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Innovativeness/Novelty-Seeking Behavior as Determinants of Online Shopping Behavior Among Indian Youth

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The purpose of this research is to examine the relationship between innovativeness/novelty-seeking behavior of Indian youth and their online shopping behavior. Three hundred students studying in universities in the northern region of India between the ages of 18 and 24 years participated in the survey. The research findings show a positive relationship between innovativeness/novelty-seeking behavior and online shopping behavior. The article concludes that Indian youth are interested in online shopping Web sites because these Web sites provide the latest information about products and services. Their online shopping is influenced by Web site attributes such as convenience and flexibility. The surveyed population felt comfortable purchasing with cash because online transactions are considered insecure. The article concludes with some suggestions that companies can incorporate to successfully attract Indian youth to their Web sites for shopping.

KEYWORDS convenience, Indian youth, information availability, novelty-seeking behavior, online shopping behavior

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INTRODUCTION

The information and communication technology era has spurred increased use of technology in business. Information communication technology (ICT) has grown from being a “concentrated” technology to a “mass” or “social” technology used for marketing (Adams and Ghose 2003). More and more people around the world browse the Internet to get information about products and services. However, recent research indicates that there is limited use of the Internet for shopping (Moe and Fader 2004; Soopramanien and Robertson 2007).

According to a survey conducted by Nielsen, Indian netizens are the third largest credit card users for online shopping next to only Turkey and Ireland (Achille 2008; Express India 2008). Among online shoppers, the highest percentage comes from South Korea (99%), followed by the United Kingdom (97%), Germany (97%), Japan (97%), and the United States (94%). Internet use in Asia between 2000 and 2009 has increased more than 5 times and accounts for 42.2 percent of users. India stands fourth globally, with 4.9 percent being Internet users as compared to China, which has 20.8 percent. The United States has 13.1 percent users, followed by Japan at 5.5 percent (Internet World Statistics 2009).

Growth in Internet accessibility has increased its adoption for browsing and shopping among Indians. However, with a population of over a billion, the number of Internet users is still quite small. It is to be noted that among 71 million users, only 52 million are active users. Indian youth continue to drive the surge of Internet usage and comprise a large section of total users. Among youths, the Internet is primarily used for searching general information and browsing entertainment Web sites (Ganguly 2009). Internet World Statistics (2008) stated that India had a 7 percent personal computer penetration rate in 2008. The increase in the number of a net-savvy population of around 81 million has spurred the growth of online retail in India (Chahal and Kohli 2009). Indian retail is projected to touch $607 billion in 2010, and the growth in middle-class income levels will keep the sector growing at the rate of 10 percent over next 5 years (Mishra 2009).

Mahmood, Bagchi, and Ford (2004), in their research on online shopping in different countries, suggested that trust and economic conditions have positive and significant impact on consumers’ online shopping behavior. The researchers tried to understand the influence of novelty-seeking behavior in determining online purchase tendencies among Indian youth. Since consumer shopping behavior is governed by personality traits, its impact on choosing the online medium as a retail option cannot be ignored. India, one of the fastest growing, emerging economies with a large youth population, presents a promising market for online retail.
Online Shopping Behavior

Turley and Milliman (2000) stated that shopping environments affect consumer shopping behavior, as they derive utility from searching for products in different store environments (Bloch, Sherrell, and Ridgway 1986). Häubl and Trifts (2000, 5) defined online shopping behavior “as a shopping activity performed by a consumer via computer-based interface, where the consumer's computer is connected to, and can interact with, a retailer's digital storefront.” Online shopping behavior is based upon appearance of Web sites, quality of images and pictures, and video clippings, not on actual product experiences (Lohse and Spiller 1998; Park and Kim 2003). Research has examined the role of different factors on individuals’ e-commerce adoption, such as geography and store accessibility (Farag et al. 2006), perceived risk and online shopping benefits (Pires, Stanton, Eckford 2004), typology of online stores (Moe 2003), enjoyment and trust in Web sites (Grewal, Lindsey-Mullikin, and Munger 2004; Gefen 2004; Lee, Cheung, and Chen 2005; Ha and Stoel 2009), gender differences in online shopping (Dittmar, Long, and Meek 2004; Sanchez-Franco 2006; Hasan 2010), attitudes toward online shopping (Dittmar et al.; Ahn, Ryu, and Han 2007; Lin 2007; Hasan), and impact of consumers’ socio-economic conditions (Sorce, Perotti, and Widrick 2005; Farag et al.).

Increased Internet penetration has affected consumers' preferences for using it for browsing and surfing (Soopramanien and Robertson 2007) and searching for new product information (Moe and Fader 2004). Alba and colleagues (1997) suggested that consumer shopping behavior in online interfaces differs from the traditional retail environment. The online shopping environments motivate consumers to look for products that enhance the utilitarian and hedonic aspects of shopping (Menon and Kahn 2002; Dabholkar and Bagozzi 2002; Monsuweé, Dellaert, and de Ruyter 2004; Bauer, Falk, and Hammerschmidt 2006; Ha and Stoel 2009).

Hirschman and Holbrook (1982) described shopping motives as entertainment seeking or utilitarian in nature. The utilitarian shopping behavior has been defined as task related and rational (Batra and Ahtola 1991) and focuses on the accomplishment of a particular consumption need (Babin, Darden, and Griffen 1994). Much shopping behavior is focused toward getting emotional stimulation while exploring for products (Sherry, McGrath, and Levy 1993; Babin et al.). To encourage consumers to shop online entails retail Web sites combining utilitarian and hedonic values. Online retailing presents shoppers with an interactive environment that combines both hedonic and utilitarian shopping motives (Childers et al. 2001; Shang, Chen, and Shen 2005; Bauer et al. 2006). Childers and colleagues posited that convenience, navigability, and interactivity of Web sites are predictors to
consumer online shopping attitudes. The sensual and emotional aspect of shopping should not be ignored (Batra and Ahtola). Liu and colleagues (2008), in their research on Chinese consumers’ online shopping behavior, suggested factors like information quality, Web site design, merchandise attributes, transaction capability, security/privacy, payment, delivery, and customer service as predictors to online shopping.

The reasons for using the Internet for shopping are triggered by diverse attitudes and motivations. Consumers seek value, temporal benefits, flexibility, and possibility of exploring products in online environments (Sorce et al. 2005). Korgaonkar and Wolin (1999), in their research on online shopping motivation, stated that consumers look for transaction security and privacy, information availability, interactivity, escapism, socialization, non-transactional privacy, and economic motivation. Consumers search for convenience in online transactions (Bhatnagar, Misra, and Rao 2000) as it gives them flexibility to browse Web sites at their leisure (Alreck and Settle 2002).

The technology adoption model (TAM) suggests that technology use depends on factors like enjoyment, ease of use, usefulness, and navigability (Davis, Bagozzi, and Warshaw 1989). For enhancing the perceived usefulness of online media, the instrumental and entertainment aspects of shopping should be combined (Chiders et al. 2001; Wang, Pallister, and Foxall 2006). Hedonic motivations have become increasingly important in attracting consumers to visit the stores or retail Web sites (To, Liao, and Lin 2007). Consumers seek sensual stimulation while shopping in both online and offline environments (Falk 1997; Shang et al. 2005; Bauer et al. 2006; To et al.; Ha and Stoel 2009). Overby and Lee (2006), in their research on consumer preferences for online retailers, suggested that consumers give more preference to the utilitarian components of retail Web sites. The utilitarian aspects in online shopping enable consumers to examine different products and their prices and service components (Jarvenpaa and Todd 1997; Vijaysarathy and Jones 2000; Mathwick, Malhotra, and Rigdon 2001; Teo 2001). Fiore, Kee, and Kunz (2003) posited that online shopping formats appeal to consumers because of the fun, enjoyment, and engaging attributes that which make shopping pleasurable.

Consumer Innovativeness and Novelty-Seeking Behavior

Consumer predisposition to try new products, services, and ideas is dependent upon their variety-seeking behavioral trait. Venkatraman and Price (1990) stated that consumer innovativeness or novelty-seeking behavior is a predisposition to look for new products and services. It relates to the desire for new experiences (Venkatraman 1991) and trying new products. This is affected by consumer demographic and psychographic profiles (Kim et al. 2010) as it helps them express themselves. Midgley and Dowling (1978) postulated that there are three types of consumer innovativeness: specific
innovativeness for a single product, specific innovativeness for a single category of products, and innate innovativeness that stretches across multiple product categories. Most researchers are of the view that consumer innovativeness or novelty-seeking behavior is a personality trait and differs across individuals (Midgley and Dowling; Rogers 1983; Agarwal et al. 1998; Citrin et al. 2000; Crespo and del Bosque 2008). Hirschman (1980) links the innovativeness to consumer creativity and novelty-seeking experiences. There is a direct relationship between consumer innovativeness and new product adoption (Foxhall and Haskins 1986; Mudd 1990; Venkatraman and Price; Chau and Hui 1998; Bearden, Hardesty, and Rose 2001), and a similar trend can be hypothesized regarding consumers’ adoption of new technologies. Hirunyawipada and Paswan (2006), in their research on role of consumer innovativeness and adoption of high-technology products, found that cognitive and domain-specific innovativeness affects product adoption. They classified innovativeness into three levels—global innovativeness, domain-specific innovativeness, and innovative behavior. Global innovativeness is a personality trait (Leavitt and Walton 1975; Midgley and Dowling; Goldsmith, Freiden, and Eastman 1995) and is defined by traits like openness and novelty- and variety-seeking behavior (Leavitt and Walton; Midgley and Dowling; Hirschman; Manning, Bearden, and Madden 1995; Menon and Kahn 1995; Goldsmith et al.). Domain-specific innovativeness is a consumer tendency to try out new products and services (Goldsmith and Hofacker 1991; Goldsmith et al.) and varies across product categories (Roehrich 2004). Consumers differ in the adoption rate of new products and technologies; some are early adopters, whereas others are laggards (Midgley and Dowling; Rogers). Manning and colleagues stated that consumers first must be aware of the product and then only can adopt it. They classified novelty-seeking behavior as a trait to adopt new products and services. Hirschman suggested that an individuals’ novelty-seeking behavior affects his or her behavior of seeking new information about products and plays a role in initial product adoption. Novelty-seeking consumers search for information about new product launches through various media and retail outlets (Manning et al.). Consumer innovativeness or novelty-seeking behavior is linked with the enjoyment that a consumer gets from trying new products and services (Engelland, Hopkins, and Larson 2001).

Wang and colleagues (2006) conducted research to understand how involvement/innovativeness and cognitive styles affects consumers’ brand loyalty and Web site behavior. They discovered that consumer involvement and cognitive styles interact to influence decision making. Consumer innovativeness is an important determinant of online purchasing behavior (Foxhall 1995; Alba et al. 1997; Citrin et al. 2000; Limayem, Khalifa, and Frini 2000; Goldsmith 2002; Alpert et al. 2003; Lassar, Manolis, and Lassar 2005). Consumer innovativeness and cognitive styles affect adoption of online shopping (Foxhall). Bigné-Alcaniz and colleagues (2008) examined the role of
information dependency and innovativeness on online shopping. They suggested that online shopping information has a positive and direct impact on consumer intentions. They concluded that consumer innovativeness affects Internet exposure, while ease of use influences shopping decisions. The involved consumers were more willing to purchase online.

The research objectives of this research were as follows:

R1: To identify whether consumer novelty-seeking behavior has a positive relationship with the online shopping behavior of Indian youth.
R2: To identify whether consumers’ novelty-seeking behavior influences online purchasing.
R3: To identify whether willingness of Indian youth to shop online is dependent upon online shopping behavior.

Significance of this Research

The general research objective was to study the relationship between novelty-seeking/innovativeness and online shopping behavior among Indian youth. Vij (2007) stated that the younger generation constitutes an attractive segment for online retail, as they spend more time browsing the Internet (Reimer 2006; Vij). Research published by Gupta, Handa, and Gupta (2008) regarding online shopping by Indian youth found that consumers do not trust Web sites for shopping. Indian consumers are reluctant to purchase expensive products online, and their online behavior is restricted to browsing.

Research suggests that Internet usage is increasing in developing countries and that the younger population is addicted to the Internet. As stated earlier, India stands fourth after China, Japan, and the United States in Internet use. Therefore, understanding Indian youth’s online shopping behavior can be of considerable importance to companies trying to sell their products and services through online retail models. Consumer innovativeness/ novelty-seeking behavior is a personality trait (Manning et al. 1995) and plays a significant role in encouraging consumers to use new technologies for receiving service and buying products. In India, the younger generation is more enamored by new mobile gadgets, Web-enabled mobile phones, Internet, and high-tech products (Internet and Mobile Association of India [IAMAI] 2006). They present an interesting segment for online sellers, as they are accustomed to using Internet for accessing information.

RESEARCH METHODOLOGY

The research instrument for assessing Indian youth’s novelty-seeking behavior and its implication on online shopping was comprised of 20 constructs. The first section of the questionnaire was comprised of eight constructs adapted from Manning and colleagues’s (1995) consumer innovativeness/
novelty-seeking behavior scale. The second section of the instrument contained 12 constructs adapted from the online shopping scale developed by Sorce et al. (2005). Over 300 graduate and postgraduate students from Indian universities participated in the survey. The students were from different parts of the country and were studying in the universities after gained admission through a national entrance examination. This provided a diverse sample of Indian youth belonging to different regions and states. The age of the students ranged between 18 and 24 years.

The students were asked to fill out a structured questionnaire by indicating their agreement on a 5-point Likert-type scale (1 = strongly agree, 5 = strongly disagree). As most Indians are conversant in English, the questionnaire was administered in English. Out of 300 filled questionnaires, 259 completed questionnaires were able to be used.

The reliability test was run on the scale items to understand whether the scale could be used for further research purposes. Cronbach’s (1951) coefficient alpha measures the extent to which the scale items cohere with each other. The reliability of the items were ascertained by computing the Cronbach alpha, and the score for 20 constructs was 0.874. Cronbach’s alpha value for the 8 novelty-seeking constructs was 0.825; for the 12 online shopping constructs, it was 0.866.

FINDINGS AND DISCUSSION

The total sample size of 259 included 210 male and 49 female respondents. The low number of female respondents is because fewer female students are studying in post-graduate and graduate courses in India.

A correlation test was conducted to understand the impact of novelty-seeking behavioral attributes on online shopping attitude. The results (table 1) show that there exists a positive correlation between the online shopping attitude constructs with the novelty-seeking behavior of Indian youth.

The first dimension for novelty-seeking behavior, “I often seek out information about new products and services,” shows a low correlation with the online shopping behavior dimensions of “I can shop online for products that are not available or are hard to find offline” ($r = 0.106, p = .087$; insignificant at the .05 level), “it is easier to compare shop online” ($r = 0.121, p = .052$; insignificant at the .05 level), and “I like to shop online because I can do it any time of the day and night” ($r = 0.121, p = .052$). The results show that novelty-seeking individuals like to examine the products. Hirschman (1980) posited that a novelty-seeking behavior trait affects the individual’s motive to look for new information. Consumers possessing novelty-seeking traits may not prefer the convenience attribute of browsing the Internet for information. They prefer to acquire information about new
TABLE 1  Correlation between Novelty-Seeking Behavior and Online Shopping Behavior Attributes

<table>
<thead>
<tr>
<th>I often seek out information about new products and services</th>
<th>I like going to places where I will be exposed to information about new products and services</th>
<th>I like magazines and Web sites that introduce new products</th>
<th>I frequently look for new products and services</th>
<th>I seek out situations in which I will be exposed to new and different sources of information</th>
<th>I am continually seeking new product experiences</th>
<th>When I go shopping, I find myself spending very little time checking out new products and services</th>
<th>I take advantage of the first available opportunity to find out about new and different products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson correlation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I find commercial Web sites (e.g., manufacturer or retail)</td>
<td>.242**</td>
<td>.278**</td>
<td>.308**</td>
<td>.190**</td>
<td>.152*</td>
<td>.204**</td>
<td>.170**</td>
</tr>
<tr>
<td>more helpful than informal chat rooms</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.002</td>
<td>.014</td>
<td>.001</td>
<td>.006</td>
</tr>
<tr>
<td>I prefer to learn about products on the Web and then buy them using the phone or at the retail store</td>
<td>.186**</td>
<td>.180**</td>
<td>.231**</td>
<td>.320**</td>
<td>.201**</td>
<td>.098</td>
<td>−.009</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.003</td>
<td>.004</td>
<td>.000</td>
<td>.000</td>
<td>.115</td>
<td>.891</td>
</tr>
<tr>
<td>When I shop online, I look for price information</td>
<td>.158*</td>
<td>.234**</td>
<td>.216**</td>
<td>.204**</td>
<td>.177**</td>
<td>.013</td>
<td>−.045</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.011</td>
<td>.000</td>
<td>.000</td>
<td>.004</td>
<td>.831</td>
<td>.469</td>
</tr>
<tr>
<td>When I shop online, I look for brand information</td>
<td>.155*</td>
<td>.228**</td>
<td>.209**</td>
<td>.245**</td>
<td>.253**</td>
<td>.059</td>
<td>.052</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.012</td>
<td>.000</td>
<td>.001</td>
<td>.000</td>
<td>.347</td>
<td>.407</td>
</tr>
<tr>
<td>When I shop online, I look for information about dealers that carry the product</td>
<td>.164**</td>
<td>.219**</td>
<td>.232**</td>
<td>.220**</td>
<td>.237**</td>
<td>.154*</td>
<td>.033</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.008</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.013</td>
<td>.600</td>
</tr>
<tr>
<td>It is easy to shop for things online</td>
<td>.178**</td>
<td>.141*</td>
<td>.194**</td>
<td>.233**</td>
<td>.195**</td>
<td>.130*</td>
<td>.025</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.004</td>
<td>.023</td>
<td>.002</td>
<td>.000</td>
<td>.002</td>
<td>.037</td>
</tr>
</tbody>
</table>

(Continued)
<table>
<thead>
<tr>
<th></th>
<th>I often seek information about new products and services</th>
<th>I like to go to places where I will be exposed to information about new products and services</th>
<th>I like magazines and Web sites that introduce new products</th>
<th>I frequently look for new products and services</th>
<th>I seek out situations in which I will be exposed to new and different sources of information</th>
<th>I am continuously seeking new product experiences</th>
<th>When I go shopping, I find myself spending very little time checking out new products and services</th>
<th>I take advantage of the first available opportunity to find out about new and different products</th>
</tr>
</thead>
<tbody>
<tr>
<td>I can shop for products online that are not available or are hard to find offline</td>
<td>Pearson correlation</td>
<td>.106</td>
<td>.149**</td>
<td>.170**</td>
<td>.218**</td>
<td>.169**</td>
<td>.063</td>
<td>.026</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.087</td>
<td>.017</td>
<td>.006</td>
<td>.000</td>
<td>.006</td>
<td>.315</td>
<td>.678</td>
</tr>
<tr>
<td>Shopping online saves time</td>
<td>Pearson correlation</td>
<td>.130*</td>
<td>.084</td>
<td>.135*</td>
<td>.155*</td>
<td>.231**</td>
<td>.118</td>
<td>.013</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.037</td>
<td>.179</td>
<td>.032</td>
<td>.013</td>
<td>.000</td>
<td>.058</td>
<td>.834</td>
</tr>
<tr>
<td>It is easier to compare shop online</td>
<td>Pearson correlation</td>
<td>.121</td>
<td>.037</td>
<td>.087</td>
<td>.179**</td>
<td>.188**</td>
<td>.050</td>
<td>.061</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.052</td>
<td>.552</td>
<td>.161</td>
<td>.004</td>
<td>.002</td>
<td>.427</td>
<td>.332</td>
</tr>
<tr>
<td>Shopping online avoids the hassle of going to a store</td>
<td>Pearson correlation</td>
<td>.155*</td>
<td>.115</td>
<td>.168**</td>
<td>.205**</td>
<td>.214**</td>
<td>.033</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.012</td>
<td>.064</td>
<td>.007</td>
<td>.001</td>
<td>.001</td>
<td>.602</td>
<td>.972</td>
</tr>
<tr>
<td>I like to shop online because I can do it any time of the day or night</td>
<td>Pearson correlation</td>
<td>.121</td>
<td>.171**</td>
<td>.200**</td>
<td>.264**</td>
<td>.288**</td>
<td>.181**</td>
<td>.138*</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.052</td>
<td>.006</td>
<td>.001</td>
<td>.000</td>
<td>.000</td>
<td>.003</td>
<td>.027</td>
</tr>
<tr>
<td>I would like to shop online</td>
<td>Pearson correlation</td>
<td>.132*</td>
<td>.161**</td>
<td>.232**</td>
<td>.269**</td>
<td>.273**</td>
<td>.165**</td>
<td>.118</td>
</tr>
<tr>
<td></td>
<td>Sig. (two-tailed)</td>
<td>.034</td>
<td>.010</td>
<td>.000</td>
<td>.000</td>
<td>.008</td>
<td>.058</td>
<td>.000</td>
</tr>
</tbody>
</table>

*Correlation is significant at the .05 level (two-tailed); ** correlation is significant at the .01 level (two-tailed).
products and services by examining them at their leisure and making comparisons offline. Consumer innovativeness as a trait enables consumers to embrace change and try new products more often and quickly than others (Venkatraman 1991; Engelland et al. 2001; Hirunyawipada and Paswan 2006; Aldás-Manzano et al. 2009).

The second dimension of novelty-seeking behavior, “I like to go to places where I will be exposed to new products and services,” has a low correlation with the three dimensions of online shopping behavior “shopping online saves time” \((r = 0.084, p = .179)\), “it is easier to compare shop online” \((r = 0.037, p = .552)\), and “shopping online avoids the hassle of going to the store” \((r = 0.115, p = .064)\). Consumers prefer to visit new stores and places to seek new information. Online shopping does not give the consumers opportunities to visit new places or stores in pursuit of their interest to look for information. They consider exploring for products a pleasurable activity rather than a hassle. The results for the novelty-seeking behavior traits of the third, fourth, and fifth constructs show a positive correlation with all 12 dimensions of online shopping behavior. The shopping Web sites are considered important for acquiring new information. Indian youth use Web sites for browsing, looking for new information, and chatting (Sudhakar and Rao 2003; Gupta et al. 2008). Innovativeness or novelty-seeking behavior is a stimulation need and a desire to look different (Steenkamp, Hofstede, and Wedel 1999).

For the novelty-seeking behavior dimension of “I am continually seeking new product experiences,” there was no correlation with the online shopping behavior dimensions of “I prefer to learn about products on the Web and then buy them using the phone or at the retail store” \((r = 0.098)\), “when I shop online I look for price information” \((r = 0.013)\), “when I shop online I look for brand information” \((r = 0.059)\), “I can shop for products online that are not available or are hard to find offline” \((r = 0.063)\), “shopping online saves time” \((r = 0.118)\), “it is easier to compare shop online” \((r = 0.050)\), and “shopping online saves the hassle of going to a store” \((r = 0.033)\). For each of these dimensions, \(p > .05\). This shows that online product information does not encourage novelty-seeking consumers to visit Web sites for saving time and comparing prices and brands. Since the pleasure of shopping lies in examining new products, the hedonic experience is lacking in online retail Web sites. This supports earlier research that stated that consumers seek pleasure in shopping experiences (Menon and Kahn 2002; Dabholkar and Bagozzi 2002; Monsuwé et al. 2004; To et al. 2007) and shopping formats should appeal to their intrinsic needs (Fiore et al. 2003). If the shopping Web sites lack the entertainment element, the consumer is not encouraged to visit and shop online.

The seventh dimension of novelty-seeking behavior, “when I go shopping, I find myself spending very little time checking out new products and
services” showed low correlation with “I prefer to learn about products on the Web and then buy them using the phone or the retail store” ($r = 0.009$, $p = .891$; insignificant at the .05 level), “when I shop online I look for price information” ($r = 0.045$, $p = .469$), “when I shop online I look for brand information” ($r = 0.052$, $p = .407$; insignificant at the .05 level), “when I shop online, I look for information about dealers that carry the product” ($r = 0.033$, $p = .600$; insignificant at the .05 level), “it is easy to shop for things online” ($r = 0.025$, $p = .693$; insignificant at the .05 level), “I can shop for products online that are not available or are hard to find offline” ($r = 0.026$, $p = .678$), “shopping online saves time” ($r = 0.013$, $p = .834$; insignificant at the .05 level), “it is easy to compare shop online” ($r = 0.061$, $p = .332$), “shopping online saves the hassle of going to a store” ($r = 0.002$, $p = .972$; $p$ is insignificant at the .05 level), and “I would like to shop online” ($r = .118$, $p = .058$; insignificant at the .05 level). The results show that Indian youth did not consider online retail Web sites as sources of new information about products, brands, and their prices. Indian youth prefer to go to the stores and spend time looking for products. This may be understood with respect to the hedonic aspects of shopping behavior (Hirschman and Holbrook 1982; Babin et al. 1994; Menon and Kahn 2002; Dabholkar and Bagozzi 2002).

The last dimension of novelty-seeking behavior, “I take advantage of the first available opportunity to find out about new and different products,” showed low correlation with “it is easy to shop for things online” ($r = 0.116$, $p = .061$; insignificant at the .05 level) and “shopping online avoids the hassle of going to a store” ($r = 0.109$, $p = .080$; insignificant at the .05 level). They do not like the convenience offered by online retail. The dimensions that act as stimuli for exploring new aspects of online retailing, like flexibility and finding new information, showed a positive correlation with novelty-seeking behavior. The new innovations attract the youth, as it enables them to express themselves as technology savvy. Most Indian youth feel confident about the Internet for accessing information and interacting with their friends (Berkowitz et al. 2000; Comegys and Brennan 2003; Gupta et al. 2008). This is in line with earlier research that states that Internet users perceive its utility in searching for information about a purchase (Hoffman and Novak 1996; Maignan and Lukas 1997; Moe and Fader 2004; Soopramanien and Robertson 2007).

To understand the predictors of the online shopping behavior of Indian youth, multiple regression tests were conducted with online shopping behavior dimensions (the 12 online shopping behavior variables were taken as 1 construct) as a dependent variable for novelty-seeking behavior. The novelty-seeking traits are inherent characteristics of consumers and affect their motives to shop online.

The regression analysis results show that the novelty-seeking behavior dimensions motivated consumers to seek new information (table 2). The
findings support earlier research that states that Indian youth prefer to browse the Internet for information (Sudhakar and Rao 2003; IAMAI 2006; Gupta et al. 2008), but very few preferred to shop online. The novelty-seeking dimensions of “I seek out situations in which I will be exposed to new and different sources of information” was significant at .01 levels and the \( p \) value was .001. The consumer innovativeness trait is anchored in personality inventory that determines behavior, specifically the adoption of new products (Leavitt and Walton 1975) and Web sites that help consumers to acquire information. The adoption of new technologies is driven by its utility in the consumers’ lifestyles. With reference to the adoption of the new innovations theory proposed by Rogers (1983), online shopping may be considered as enhancing the variety-seeking trait among Indian youth. The construct related to searching for new information of the novelty-seeking behavior was an important determinant of online shopping behavior. The novelty attribute of online shopping motivates consumers to explore Web sites as source of new information. Indian youth does not consider retail Web sites as convenient and easy for comparing information about products. In comparison to brick-and-mortar stores, retail Web sites

### TABLE 2 Multiple Regression Analysis—Predictors to Online Shopping Behavior

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized</th>
<th>Standardized</th>
<th>( t )</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>18.028</td>
<td>10.659</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>I often seek out information about new</td>
<td>0.051</td>
<td>0.007</td>
<td>0.090</td>
<td>.928</td>
</tr>
<tr>
<td>products and services</td>
<td>0.565</td>
<td>0.006</td>
<td>0.074</td>
<td>.941</td>
</tr>
<tr>
<td>I like to go to places where I will be</td>
<td>0.046</td>
<td>0.006</td>
<td>0.074</td>
<td>.941</td>
</tr>
<tr>
<td>exposed to information about new products</td>
<td>0.625</td>
<td>0.074</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I like magazines and Web sites that</td>
<td>0.440</td>
<td>0.055</td>
<td>0.668</td>
<td>.505</td>
</tr>
<tr>
<td>introduce new products</td>
<td>0.658</td>
<td>0.055</td>
<td>0.668</td>
<td>.505</td>
</tr>
<tr>
<td>I frequently look for new products and</td>
<td>1.542</td>
<td>0.195</td>
<td>2.342</td>
<td>.020*</td>
</tr>
<tr>
<td>services</td>
<td>0.658</td>
<td>0.195</td>
<td>2.342</td>
<td>.020*</td>
</tr>
<tr>
<td>I seek out situations in which I will be</td>
<td>1.737</td>
<td>0.237</td>
<td>3.391</td>
<td>.001**</td>
</tr>
<tr>
<td>exposed to new and different sources of</td>
<td>0.512</td>
<td>0.237</td>
<td>3.391</td>
<td>.001**</td>
</tr>
<tr>
<td>information</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am continually seeking new product</td>
<td>−0.782</td>
<td>−0.106</td>
<td>−1.508</td>
<td>.133</td>
</tr>
<tr>
<td>experiences</td>
<td>0.519</td>
<td>−0.106</td>
<td>−1.508</td>
<td>.133</td>
</tr>
<tr>
<td>When I go shopping, I find myself spending</td>
<td>−0.351</td>
<td>−0.052</td>
<td>−0.860</td>
<td>.391</td>
</tr>
<tr>
<td>very little time checking out new products</td>
<td>0.408</td>
<td>−0.052</td>
<td>−0.860</td>
<td>.391</td>
</tr>
<tr>
<td>and services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I take advantage of the first available</td>
<td>0.949</td>
<td>0.124</td>
<td>1.839</td>
<td>.067</td>
</tr>
<tr>
<td>opportunity to find out about new</td>
<td>0.516</td>
<td>0.124</td>
<td>1.839</td>
<td>.067</td>
</tr>
<tr>
<td>and different products</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. Dependent variable is online shopping behavior.
*Significant at the .05 level (two-tailed); **significant at the .01 level (two-tailed).
are not perceived as an alternative option. For most consumers, retail Web sites are difficult to understand and navigate.

The other novelty-seeking behavior dimension that was a significant predictor to online shopping was “I frequently look for new products and services,” which had a p-value of .02 and is significant at .05 levels. Indian youth consider Web sites to be important sources of information but not a potential medium for conducting transactions. This is in line with earlier research that showed young Indians use the Web for browsing rather than for actual transactions (Reimer 2006; Vij 2007; Gupta et al. 2008). The general innovativeness trait is related to openness and a search for new experiences and is a significant predictor of shopping intention (Craig and Ginter 1975; Midgley and Dowling 1978; Joseph and Vyas 1984; Venkatraman 1991; Manning et al. 1995).

A second regression analysis was run to understand the predictors to shopping online. One dimension of the online shopping behavior was taken as a dependent variable to ascertain the role of online shopping behavior dimensions in predicting Indian youth’s reasons to shop online. The objective was to understand the factors affecting choice of online shopping Web sites and motives behind Indian youth’s reasons to shop online. These could be used by online retailers to improve their Web sites to attract youth to shop online.

The results indicate that Indian youth’s preference to shop online was governed by the flexibility, convenience, reducing wastage of time, and its utility in helping them browse for information about stores (table 3). The dimension “shopping online saves time” has a p-value of .019 (significant at the .01 level), “it is easier to compare shop online” has a p-value of is .016 (significant at the .01 level), “shopping online avoids the hassle of going to the store” has a p-value of .040 (significant at the .05 level), and “I like to shop online because I can do it any time of the day or night” has a p-value of .000 (significant at the .01 level). Interactivity, information availability, flexibility, and convenience are major determinants of online shopping behavior. This is in tandem with research that states that online shopping behavior is based upon the appearance of the Web sites, quality of the images and pictures, and video clippings and not on actual product experiences (Davis et al. 1989; Jarvenpaa and Todd 1997; Lohse and Spiller 1998; Ho and Wu 1999; Park and Kim 2003; Fiore and Jin 2003; Sorce et al. 2005; McKechnie, Winklhofer, and Ennew 2006; Bigné-Alcañiz et al. 2008). The research findings of this study are similar to the research of Bigné-Alcañiz and colleagues, which concluded that online shopping behavior is governed by consumers’ perceptions about the usefulness of the information available on the shopping Web sites. If the Web sites cater to their needs, the consumers would be willing to use it for shopping. The research shows a direct relationship between consumer desire to get new information and Web site use. The online shopping Web sites are convenient if the consumer wants to save time.
MANAGERIAL IMPLICATIONS

Some of the conclusions that can be drawn from the analysis presented in the earlier sections are discussed here. Indian youth is more Internet savvy and use the Internet in their social and professional interactions. The Internet is used in India mainly for browsing, chatting, and sending e-mails. Indian youth perceive the Internet as a medium that gives them access to the latest information and enables them to satisfy their desire for “new” information.

The increased penetration of the Internet into major cities of India has increased its acceptability, and consumers are willing to use it as an alternative purchasing channel. However, the Internet as a medium for online shopping has still to gain acceptance among the masses.

Indian youth consider online shopping Web sites to be sources of information for specific attributes, such as product features, pricing, retailer information, and store comparisons. The reason to use online shopping Web sites is largely governed by convenience, flexibility, and temporal factors.

### TABLE 3  Multiple Regression Analysis—Predictors to Indian Youth’s Preference to Shop Online

<table>
<thead>
<tr>
<th>Predictors to Indian Youth’s Preference to Shop Online</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>–0.282</td>
<td>0.197</td>
<td>–1.430</td>
<td>.154</td>
</tr>
<tr>
<td>I find commercial Web sites (e.g., manufacturer or retail) more helpful than informal chat rooms</td>
<td>0.088</td>
<td>0.047</td>
<td>1.856</td>
<td>.065</td>
</tr>
<tr>
<td>I prefer to learn about products on the Web and then buy them using the phone or at the retail store</td>
<td>0.099</td>
<td>0.054</td>
<td>0.097</td>
<td>1.840</td>
</tr>
<tr>
<td>When I shop online, I look for price information</td>
<td>0.079</td>
<td>0.066</td>
<td>0.071</td>
<td>1.187</td>
</tr>
<tr>
<td>When I shop online, I look for brand information</td>
<td>–0.009</td>
<td>0.066</td>
<td>–0.009</td>
<td>–0.143</td>
</tr>
<tr>
<td>When I shop online, I look for information about dealers that carry the product</td>
<td>–0.031</td>
<td>0.059</td>
<td>–0.030</td>
<td>–0.524</td>
</tr>
<tr>
<td>It is easy to shop for things online</td>
<td>0.111</td>
<td>0.069</td>
<td>0.099</td>
<td>1.625</td>
</tr>
<tr>
<td>I can shop for products online that are not available or are hard to find offline</td>
<td>–0.026</td>
<td>0.062</td>
<td>–0.023</td>
<td>–0.412</td>
</tr>
<tr>
<td>Shopping online saves time</td>
<td>0.156</td>
<td>0.066</td>
<td>0.145</td>
<td>2.365</td>
</tr>
<tr>
<td>It is easier to comparison shop online</td>
<td>0.150</td>
<td>0.062</td>
<td>0.136</td>
<td>2.414</td>
</tr>
<tr>
<td>Shopping online avoids the hassle of going to a store</td>
<td>0.135</td>
<td>0.065</td>
<td>0.120</td>
<td>2.068</td>
</tr>
<tr>
<td>I like to shop online because I can do it any time of the day or night</td>
<td>0.350</td>
<td>0.057</td>
<td>0.340</td>
<td>6.117</td>
</tr>
</tbody>
</table>

Note: Dependent variable is would like to shop online.

*Significant at the .05 level (two-tailed); **significant at the .01 level (two-tailed).
Use of the Internet for shopping is primarily done for inexpensive products due to the perceived lower degree of risk associated with online transactions (Gupta et al. 2008). Indians feel more comfortable doing the transaction through cash, because online transactions are considered to be insecure. A majority of financial transactions in India are done with cash, and credit card use is still restricted to a small section of the society.

To encourage consumers to shop online, the interactivity aspects of the Web site should be appealing. Some people are not comfortable with Internet use and are turned off by retail Web sites that appear complex and difficult to navigate. The interactive nature of Web sites affects consumers’ browsing and purchase behavior (Hartnett 2000; Fiore and Jin 2003; Joines, Scherer, and Scheufele 2003; Swinyard and Smith 2003; Fiore, Jin, and Kim 2005). Interactive aspects of Web sites can be improved through toll-free numbers (where consumers can call and get their queries resolved) or having a FAQ section. Attractive images, easy to understand instructions, answers to frequently asked questions, and a help menu on the Web sites can act as positive inducement to consumers.

Credit card use would also increase if consumers felt confident that the Web sites were secure for financial transactions. Security, network reliability, and perceived risk factors are vital in online transactions (Cockburn and Wilson 1996; Liang and Huang 1998; Miyazaki and Fernandez 2001), and reducing these fears can improve consumers’ attitudes toward online shopping. Online Web sites should be designed to instill confidence in the minds of consumers. There should be service support available through telephone and e-mail to assure them.

To encourage online shopping, promotional programs can be undertaken by companies to convince consumers that an online medium is secure, and consumers can save money or get special deals by using it. Most people lack information about online shopping Web sites. The companies can adopt promotional strategies to inform consumers about the advantages of using online shopping Web sites. Promotional offers in the form of discounts can be given to consumers who use Web sites for shopping. In India, most consumers prefer to order products through phones (as they are familiar with the retailers), and the Internet may prove to be a convenient new medium. The first stage for the adoption of online retailing would imply knowing the retailers and having confidence in purchasing through them.

FUTURE RESEARCH DIRECTIONS

This research was administered only on Indian youth, since it was felt that this section presents a promising segment of consumers for online retailers. These consumers are Internet savvy and willing to try new ideas. Being
brought up with technology and computers, they are likely to adopt them, as it reflects their lifestyle.

Research may also be conducted on young working Indians between 25 and 40 years of age to understand their attitude toward online shopping. The sample selected in the research was comprised of youth who studying and, consequently, are dependent upon their parents for financial assistance. Research can be conducted on working-class consumers; as they are financially independent, their behavior may differ from the students.

Research could be also conducted to understand the kind of products that consumers are most willing to purchase online. This can be of immense use to marketers in designing their online strategies. Further research could be done to make a comparison between the attitudes of Indians residing in metropolitan and non-metropolitan areas. This may prove interesting, as metropolitan consumers have access to a better technology infrastructure and network connectivity. This factor is an important external variable in motivating consumers to use online retail stores.

REFERENCES


