

Behaviors and Trends in E-Purchasing: Case of Turkey

Lamiha Gün^{[a],*}; Şirin Atakan-Duman^[b]

^[a]Assisant professor. PhD. Economics Department, Turgut Özal University, Ankara, Turkey.

^[b]Assisant professor. PhD. Department of Business Administration, Turgut Özal University, Ankara, Turkey.

*Corresponding author.

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Abstract

In Turkey, as in many countries, online shopping has experienced modest changes in 90's. In addition to the doubts about the quality of products purchased online, the lack of consumer confidence in financial transactions made on commercial sites account for this slow evolution. However, democratization of the Internet, development of social media and evolution of e-marketing has changed the purchasing habits of consumers. The purpose of this research is to analyze how the Internet as a tool has or may have a concrete effect on online purchasing behaviors of economic agents and to highlight the key factors influencing the decision process of e-consumer. To this end, we conducted a population survey of 1055 consumers. The data collected were analyzed using the SPSS factor analysis was then applied to the data. The results of our analysis indicate that, prior to any decision, consumers get information about the products they wish to acquire from not only the search engines, but also the decisions of other consumers. In fact, consumers trust substantially the past experiences of other consumers shared on the Internet. Noting that various discussion forums or websites can be used in the comparison of products and influence the decision of purchasing of e-customer. Our research indicates that low-price variable and/or special offers available only on the Internet are the real factor that encourages purchase online in Turkey.

Key words: E-marketing; E-consumers; E-purchasing; SPSS; Decision process; Low-price

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INTRODUCTION

With the rapid developments in information technologies (IT) the traditional way of doing business have dramatically changed (Orlikowsky & Barley, 2001). As those practices derived from the IT became widespread, organizations affected many different aspects including the approach to their usual operations (Haşlıoğlu & Haşlıoğlu, 2004). Those IT practices become a part of the organizations and prevalent which result in an economic integration as those practices removed the barriers among countries throughout the world. With this integration e-commerce gain considerable importance for the organizations that desire to achieve competitive advantage.

E-commerce is not a new concept since it is an important part of the business life from the beginning of 1970's (Furnell & Karweni, 1999) and become widespread during 1990's (Smith, 2004). E-commerce defined by Furnell & Karweni (1999) as the implementation of design, purchasing, production, sales and communication functions through electronic networks in order to simplify and speed up transaction processes. Although there are many studies in literature providing different conceptualizations for e-commerce, in this study following the prior study of Ahmed (2011, p.683) e-commerce considered as 'the process of buying, selling, transferring or exchanging products, services or information via the Internet' (Urban et al., 2009). The revenues generated from e-commerce considerably increasing every year therefore the role of the online transactions within the economy grow stronger (Zdziebko, 2012).

Ahmed (2011) pointed out most research on e-commerce focuses on developed countries; however, the case of developing countries may lead to a deeper and more complete understanding on the purchasing behaviors of e-customers. Therefore, this study aims to address this gap in literature, investigate the purchasing behaviors of economic agents and highlight the key factors influencing the decision process on e-consumers in Turkey.

Internet brings forth a new business environment where companies and customers interact and thus E-commerce, particularly E-marketing gaining attention. Barutçu (2010, p.17) defines E-marketing as; ‘the promotion of products or services through Internet’. Internet provides many advantages for consumers as they have access all sorts of information such as the product features, details about similar products, other consumers’ reviews on specific products and services and low prices available by making price comparisons (Kolesar & Galbraith, 2000).

Classical literature has often asked the questions like “What slows online purchase?”, “How decision making operates online?”, “How the mouth-to-ear information, the

bush telegram, does work online?” However, the studies devoted to understanding the motivations of consumer purchases via Internet are fairly limited. In other words, few of the studies focus on the factors that triggers the decision to purchase via the Internet.

Studies examine online consumer behavior approach to the phenomenon from different aspects. Some of those studies try to identify how demographic characteristics of individuals that affect their e-purchasing behaviors such as; gender (Dorthu & Garcia, 1999; Li et al., 1999; Slyke et al., 2002; Stafford et al., 2004), age (Dorthu & Garcia, 1999; Li et al., 1999; Stafford et al., 2004) and education (Dorthu & Garcia, 1999; Li et al., 1999; Liao & Cheung, 2001). On the other hand, some other studies aim to understand e-purchasing behaviors by concentrating on risk perceptions of individuals (Bhatnagar & Ghose, 2004; Park et al., 2004). Literature, in general, is concerned that the risks are at the root of the reluctance of consumers on purchasing hard Internet. Main factors behind the reluctance and concerns of the customers mentioned in literature are summarized in Table 1.

Table 1
Main Factors Behind the Reluctance and Concerns of the Customers

Factors behind the reluctance and concerns of the customers	Explanation of risks
Financial risk	Risk opportunity to find the same product or service cheaper elsewhere, or even the risk of failing to repair defective products.
The risk of performance	Risk of product less effective than desired.
Physical risk	Risk of danger of having a used product.
Social risk	Risk of loss of self-esteem caused by the reaction of those around.
Timing risk	Risk of loss of time in searching of the product on the internet and ultimately not to realizing the purchase: waste of time.
Psychological risk	Risk of loss of self-esteem caused by the purchase of the product.
Risk of misdelivery	Delivery to a third party, product theft, defective product etc
Risk of fraudulent use of personal data	Bank fraud, data usage personal without permission

Beyond the possible risks of buying on the Internet, this study focuses on the possible gains envisioned and hoped for the e-consumer. Therefore the primary aim of this study is to find an answers to the question of; ‘Why do you buy on the Internet instead of buying in stores?’ which is apparently simple but complex in practice. Previous literature puts forward that the most prominent factors directing customers to purchase online, in addition to the ones listed in Table 1, are the convenience (Kolsaker et al., 2004; Zhou et al., 2007; Hannah & Lybecker, 2010), lower associated costs (Bakos, 1997) and price advantages (Donthu & Garcia, 1999; Li et al., 1999) e-purchasing provides.

The main research question of this study addresses understanding consumer behavior. Gaile-Sarkane (2008, p.256) defines consumer behavior as: “the thoughts and feelings experience and the actions they perform in consumption processes”. Literature refers customers

demanding, purchasing products and services through Internet as E-customers (Gaile-Sarkane, 2008) and their attitudes and purchasing behaviors differs as they use Internet as a medium for their transactions. As e-customers have unique way of gathering, assessing and using information, which directs purchasing behaviors (Gaile-Sarkane, 2008), a close investigation to understand their purchasing behaviors have great importance to marketing researchers. For this reason, understanding the behaviors of e-customers constitutes another important purpose of this study.

1. METHODOLOGY

The study designed to reveal the behaviors and the underlying factors that affect the purchasing habits of e-customers in Turkey. The survey conducted by the consulting firm of Social Studies of Marmara. First

invitations are sent out to consumers for participating in the surveys undertaken. Second the questionnaire of the study is transferred to those who responded favorably to the invitation.

The questionnaire was sent to 1500 consumers reside in all over Turkey regardless of age, income or education levels. Only 1296 consumers responded to the questionnaire and among them, 241 respondents were not considered because of non-completed questionnaires. In total, 1055 respondents were only considered in the results. In addition, despite the fact that the survey is sent to the 81 existing provinces in Turkey, only consumers residing in the provinces of Istanbul, Ankara, Izmir, Bursa, Adana, Gaziantep, Trabzon, Samsun, Kayseri and Konya have responded.

The survey focused particularly on Internet users by age to carry out purchase transactions.

Through the following questions, the sources of information e-customers use in their decision process tried to be understood. In addition, the criteria influencing their choice (brand, price, etc) also tried to be revealed.

Once the personal data collected (age, sex, income level, education ...), a question was asked selectively to know:

“Did you buy the last 12 months a product and/or service online?”

Depending on the response, the individual was directed towards different questions.

If the respondent answers no, the next question was:

“I did not buy the product on the Internet because:”

—“I do not trust the merchant site” (risk of trust, exploitation of credit card data)”

—“I fear that the product is defective”

—“Delivery times are too long (immediate need)”

—“The price is too high”

—“The site does not offer after-sales service”

—“Fear of losing the esteem of my surroundings”

—“Fear that the product was not meeting my expectations (less powerful than I imagined)”

—“Fear of losing my time”

—“Fear of missing the opportunity to buy cheaper”

If the respondent answers “yes”, the next question was:

—“The price was cheap”

—“The quality / price was OK”

—“It saves time (no time to make shopping)”

—“Repayment is guaranteed by the site while only exchange is in the shop”

—“The product was easily comparable”

—“The after-sales service exists and the quality”

—“My friends advised me”

—“Reviews of majority of online consumers were positive”

—“It was an exclusively on the internet, but not findable in any shop”

—“It was an exclusive offer to loyal customers” (VIP sale)

—“The opportunity risk was zero (refund the difference if I find cheaper elsewhere)”

—“Choice of delay of delivery was possible” (24—48 hours, 3 or 7 days)

The respondent must classify the response of most pertinent (1) has the least relevant (12)

The data collected were subjected to analysis via the SPSS Windows version 15. In addition, added a frequency analysis to factor analysis and a chi-square tests were applied to the data.

2. RESULTS

Our results indicate that 49% of survey participants are women as against 51% men. The data obtained let us to classify respondents into three different age groups. The 18-24 age bracket represents 16.8% of the respondents. The 25-34 age group represents a large majority of participants with 67.9% of the respondents. And finally the bracket of age of 35 and older represents 15.4% of the participants. Given these results we can say that the category of consumers using the Internet is young.

In addition, among the respondents, 50.2% of them are single as against 49.8% of married, since this distribution cannot be said that Internet use is restricted to an audience of mainly single.

The data collected on the education levels are quite relevant, since 55.4% of respondents have a university education, 14.7% have a Master degree or higher and 14.8% of them are graduated from high schools. This means that a total of 85% of respondents hold a higher education.

And finally, in terms of income distribution, 27% of participants have a monthly income of between 2000 and 3000 Turkish liras, 25.9% of respondents earn between 1000 and 2000 Turkish liras, 18% have incomes falling in the range 3000 and 4000 Turkish liras and finally 19.4% of consumers have a monthly income in excess of 4000 Turkish liras.

These figures allow us to say that easily, using the Internet in their buying decisions mainly concerned by a population that can be considered to ease. Indeed in our study, despite the fact that 36% of the total population of Turkey lives with less than 1000 liras per month, 90.4% of respondents receive a monthly income above this amount.

3. FACTOR ANALYSIS

To test the homogeneity of the scale adopted we conducted a factor analysis for each of our scales.

Factor analysis helps us determine the lifestyle of the participants, this analysis has been made so that the eigen value is greater than 1, which allowed us to highlight five separate factors for each scenario studied (yes I buy a product online, no I did not buy ...)

The weight factor, the percentage of variance explained and the estimated reliability values using the Cronbach's alpha are seen in Table 2.

Table 2
Result of SPSS Analysis

Factors	Applied variance	Cronbach alpha coefficient
a. "The price was cheap"	64,172	,9104
b. "The after-sales service exists and good quality"	9,558	,8934
c. "Reviews of majority of online consumers were positive and price influenced my decision"	8,651	,8378
d. "It was an exclusively on the internet, but not findable in any shop"	6,194	,8605
e. —"It was an exclusive offer to loyal customers" (VIP sale)	4,949	,7435

The result of the Cronbach Alpha reliability of the test is represented as a number between 0 and 1, the score is a perfect consistency between questions. Since the results of Cronbach Alpha coefficients are greater than 0.7 may be considered acceptable in our questionnaire. Factor analysis shows that the data matrix is factorisable. Indeed, the measure of sampling adequacy of Kaiser-Mayer-Olkin (KMO) is equal to 0.952, this value being close to 1 and greater than 0.5 emphasizes the relevance of the series analysis. Similarly, the Bartlett test of sphericity is significant ($p = 0.000$), which can be considered acceptable for factor analysis of the data and rejects the null hypothesis that our data is derived from a population for which the data matrix is an identity matrix. These five factors capture 62.425% of the initial information. Therefore we can split into five different factors in each case, which are respectively:

If the respondent has answered "yes": (Those who have the flowing their buying decision because :)

- "The price was cheap"
- "The after-sales service exists and good quality"
- "Reviews of majority of online consumers were positive and price influenced my decision"
- "It was an exclusively on the internet, but not findable in any shop"
- "It was an exclusive offer to loyal customers" (VIP sale)

If the respondent has answered "no": Those who have renounced the purchase on the internet because

- Considers the existence of a performance risk
- Loss of time searching for a product on the internet
- The risk that the product is defective
- Lack of confidence in the online shop (unsecured transaction, loss of personal data ...)
- Risk of this opportunity

4. DISCUSSION AND CONCLUSION

In view of these results, it is clear that the price factor is as important as the brand factor in the decision process of consumers. Among the most striking responses we note that over 72% of consumers say that they consider the present unfavorable comments on the web before buying a product and 68% of them share on the Web their

"bad" experiences "whereas only 30% of respondents share their "good" experiences on the Web. In addition, 50% of participants claim visit the sites specialized in online complaint before undertaking the purchase of any property. We can, therefore, say that a new way of comparison appears recently through the sites of complaints and that takes an important place in the process of consumer decisions. But if we must make a criticism, that would be probably the fact that including in the virtual world of the Internet, we cannot exclude the hypothesis of the **stowaway**. Indeed, if the consumer consults some site to learn from the experiences of others, nothing prevents producer responsibility to log onto the site in question and to make his "advertising" that is to make oneself masquerading as a consumer and there to praise his good or even to depreciate the property of another producer.

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