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# What Motivates Consumers to Shop Online? An Empirical Study on Kano City, Nigeria

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*Abstract-* Shopping has become inevitable activity in modern society. There are several means of shopping, i.e. traditional and online shopping. Although, the technology evolved over the years, however, peoples take more times to accepted and adopted it in their daily life. Motivations to engage in retail shopping includes both utilitarian and hedonic dimension. Business conducted over the internet (web-shopping) provide an expanded opportunities for firms to come-up with cognitively and esthetically rich shopping environment in way and manner not readily imitable in none electronic shopping. In this study, Basic Necessity, Fun, price, trust, privacy, and convenience was identified as the main motivational factors. Furthermore, attitudinal model was also looked at; integrating construct drives from model of web–behavior.

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## What Motivates Consumers to Shop Online? An Empirical Study on Kano City, Nigeria

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Abstract- Shopping has become inevitable activity in modern society. There are several means of shopping, i.e. traditional and online shopping. Although, the technology evolved over the years, however, peoples take more times to accepted and adopted it in their daily life. Motivations to engage in retail shopping includes both utilitarian and hedonic dimension. Business conducted over the internet (web-shopping) provide an expanded opportunities for firms to come-up with cognitively and esthetically rich shopping environment in way and manner not readily imitable in none electronic shopping. In this study, Basic Necessity, Fun, price, trust, privacy, and convenience was identified as the main motivational factors. Furthermore, attitudinal model was also looked at; integrating construct drives from model of web-behavior.

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#### I. Statement of Intended Contribution

he findings of this study will redound to the benefit of society, as internet justifies the needs for an effective marketing approach. The main aims of the study is finding out the motivational factors which influences consumers decision for online shopping in Kano city, Nigeria. The study finds seven major factors which motivates consumers to shop online. The factors were carefully chooses to reflect the main motivational aspect which consumers considered when making purchases from online stores. Many researchers in Nigeria, who writes in academic journals concerning online shopping, have their research focus on E-Business and its impacts on Nigerian economy, and how consumers responds to the offerings by those firms currently operating in the country, and the challenges of online shopping from firms and consumers perspectives. This study focused on Kano city, which the most populace city in Nigeria, and commercial Hub of northern Nigeria. Though the focus is within the vicinity/metropolis of Kano, further research is possible by engaging rural populace and other major cities of northern Nigeria. The variables identify in this research may not be sufficient rather more variables are to be considered in future research. Researcher may also look for factors that influence consumer satisfaction and loyalty. Furthermore, the study is vital to the government for policy formulation to regulate and control online transactions in the country, to check mate internet fraud which hinder people acceptance of online transaction in Nigeria, particularly northern part of the country.

#### II. INTRODUCTION

The primary goal of a business is to offer products and services that best serve their consumers need. A business which fulfills the consumer's needs with satisfaction is more successful than its competitors, as satisfied consumers tend to makes repetitive purchases. In a virtual market place, meeting consumers' needs and expectations becomes even more important. Word of mouth, electronic messaging and buying on the basis personal recommendation can make or break commercial reputations; these reputations are quickly built and destroyed on the internet. The internet has propelled the changes of attitude and behavior of consumers all over the world. Due to this blessing, online shopping has emerged and influenced the lives of the ordinary consumers. As online shopping is getting popular, consumers now consider several factors while planning to purchase a particular product from the online platform. Cheema, et. al. (2012) cited Monsuwe, et.al. (2004), online shopping is a shopping behavior of a consumer in an online store or website used for online purchase purpose. Bin Dost, Ilivas, and Abdul Rehman (2015), argued that, online shopping is increasing day by day, whether it's for clothes, electronics, jewelries, e.t.c. many websites are introduced to cater for this increasing demands for comfort and convenience. Online shopping is fast becoming the way to make all your purchases, whether you are at your office, or at the comfort of your couch. Tricks of the trade like cash on delivery and special discount on online purchase have been able to attract people easily. Schneider (2011), retailing is undergoing a process of evolution which is poised to undergo a dramatic transformation. Laudon, and Laudon (2012), the phenomenon of E-commerce had an interested history, in the mid 1990's e-commerce grew rapidly until year 2000, when a major down turn occurred.

#### III. Objectives of the Study

To determine the factors that motivates online shopping behavior of consumer.

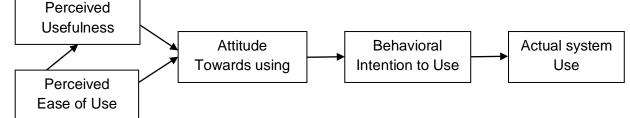
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- To determine the consumers attitudes and behavior towards online shopping
- To measure utilitarian and hedonic motivational factors of online purchases

#### IV. Conceptual Framework

The technological acceptance model forms the conceptual framework for this research. The technology acceptance model, being an upgrade of the technological determinism theory is an information systems theory that models how users come to accept and use information technology. Childers, et. al. (2001) stated that, the model was developed in 1986 by Fred Davis to predict the acceptability of an information system, which is determined by those factors: perceived usefulness (PU), perceived ease of use (PEOU), perceived enjoyment (PE). Perceived usefulness (PU) is defined as being the degree to which a person believes

that the use of a system will improve his job performance. Perceived ease of use (PEOU) on the other hand refers to the degree to which a person believes that using a particular system would be free from effort. Perceived enjoyment (PE) is the customer's perception that by shopping online he or she will have fun. Preetiet.al. (2016) TAM states that, decision of the users in terms of accepting new technology is based on the two assessments' related to the expected outcomes: (i) perceived usefulness (PU), which is defined as the users expectation that the use of new information technology could result in improvement in the job performance. (ii) Perceived ease of use (PEOU), defined as the extent to which the user believed that the use of a particular information technology would be effortless. PU and PEOU have been considered as vital in determining the acceptance of individual and the use of information technology.



Munoz-leiva, Climent-climent, and Liebanacabanillas (2017) TAM has been regarded as the most robust, parsimonious and influential model in innovation acceptance behavior. The TAM model states attitudes towards use of new technology as a construct by two perceived variables: usefulness and ease of use. The approximation to this construct is based on measures to determine how systems allow you to perform task faster, increase productivity, performance and work efficiency. These attitudinal models are based on the benefits' provided by information system (IS), eliminating the negative traits of its use. The model are based on the information processes that lead to intention to either accept or reject technological innovation. Munoz-leiva, Climent-climent, and Liebana-cabanillas (2017), cited Davis (1989) perceived usefulness is the degree to which a person believed that using a specific systems will increase his or her job performance. On several occasion perceived usefulness has also been seen as a perceived related advantage. Munoz-leiva, Climentcliment, and Liebana-cabanillas (2017) cited Rogers (2003) considered a similar construct named "Relative Advantage" defined as "The way it is perceived as being better than its predecessor".

Childers, et. al. (2001) The technology acceptance model postulates that the use of an information system is determined by the behavioral intention, but on the other hand, that the behavioral

#### Source: Preetiet. al (2016)

intention is determine by the persons attitudes towards the use of the system and also by the perception of its utility. There are also other factors the consumers will consider in rejecting online marketing. These factors are: inability to use the internet and inadequate internet connection, lack of trust, delivery in time frame and payments gateway problems Asemah (2011). The model is relevant to this work, in the sense that it provides an explanation into why the internet, being a recent technology of communication, is adopted by users for their marketing communication activities, such factors responsible for the acceptance and adoption by most users are the perceive usefulness and ease of use with perceived enjoyments it offers and other factors such as trust also influence its usefulness. (Ekwueme, Akagwu and Nehemiah 2017)

#### V. REVIEW OF RELATED WORKS

Rehman et al (2018), ASIA Pacific Region is leading the growth of online shopping as compared to the matured market like USA, UK, Japan and European countries. The Asia pacific region recorded the massive growth especially china. Rehman et al (2018) further argued that, unlike physical store, all the goods in online store are described through text, photos and multimedia files. Some online consumers are adventurous, fun seekers, and shopping lovers. Kavitha, (2017) online shopping is a form of electronic commerce whereby consumers directly buy goods or services from a seller over the internet without an intermediary service. Online shopping becomes more popular into people's daily life, many prefer online shopping to traditional shopping especially in the technologically advance society. Kavitha. (2017) further states that, a lot of shoppers are using the internet, as it provides a lot of advantages to shoppers. It saves time and enabled shoppers to avoids crowds, while certain products are substantially cheaper and allow them to purchase products from anywhere anytime in the world. By shopping online, consumers are able to compare prices easily, many large retailers display affiliates link and refer their costumers to similar products which adds to the variety of products available there. Poturak (2018), online shopping industry had expanded so much and so many people buy products online. Consumers are getting familiar with benefits of online shopping, but at the same time a lot of people still choose traditional way of purchasing and have reason for it. However, there is growing trends towards online shopping and this is becoming more and more popular. Kavitha (2017) online shopping makes shopping easier and life become easy too. There is various reason of shifting the consumers buying behavior/patterns towards online retail shops. The facility of competitive products on the basis of price, color, size, and quality is one of the biggest benefits of online shopping.

Simbolan (2015) cited Gintin, and Hartimbul (2011), consumer behavior is a personal action in getting, using, making goods and economic services in making decision before setting action. Bennet (1989) consumer behavior is the way a person acts towards a particular idea or situation that require his or her response. Blithe (2008) one of the vital aspect of consumer is market segmentation, because consumers within the segment are more or less similar in terms of product need and desire. Poturak (2018) convenience is the most vital factor consumers considered when shopping online. People prefer staying at the convenience of their homes and choose products and finished the purchase process by just mouse click. Many customers used traditional shopping (offline) to avoid delivery fees, and have their products or services instantly. Simbolan, (2015) believed that, managers depends on the consumer research to obtain the respond on the market builders, peoples who involves in purchasing, purchasing time and place of the consumer. According to Simbolan, (2015), the task of manager is to understand anything in awareness of buyer between the external stimulant and decision of buyer. He further stated that, decision making of consumer is various based on the type of purchase decision. A complex and expensive purchasing involves any consideration of buyer and participant. Hawkins and Motherbaugh (2010) identified need recognition, problem awareness, information search, evaluation of

alternatives, purchase and post purchase evaluation as part of the process in consumer decision process. Simbolan 2015 cited in Abdullah and Tantri (2013) outline, four types of consumer purchases based on the involvement of buyer and difference level of trade mark namely:

*Complex purchasing behavior;* Purchase behavior minimizes unsuitability;

Purchase behavior conventionally; Purchase behavior requires variation.

Besides the types of consumer purchase behavior, other factors such as cultural factors, social factors, personality factors and psychological factors also influence consumer behavior. (Simbolan, 2015, cited in Nugroho, 2005). Hawking and Mothersbaugh (2010) identifies need recognition, problem awareness, information search, evaluation of alternatives, purchase and post purchase evaluation, as part of the process in consumer decision process. Payne (2012), stated that, consumer recognize a gap between their desires and state of need, they will further search for information on products that will satisfy that desire, form a consideration set of products, to be able to make a decision and purchase from those alternatives, they also evaluate the purchases. Rehman et al (2018) Day-byday taste, preference and choices are varying regarding different factors. However, this development needs some more understanding related to the consumer's behavior. Rehman et al (2018) cited in (Vrender 2016) consumer behavior research identifies a general model of buying behavior that depicts the processes used by consumers in making a purchase decision. Those designs are paramount to the marketer as they can explain and predict consumer purchase behavior. Rehman et al (2018) cited in Jarvenpaa and Todd (1997) who proposed a model of attitude, behavior, and shopping intention towards internet shopping in general. The design includes several indicators classified into four broad categories like product value, quality services offered via the website, the shopping experience, and the risk perception of the online shopping.

Childers et. al. (2001) cited Hirschman and Holbrook (1982), described consumer as either problem solver or one seeking fantasy, fun, arousal, sensory, stimulation, and enjoyment. This dichotomy had been represented in the retail context by themes of shopping as work versus the festive more enjoyable perspective on shopping as a fun. Childers et. al. (2001) stated that many motivations exist as shopping goals, but most hedonic topologists consider instrumental and motivations as fundamental to understanding consumers shopping behavior, because they maintain a basic underlying presence across consumption phenomena. Childers et. al. (2001) cited Sherry (1990) in utilitarian view: consumers are concerned with purchasing product in an efficient and timely manner to

achieve a goal with a minimum irritation. This classification of motivation is consistent with perspective on the adoption of interactive shopping behavior as a new form of technology assisted shopping. Childers et. al cited Davis (1989, 1993); Davis, Bergozzi, and Warshaw, (1989) who develop technology acceptance model (TAM) to understand new technology adoption in work place. TAM postulated several conceptually independent determinants of individual attitudes towards accepting and using on the job-related new technologies. The first is the perceive usefulness (PU) of the new technology, which is the degree to which using the new technology or systems will improve work performance of an individual. The second determinant is perceive ease of use (PEOU) which is the process leading to the final outcome. The latest addition to the TAM determinant is perceive enjoyment (PE) or enjoyment construct, which refers to the activity of using the system provides reinforcement in its own right. (Childers et. al (2001) cited Davis et. al, (1989).

Utilitarian and Hedonic Motivation: Childers et. al cited Barbin, Dardin, and Griffin (1994) the characterization of technology adoption is consistent with research on retail shopping behavior, which supported the presence of both utilitarian and hedonic motivations. The instrumental or utilitarian goal-directed factor envisioned the consumer as thoughtfully considering and evaluating product-related information before making purchases against the hedonic aspect or the pure enjoyment and fun of the shopping experience. According to the TAM concept, enjoyments consists the hedonic part of shopping, usefulness of the interactive media was seen as reflecting the more instrumental part of shopping. While some consumers may be shopping primarily for instrumental purposes, others may be enjoying these interactive media, and therefore both factors can affect their attitudes towards using interactive form of shopping. In this study, enjoyment play a greater role in predicting the adoption of interactive form of shopping, than in more performance oriented setting employed in past studies. This distinction can be extended because some consumers shop for hedonic reason while other consumers may be motivated to achieve more instrumentally oriented goals.

Methodology: Data was collected using single method, through the use of specified instruments. The

instruments were completely standardized questionnaires which will comprise two sections. The first will be aimed at collecting general data from the respondents; the questions will be normally scale and come with pre-established categories for options. The second section will be aimed at collecting data directly pertinent to the study. Considering the research objective, a likert five-point scale ranging from strongly agree to Not sure will be employ to collect a quick response from the respondents.

*Populations of the study:* 500 questionnaires were distributed to the respondents in Kano state Through the use of cluster sampling. The target respondents were between the ages of eighteen to sixty years (18-60) and have the income to shop online and know about online shopping.

*Limitation of the Study:* as the scope of the study denotes, the study is limited to Kano city Nigeria. Further study is possible by engaging the rural populace and other cities to make the study more general and inclusive.

Significance of the study: The findings of this study will contribute greatly to the benefit of society, considering that marketing activities plays a vital role in today's technology. The business conducted over the internet justifies the needs for effective marketing approaches. From the Business perspectives, The findings of this study will provides a guidelines to the managers about the attributes that motivates consumers to shop online, from products and service quality, security, payment gateway, trust-worthiness, mode of delivery channel, pricing and marketing strategy. Thus, the firms that conduct online shopping in Nigeria or wish to enter the Nigerian market, and apply the recommendations about factors that motivate consumers to shop online, derived from this study will be able to handle consumers and knows their shopping behaviors and the factors that motivate those shopping behaviors. The managers will be guided on what consumers expect from the firms. Managers must maintain the pay on delivery policy to gain and maintain trust among the costumers. If the managers consider these factors, they might have a competitive advantage in the virtual market.

All the respondents indicate that, they are aware of online shopping and online stores operate in Nigeria.

	Male	312		
Sex:	Female	135		
	Total	447		
A go:	18-30	241		
Age:	31-40	162		

*Table 1:* Demographic Distribution of the Respondents

	Above 40	74	
	Total	447	
	Employed	311	
Employment Status:	Self-Employed	136	
	Total	447	
	College Grad	127	
	Univ. Graduates	251	
Educational Level:	Masters	62	
	PhDs	07	
	Total	447	
	10-30	107	
	31-50	65	
Earned	51-80	100	
Income =N= (000)	81-99	120	
	100 and above	55	
	Total	447	

Table 1 shows the demography of the respondents, the male folks out numbered their female counterpart. Youth population age (18-30) constitutes more than 50% of the respondents, which shows that, youth in Kano state engage in online shopping than their counterpart age (31 and above). The table also shows that online stores are patronized by both self-employed and public/private sector employees. University

graduates also consists more than half of the respondents, which indicates that university graduates are the purveyors of online shopping in Kano state. Those with the five (5) figure income (=N= 10,000.00 – =N= 99,000.00) constitutes more than 85 % of the respondents who shop online compared to those who earned more than five figure income (=N= 100,000.00 and above).

Responses					
Questions	SA	A	SDA	DA	NS
Fun/Joy	356	41	20	15	10
Basic necessity	381	40	9	6	11
Convenience	341	81	5	13	7
Price	302	95	30	5	15
Trust	294	63	65	9	16
Delivery	309	78	19	27	14
Privacy	239	148	10	32	18

Table 2: Motivational Factors and their Responses
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Keys: SA = Strongly Agree, A = Agree, SDA = Strongly Disagree, DA = Disagree, NS = Not Sure

Table 2 shows the seven (7) research questions and the five likert responses of each question. The first ask the respondents whether they see online shopping as a fun/enjoyment thing to do, which 88% of the respondents agreed and remaining disagreed and not sure respectively. 94% of the respondents agreed that online shopping is nothing but basic necessary thing to do. Almost 95% of the respondents engage in online shopping because of the conveniences it offers, while 89% of the respondents patronized online stores due to the relatively cheaper price and price discount than traditional stores. 79% of the respondents believed that trust is what motivated them to shop online, while 86% shop online due to free delivery and delivery policies of the online stores. Finally, 86% of the respondent believed that, relative privacy of the online shopping is what motivates them to shop online.

#### VI. CONCLUSION AND RECOMMENDATION

The study finds that, both utilitarian and hedonic factors motivate consumers to engage in online shopping. Basic necessity which is utilitarian aspect appears to be the main motivating factor, followed by convenience and other hedonic factors. The study appears to help online firms to identify necessary factors that will actualized the business goals of controlling the larger market, by enabling them to compete effectively in the fast expanding virtual market. The study shows the demography of the respondents which will help the firms to tailor their marketing strategies towards a particular segment that is by tailoring their marketing strategies towards the younger generation. The study will also be useful to brick-and-mortar retailers who want to grab the potential online retail market by better understanding the consumer's motivating factors that shape their purchase decision. The findings of the study will also provide a guidelines to the managers about the attributes that must be included in their products and service quality, security, payment gateway, trustworthiness, mode of delivery channel, pricing and marketing strategy. The finding of the study also, will guide the firms to know the main motivational factors of consumers in a virtual market like Delivery, convenience and privacy. Thus, the firms that conducts online shopping in Nigeria or wish to enter Nigerian market, needs to carefully looks into those factors and tailor their marketing strategies around them. The managers also, must maintain pay on delivery and trade discounts to attract non-costumers.

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