this paper is to focus on female online clothing shoppers and aim to examine the mediators of e-loyalty in the context of online clothing stores: e-satisfaction and e-trust.

Statement of the Problem

As the e-commerce ecosystem continues to evolve in the modern era, understanding how consumers’ trust and security perceptions adapt to distinct online scenarios is essential for businesses and policymakers. This research project seeks to investigate the nuanced nature of trust and security perception among online consumers within diverse online contexts. Despite the critical role that trust and security play in shaping consumer behavior online, limited research has delved into the specific dynamics of these perceptions across diverse online scenarios.

Objectives

1. To identify various factors connected with Trust and Security which shapes customers’ perception towards online shopping.
2. To understand the relationship between Trust and Security factors.
3. To understand the relation of Trust and Security with demographic factors.
4. To evaluate general shopping habit of online customers

Research Methodology

The Present study is descriptive and analytical in nature. The data was collected from primary sources using a predefined questionnaire in google form. For analysing the trust and security factors in online

shopping Alappuzha district the sample size confined to 356 respondents using Convenience Sampling Technique. SPSS software is used for data analysis and the tools used were Chi-square, Kruskal Wallis Test, Correlation etc.

Data Analysis

Reliability Test of Data Collected

Table showing Reliability Statistics

Variables	Reliability Statistics	
	Cronbach's Alpha	N of Items
Security	.870	6
Trust	.797	5

As the Cronbach's Alpha shows more than 0.7, the internal consistency and reliability is higher.

Normality Test

Table showing Test of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Security	.131	356	.000	.918	356	.000
Trust	.135	356	.000	.929	356	.000

Here, the sig. value is less than 0.05 at 5% level significance; the data is deviated from the normal distribution. Hence tests that must performed here are non-parametric

Hypothesis Tests

H01 : Security Factor does not vary among different Age groups

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Security is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

As the $P < 0.05$, the null hypothesis is rejected. So it is concluded that Security factor vary among different age groups.

H02 : Trust Factor does not vary among different Age groups

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Trust is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

As the $P < 0.05$, the null hypothesis is rejected. So it is concluded that Trust factor vary among different age groups.

H0 : Security Factor does not vary among different Occupation

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Security is the same across categories of Occupation.	Independent-Samples Kruskal-Wallis Test	.021	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

As the $P < 0.05$, the null hypothesis is rejected. So it is concluded that Security factor vary among different Occupation

H0 : Trest Factor does not vary among different Occupation

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Trust is the same across categories of Occupation.	Independent-Samples Kruskal-Wallis Test	.005	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

As the $P < 0.05$, the null hypothesis is rejected. So it is concluded that Trust factor vary among different occupation.

H0 : There is no association between Gender and Shopping Habit

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.476 ^a	8	.001
Likelihood Ratio	23.574	8	.003
N of Valid Cases	354		

As the $p < 0.05$ it is concluded that there is an association between Gender and Shopping Habit.

H0 : Security Factors have no relationship Trust factors

Correlations

		Security	Trust
Security	Pearson Correlation	1	.715**
	Sig. (2-tailed)		.000
	N	356	356
Trust	Pearson Correlation	.715**	1
	Sig. (2-tailed)	.000	
	N	356	356

** . Correlation is significant at the 0.01 level (2-tailed).

As $r = 0.715$ and $P < 0.05$ it is concluded that there is a strong positive correlation between the two variables.

Finding & Suggestions

The research proves that Trust and Security factors have a prominent role in determining the online purchase behaviour of a consumer. It is shown here that both factors having a reasonable degree of correlation also. Different aspects relating to Trust and Security is collected as responses and evaluated here. From the study, it is observed that the distribution of Trust and Security factors vary among different categories of age. The same is proved in case of various categories of occupation. It is proved that the distribution of Trust Security and Factors vary among different categories of occupation. Yet another finding evidenced that there is a clear association between Gender and Shopping Habit.

It is observed from the response that majority of the respondents, 43.3 % are not frequent online buyers and they generally involve in purchase at least once in a month. Only 10% of the respondents are frequent buyers who engage more than 5 times in a month. Another finding is that considering various category of products like Electronics & Gadgets, Clothing & Fashion, Groceries, Books& Articles, Kitchen appliances, Cosmetics and personal care products, 71.3% of respondents mostly prefer clothing & fashion and 46.1% prefer electronics and gadgets while doing online shopping.

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