

Influencing Factors of Online Shopping on Customer Satisfaction in Birendranagar, Surkhet

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ABSTRACT

This research aims to investigate and assess the variables that affect the impact of Internet shopping on consumers' satisfaction in Birendranagar, Surkhet. This research used a causal-comparative design to ascertain the causes and consequences of specific variables. One hundred fifteen customers who used to shop online provided information for the analysis. Multiple regression, F-test, mean, and standard deviation were used in the studies. According to the survey, there is a statistically significant impact of perceived risk, comfort, ease, and competitive price when it comes to customer satisfaction. However, it was discovered that the effects of each variable separately produced distinct outcomes. Customer satisfaction is significantly impacted ($<.05$) by comfort and perceived risk but not significantly by competitive pricing and shopping convenience.

1. INTRODUCTION

This research aims to investigate and assess the variables that affect the impact of Internet shopping on consumers' satisfaction in Birendranagar, Surkhet. This research used a causal-comparative design to ascertain the causes and consequences of specific variables. The Internet has transformed into a global network of interconnections, facilitating the supply, and sharing of information for domestic and international transaction platforms. Amazon, Tencent, Groupon, and Alibaba have successfully transformed their online businesses worldwide (Almugari *et al.*, 2022). Rises in digitalization and Internet usage have led to a rise in online shopping worldwide. Numerous online shopping websites offer diverse products and services, making the shopping experience more flexible and convenient for customers (Jain & Sharma, 2020).

Online shopping involves purchasing products or services directly from online vendors, allowing consumers to browse and purchase from businesses operating in the World Wide Web's virtual realm. Since the popularity of the World Wide Web, online merchants have made it possible for consumers to buy a wide

range of products, including books, clothing, home appliances, toys, hardware, software, and health insurance. Consumers prefer online shopping due to its convenience (Puzari *et al.*, 2023).

Online shopping removes the need to carry multiple items in a physical store and eliminates the distractions of loud music and crowds. The app provides a virtual shopping experience, allowing users to select and purchase goods, with product details stored in a database on the server (Puzari *et al.*, 2023). Online shopping has expanded customer reach across various demographics, but it has also shifted consumer preferences. Online shopping success relies on building a solid customer database and regularly communicating with them about offers and new products. As a cost-effective, profitable, and accessible shopping mode, online retailers must monitor online consumerism and its evolution in the era of rapid globalization (Mahmud *et al.*, 2019).

Online shopping satisfaction is crucial for the success of the business. It refers to the product's performance according to the buyer's expectations, and the customer's experience directly influences it. If a customer receives the desired product or service, their behavior is positive, while if they are not satisfied, their behavior is harmful. Customers are more likely to purchase when happy with a particular online retail shop. The experience of online consumers is based on the information provided by online stores, and customers' behavior depends on their satisfaction level (Rani, 2022). Online shopping offers consumers easy access to various products, services, and information, making it convenient and functional. However, some consumers shop for fun, pleasure, and gratification, seeking emotional and hedonic benefits. Lesser prices due to lower operational costs are also perceived benefits of online shopping (Prashar *et al.*, 2017).

The expansion of e-commerce and the arrival of international online merchants have made it imperative to research and comprehend the variables influencing online purchasing and customer satisfaction. Thus, this study aims to investigate website elements of online shopping that affect consumer satisfaction. This article examines the factors influencing customer satisfaction when purchasing online, including perceived ease of use, comfort, competitive pricing, and potential risks.

2. REVIEW OF LITERATURE

E-commerce refers to transactions involving business activities like purchases and sales made through Internet-based network media. The Internet provides efficiency and effectiveness, supporting performance and facilitating work. Perceived ease of use refers to the convenience consumers perceive in using the Internet for various purposes, enhancing their performance. This ease of use is crucial for achieving desired outcomes. The study by Setiyanto and Syakir (2019) examined the impact of perceived ease of use, usefulness, and consumer satisfaction on online purchasing behavior among 200 Batam-based public respondents using an interval and Likert scale with 5 rating categories. Results showed that these factors partially influence online purchasing behavior.

Similarly, another study, Tri Cuong (2023), investigates factors influencing online consumers' satisfaction and repurchase intention in Vietnam using technology acceptance and expectation-confirmation models. The study surveyed 312 online shoppers and found that perceived ease of use, usefulness, website design quality, and price perception positively correlate with satisfaction and repurchase intention. Perceived usefulness was the most influential factor.

Online shopping comfort and quick delivery are crucial for new buyers, where rapid supply and service providers are essential for customer satisfaction. Zandi *et al* (2021) conducted a study to examine the relationship between online shopping experiences, online flow, and e-satisfaction in high-involvement

purchases. A survey of 720 e-consumers revealed that convenience, exchange and return policies and delivery service directly influence satisfaction, while perceived innovation, price, and aesthetics influence flow online.

The study explores factors affecting online shopping satisfaction in India, focusing on website design, product information, security, privacy, perceived usefulness, and interactivity. The research involved 497 online shoppers in Aligarh, UP, and used a structural path model to examine hypotheses. Results showed that product information, website design, security, and perceived usefulness significantly positively influence customer satisfaction in online shopping. However, perceived interactivity had an insignificant relationship (Alsyani *et al.*, 2020).

Price is the money paid to acquire goods or services, allowing for ownership or use. It is a monetary unit used to exchange goods and services for ownership or user rights. The study by Hadiani *et al.* (2021) examines the influence of customer value, customer experience, brand image, price, productivity, service quality, and trust on customer satisfaction. The cross-sectional research design was used to collect information, and the results showed that user experience, promotion, service quality, brand image, customer value, trust, and price significantly affect customer satisfaction.

Along with the convenience of exchanging and trading, online shopping has potential risks. Consumers worry about shopping online because they have concerns about using their credit cards. In addition to this, they have a fear that personal information will be used elsewhere. Tran (2020) explores the impact of product, financial, security, and privacy risks on perceived satisfaction. Results show that perceived risk affects online shopping behaviors, leading to consumers avoiding shopping online. The study suggests a framework for understanding perceived risk types. Marketers should consider these risks when designing electronic marketing channels and strengthen transaction security through appropriate resources and new information technologies.

3. STATEMENT OF PROBLEMS

Online shopping has been quite familiar in developed countries for many years (Mahmud *et al.*, 2019). Now, it has been increasing in developing countries as well. Consumers' buying patterns are changing in developing countries like Nepal, but their growth must still be aligned with the global market. In online shopping, customers must pay using a credit card, debit card, or sometimes directly from their bank account. Therefore, there is a chance of misuse of customers' information. In this regard, customers should understand the different aspects of online shopping. Customers should be aware of many Internet technologies while using online protocols. When online delivery practice grows, it is critical to have a thorough and popular understanding of elements that enhance customer satisfaction (Alsyani *et al.*, 2020). This study examines the influencing factors of online shopping and its impacts on customer satisfaction in Birendranagar, Surkhet.

4. THEORETICAL AND CONCEPTUAL FRAMEWORK

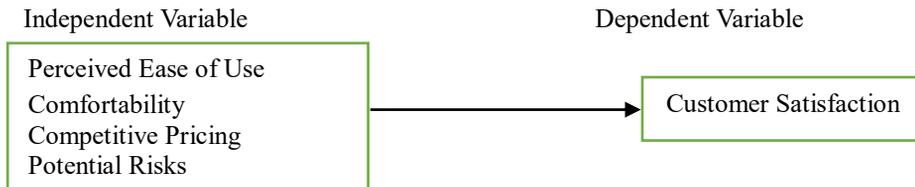
The Theory of Reasoned Action (TRA) is an expectancy-value model emphasizing attitudes, subjective norms, intentions, and behaviors. It was first proposed by Ajzen in 1980 and assumed conscious human behavior. The theory suggests that a person's choice to perform a behavior depends on attitudes and social influences, such as subjective norms. Online shopping is also determined by personal attitude and social influence. Therefore, the theoretical base of this article is the theory of reasoned action.

Online shopping behavior is determined by many influencing factors, such as a person's attitude and social influence. Perceived use of ease (Setiyanto & Syakir, 2019), comfortability, competitive price (Hadiani *et*

al., 2021), and potential risk (Tran, 2020) have been selected as an independent variable, and customer satisfaction has been taken as a dependent variable. The following figure depicts the relationship between the independent and dependent variables.

Figure 1

Conceptual Framework of the Study



5. RESEARCH OBJECTIVES

The study's main objective was to identify the influencing factors of online shopping on customer satisfaction in Birendranagar, Surkhet. More specifically, the present study aimed to --

- a. examine the effect of perceived ease of use of online shopping on customer satisfaction,
- b. identify the comfortability of online shopping on customer satisfaction,
- c. assess the impact of competitive prices on customer satisfaction and
- d. study the impact of the potential risk of online shopping on customer satisfaction.

6. RESEARCH HYPOTHESIS

In this study, null hypotheses have been formulated to examine the impact of influencing factors of online shopping on customer satisfaction.

H₀₁: Perceived ease of use of online shopping may not significantly impact customer satisfaction in Birendranagar, Surkhet.

H₀₂: Comfortability of online shopping may not statistically impact customer satisfaction in Birendranagar, Surkhet.

H₀₃: The competitive price of online shopping may not statistically impact customer satisfaction in Birendranagar, Surkhet.

H₀₄: Potential risk of online shopping may not statistically impact customer satisfaction in Birendranagar, Surkhet.

7. RESEARCH METHODOLOGY

The study aims to identify the factors that influence how satisfied Birendranagar, Surkhet residents are with their online shopping experiences. This study used a cross-sectional approach, in which a variable is only measured once. E-commerce purchasers were the subjects of the study, regardless of whether they accessed the website or a mobile application. Customer satisfaction has been chosen as the dependent variable, and perceived usage of comfort, simplicity of use, competitive price, and potential risk as the independent variables. A Likert scale was used to gather data in the form of a questionnaire. The data were analyzed using both inferential and descriptive statistics. There were 115 responses from participants.

8. ANALYSIS AND DISCUSSIONS

Profile of the Respondents

The demographic information in this section includes the respondents' age, caste, gender, marital status, religion, level of education, occupation, and purchasing habits. Without describing the outcomes of the personal information has tabulated in Table 1.

Table 1

Profile of Respondents Based on Personal Characteristics

Table 1 provides information on the number and percentage of respondents across different personal characteristics.

Age of the Respondents

Categories	Frequency	Percent
15-24	52	45.2
25-34	37	32.2
35-44	19	16.5
45 and above	7	6.1
Total	115	100.0

Gender of the Respondents

Categories	Frequency	Percent
Male	71	61.7
Female	44	38.3
Total	115	100

Religious Status of the Respondents

Categories	Frequency	Percent
Hindu	93	80.9
Buddhist	8	7.0
Christian	11	9.6
Others	3	2.6
Total	115	100

Profession of the Respondents

Categories	Frequency	Percent
Job	31	27.0
Business	10	8.7
Study	60	52.2
Others	14	12.2
Total	115	100

Source: Field survey data, 2023

Caste of the Respondents

Categories	Frequency	Percent
Brahman	41	35.7
Chhetri	28	24.3
Janajati	36	31.3
Others	10	8.7
Total	115	100

Marital Status of the Respondents

Categories	Frequency	Percent
Unmarried	61	53.0
Married	54	47.0
Total	115	100

Educational Status of the Respondents

Categories	Frequency	Percent
Under SLC/SEE	19	16.5
10+2	44	38.3
Bachelor	41	35.7
Master and above	11	9.6
Total	115	100

Shopping trends of Respondents

Categories	Frequency	Percent
Traditional market	31	27.0
Online shops	16	13.9
Both	68	59.1
Total	115	100

Descriptive Analysis

The mean and standard deviation were used to measure the descriptive analysis of all independent and dependent variables. The details of each variable are displayed below, item by item.

Competitive Price

Six elements make up this independent variable, which reflects the competitive pricing of online shopping. The items in these variables were each organized using a five-point Likert scale. Each item's specifics are listed below.

Table 2

Descriptive Statistics of Competitive Price (N=115)

Items	Mean	Std. Dev.
Online shopping reduces unplanned buying.	3.77	1.12
Online shopping provides good quality products.	3.41	1.00
Online shopping saves money.	3.57	0.99
Online shopping offers a competitive price.	3.46	1.12
It offers more discounts and gifts than traditional shopping.	3.60	1.15
Able to get accurate information on price, quantity, quality.	3.51	1.02

Source: Field survey data, 2023

The outcome in Table 2 displays the independent variables' mean value and standard deviation. The mean and standard deviation explain the customer's perception of the competitive pricing charged for online shopping. Customers' opinions of the online product's price charges are overwhelmingly positive. All factors regarding competitive prices have mean values higher than average mean (Average mean, i.e.3), indicating high consumer satisfaction. In the same way, the standard deviation ranges from 0.99 to 1.15.

Comfortability of online shopping

These independent variables measure how comfortable people are with each statement. Each item was measured on a five-point Likert scale. The details for each item are shown below.

Table 3

Descriptive Statistics of Comfortability (N=115)

Items	Mean	Std. Dev.
In online shopping, no pressure for a salesperson.	3.87	1.02
In online shopping, there is a facility of easy returns and refunds.	3.21	1.08
Using online shopping for personal products is easy.	3.64	0.95
Availability of excellent choices of product.	3.30	1.16
In online shopping, comparison of products/brands is relatively easy.	3.37	1.24

Source: Field survey data, 2023

The mean value and standard deviation of each online shopping comfortability are shown in Table 3. Customer satisfaction is evident in all comfortability criteria, with mean values more significant than the normal mean (Average mean, i.e. 3). Similarly, the standard deviation falls between 0.95 and 1.24.

Convenience of Online Shopping

Five components comprise this independent variable, gauging how convenient customers find online shopping. A five-point Likert scale was used to collect responses from each element. Each item's details are displayed below.

Table 4

Descriptive Statistics of Convenience of Shopping (N=115)

Items	Mean	Std. Dev.
Online shopping saves time.	3.85	1.10
Online shopping can be at any place and at any time.	3.68	0.89
Can purchase products from any part of the country.	3.61	1.07
Accessibility of shopping cart checkout process.	3.25	1.12
Door delivery of the product.	3.55	1.27

Source: Field survey data, 2023

Table 4 displays each online shopping convenience item's mean value and standard deviation. All comfortability parameters show high consumer satisfaction, with mean values higher than the average mean (Average mean, i.e. 3). In the same way, the standard deviation ranges from 0.89 and 1.27.

Perceived Risk

This independent variable, which measures customers' perceived risk, particularly financial risk, of online shopping, comprises five components. Each component is arranged using a five-point Likert scale. The details for each item are given below.

Table 5

Descriptive Statistics of Perceived Risk (N=115)

Items	Mean	Std. Dev.
Products may be high-priced.	3.68	1.06
In online shopping, possibility of misuse of credit card.	3.39	0.91
Inability to cancel the order.	3.35	1.06
Delivery costs are too high	3.36	1.15
Additional hidden charges included in online shopping.	3.43	1.33

Source: Field survey data, 2023

Table 5 uses the mean value and standard deviation to show the perceived risk associated with each online buying item. Every metric demonstrates high customer satisfaction, with mean values exceeding the average mean (Average mean, i.e. 3). Similarly, the standard deviation is between 0.91 and 1.33.

Perceived Customer Satisfaction

One independent variable that has been considered is perceived customer satisfaction. It gauges the five-component variable representing the perceived level of customer satisfaction with online shopping. A five-point Likert scale was used to arrange each component of this measure. Each item's details are displayed below.

Table 6

Descriptive Statistics of Perceived Customer Satisfaction (N=115)

Items	Mean	Std. Dev.
Online shopping is as secure as traditional shopping.	3.54	1.13
Online shopping protocols provide financial confidentiality of transactions.	3.37	0.95
The information given about the products and services is sufficient.	3.25	1.05
The description of the product shown on the website is very accurate.	2.98	1.19

The affordable price of the product in online shopping as compared to traditional shopping.	3.37	1.22
Better service offered as compared to traditional retail shopping.	3.45	1.26

Source: Field survey data, 2023

Table 6 displays the perceived level of satisfaction for each online purchase item using the mean value and standard deviation. All metrics show high customer satisfaction; the mean values are higher than the average mean (Average mean, i.e. 3). In the same way, the standard deviation ranges from 0.95 to 1.26.

Inferential Analysis

A linear regression model was used to examine the gathered respondent data. ANOVA analysis and coefficient calculations have been made for each variable model summary, and the impact of the independent variable on the dependent variable has been investigated.

Table 7

Model Summary of Customer Satisfaction Using Online Shopping

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Customer Satisfaction	0.568	.323	.298	3.70949

a. Predictors: (Constant), competitive price, comfortability, convenience, and perceived risk

The value of R^2 , also known as the coefficient of determination, is shown in Table 7 and indicates the percentage of the overall variance in customer satisfaction around its mean that can be accounted for by the regression of online shopping determinants. The variance in consumer satisfaction can be explained by 32.3% by competitive price, comfortability, convenience, and perceived risk.

Table 8

Analysis of ANOVA of Online Shopping

Model		Sum of Squares	df	Mean Square	F	Sig.
Determinants of online shopping	Regression	721.151	4	180.288	13.102	0
	Residual	1513.632	110	13.760		
Total		2234.783	114			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), competitive price, comfortability, convenience, and perceived risk

The results of the ANOVA analysis are displayed in Table 8, where the "Sig" value (.000) of the factors influencing online shopping on customer satisfaction is less than .05 in this case. Consequently, the null hypothesis is rejected at the 5% significance level. It shows that competitive pricing, comfort, convenience, and perceived risk statistically affect customer satisfaction.

Table 9

Coefficient of determinants of online shopping

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.583	2.649		.975	.332
Competitive Price	.141	.123	.112	1.150	.253
Comfortability	.328	.145	.257	2.270	.025

Convenience of shopping	.152	.128	.113	1.188	.238
Perceived risk	.345	.125	.247	2.769	.007

a. Dependent Variable: Customer satisfaction

As shown in Table 9, both comfortability and perceived risk have a substantial impact ($<.05$) on customer satisfaction, while competitive price and convenience shopping have no significant effect ($>.05$). Therefore, competitive pricing and convenience support the alternative hypothesis, while comfortability and perceived risk reject the null hypothesis.

9. CONCLUSIONS

In this paper, we explore how online shopping affects consumer satisfaction. Accordingly, consumer happiness is highly impacted by competitive prices, comfort, convenience, and perceived risk. In the meanwhile, it was discovered that every variable had a distinct individual effect. Convenience shopping and competitive pricing have no significant influence ($>.05$) on consumer satisfaction, whereas comfortability and perceived risk have a considerable impact ($<.05$) here.

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