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A Cross Tabulation Study of Gender Influences on Purchase Process and Decision Making of Tangibles with Specific Reference to e-commerce.

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Abstract: Unlike Offline purchases where tangibility forms a major differentiator consumers buying pattern shows a remarkable shift when it comes to online purchases through e-commerce. Most of the studies that have been conducted in this regard focus on demographic influences like gender, age, education, income while making online purchases in totality.

Yet another crucial aspect of E-commerce purchases is the element of impulsiveness involved especially when it comes to availing services like hospitality and entertainment which demands a low involvement and is less gender sensitive. However with the evolution of e-commerce, even high involvement products are now easily available online, further pushing the need for control convenience and choice and more involvement and thinking especially with reference to Tangible purchases in different categories, wherein gender may emerge as a decisive factor that needs a special attention.

The paper aims at bridging this gap by analysing the significant difference in the way males and females exhibit their decision making coupled with major influences driving their online purchases.

Key words: Gender, Involvement, E-commerce, Purchase decisions.

BACKGROUND OF THE STUDY

The post internet era has brought in impeccable changes in how the businesses work. The primary driving factor is the changed consumer mindset in terms of how they look at the availability and accessibility of the products and services. Second major factor is the constantly increasing per capita income of middle class families in both developed and developing countries. This has driven confidence among companies to come up with assortment and combination of offerings across segments. The other major influencing factor is the increasing gender equality index across the globe. The developing countries have seen significant increase in women employment in last decade. This has created a whole new segment in the market with a lot of potential in terms of revenue generation.

With increased diffusion and reach of internet in Metros, tier 1 and tier 2 cities of India, *e-commerce* companies have evolved and have been following aggressive market penetration strategies. But due to constantly decreasing gender inequality in terms of ability to pay and willingness to buy, analysis of gender influences on the purchase process and decision making is becoming more and more pertinent. Categorizing products and prioritizing offerings as per gender needs and preferences is one of the major challenges that *e-commerce* companies are facing today. This has given way to focused strategies like micro-segmentation to rise above the intense clutter. This study, supported by primary market survey and quantitative analysis, mainly considers the influence of gender on various online purchase aspects.

RESEARCH PURPOSE

This study aims at extending the knowledge of consumer purchase behavior of tangibles over *e-commerce* sites. The objective is to determine the influence of gender on this online purchase process. Also the demographic factors considered include gender, age group and employment status. The insights garnered through the quantitative study would help the *e-commerce* players in terms of new product design, innovative and targeted offerings specific to males and females. This would reduce the cost incurred on placing the ineffective offerings.

THEORETICAL RELEVANCE

We all know that there is a plethora of stereotypes attached to the buying behavior of Men and Women. When it comes to Brick and Mortar shopping, women tend to take a lot of time deciding what to buy, evaluate the products and bargain but on the other hand men prefer to make quick decisions. This makes it difficult for most *e-commerce* companies to predict the exact model to implement, whether it should be women centric, men centric or neutral considering the products they list on the website. It is also said that mostly the shopping purchases of men are utilitarian whereas women are hedonic. Similar to that of Brick and Mortar purchases, men look for quick and effortless shopping and women prefer a hunt and emotional touch to it.

PRACTICAL RELEVANCE

A lot of research can be found when it comes to online purchase patterns, but when it comes to buying pattern of men and women in the particular age group and their behavior we tend to find very few findings on it. The *e-commerce* industry is heading to become a large scale retail sector in coming years, the classification between buying patterns of men and women plays a major role. Thus it is important to study the factors influencing the purchase patterns of men and women. This will benefit most *e-commerce* companies by throwing some light on aspects which influence the buyers when approaching the website. This would help them break down the buying pattern and look at important aspects to focus on while marketing their portal.

***e*-COMMERCE INDUSTRY**

The *e-commerce* market in India is expected to nearly double to 2 lakh crores by December 2016. Online market has grown at a brisk 30% between 2011 and 2015 (economictimes.indiatimes.com). The largest share goes to Travel Industry which is 63%. Apparel and footwear sales are expected to reach Rs. 72,639

Crores by the end of 2016. The Gross Merchandise Value (GMV) has grown by 11% in one year starting from 2015. The recent studies indicate that the GMV is going flat as compared to that of previous years. A study conducted by Google and A.T Kearney (2015) estimates that going forward online commerce in India is expected to drive almost 25 percent of organized retail and the GMV is likely to touch \$60 billion by 2020. Investors such as Softbank (Japan) and Alibaba (China) and mature businessmen like Ratan Tata are optimistic about the online space funding majorly in e-commerce startups like Snapdeal, Bluestone, Kaaryah, Paytm, Urban Ladder, and Zivame. This actually is an indication of maturity of e-commerce industry in the country as also a very positive sign for the Make in India sentiment.

IMPORTANCE OF GENDER CONSIDERATIONS

Gender is a very important aspect when it comes to online shopping (Revamp CRM, Aug 17, 2016). Most shopping portals list products in categories. They offer relevant buying options when a search is being done online, but majority of the portals do not understand the exact requirement of the visitor. It is a general observation that men prefer categorical listings whereas women look for random listings. This rationalizes demographic gender based division of the target group and therefore offering gender specific product makes sense.

Men are limited to their shopping area, the item of their interest, whereas women tend to deviate from their purpose and intent of purchase (Payment Sense). They sway away with impulsions and emotions when shopping. Men choose quality over price and women end up with best offer or discount available. Men generally shop food items and drinks when in a depressed mood and women shop online for apparels. Men prefer to shop alone whereas women prefer shopping with their female friends. It is said that most women use coupons when shopping. Study shows that Women install 40% more applications than men on their smart phones. Women take an average of 14 minutes to complete a purchase whereas men complete the purchase in just 10 minutes (Tech Time Hub). Women are more interested in reviews by other shoppers and men look for information of the product and who the seller and what the rating of the seller is. Women are more interested in accessories and clothing and men mostly look for hardware and electronics or anything remotely associated with technology.

Considering the above points, we can say that gender consideration plays a vital role when it comes to online shopping. Portals that adapt to gender segmentation techniques are likely to succeed considering the grooming market in a couple of years down the line.

LITERATURE REVIEW

Today's customer is educated and knowledgeable and does homework much better before he/she purchases a product. Customer will use all medium to gather information about the item he want to purchase. Internet has become the best marketing tool to reach out to the customer in a better way. Online shopping in India is growing day by day. Online shopping here plays a crucial role to satisfy such growing demands and needs of the customer. Online shopping makes it easy for the customer to get the product in hands without much hustle. A closer look at the e-commerce market shows the increase in number of e-commerce websites and startups that are targeting to reap the potential demand of the consumer. The real question is that is the customer purchasing and leveraging its advantage to the most useful level?

In a significant study, Kim and Jones (2009) have addressed the relationship between perceived web site quality and intention to shop from the web site. Their study emphasizes on the moderating relationship of between offline brand trust and consumers' general attitude toward the internet and their perceptions of the quality of a retailer's web site.

The total sales figures of the transactions that happened through these e-commerce websites show that there is a tremendous market potential. According to A.T. Kearney (2015), retail e-commerce has grown nearly to US\$840 billion in 2014 bettering the sales of 2013 and is estimated to increase and hit US\$1506 billion by 2018. Ajzen (1991) suggested that intentions are presumed to be an indicator of the extent of people's willingness to approach certain behavior and how many attempts they are trying in order to perform certain behavior. The shopping intention as a substitute for purchase behavior and needs to be studied to understand this trend. Every purchase intention may not translate into a purchase action (Soyoung and Jones 2009).

The marketers of e-commerce have already identified gender as a crucial factor with respect to the purchase behavior. Literature also reflects a relevant thought process by researchers on gender influences in purchase behavior that identifies key viewpoints in direct marketing, catalogue shopping and brick and mortar shopping. Christmas shopping study by Fisher and Arnold (1990) indicates that women are more inclined towards giving gifts and start the shopping earlier and devote more time to shopping whereas men have a casual approach in gifting. Eastlick (1994) in an early investigation on catalogue shopping among genders derives a conclusion that the major motivation of males for catalogue patronage consisted mainly of merchandise and service related aspects, females on the contrary were more prone to convenience. There is a consistent difference that exists in the online purchasing population and e-commerce companies should focus and address these needs to sustain in the hyper competitive world. Teo (2001) in his research propounded that the male internet users are more interested in downloading and online purchases while female users are engaged with messaging activities. It is notable and interesting as observed by some studies that while shopping online females were affected by more number of features and aspects than their male counterparts. Also so far as risk for money was concerned males were more risk oriented while females apparently are less disposed in terms of moral risk for money (Sharma and Gupta 2011)

One of the studies conducted by Jamil and Mat (2011) in this direction have proposed that purchase intentions may have positive influence on actual online purchase behavior and recommends a continuous investigation on the co-relationship between the two. This indeed creates a gap and hence the need to analyze the gender influences in purchasing behavior continuously for investigating major influences on decision making.

METHODOLOGY

The research uses the quantitative analysis done on the data collected through a primary survey. The survey consisted of 16 questions including 3 independent factors - age group, gender and occupation. The targeted respondents belong to the age group of 18 to 34. This age group mainly covers the youth segment consisting of student community and those who are employed. For the quantitative analysis purpose IBM-SPSS has been used. The analysis done through the descriptive statistical method of cross-tabulation is able to provide statistically tested outputs for extracting the qualitative insights later.

MANAGERIAL IMPLICATIONS

The *e-commerce* market is rapidly growing in terms of GMV leading to heavy competition, where similarity in offerings has led to complexities in segmentation hence going forward gender based segmentation by understanding their decision making while making online purchases can lend a new dimension to *e-commerce* practitioners to design their strategies. It can also enable academicians with a new insight.

RESEARCH OBJECTIVE

The main objective of this research is to analyze the gender influences in online purchase behavior. The questionnaire has been designed to capture the crux of idea that how a person gets motivated to purchase something online. The research also analyzes various influencing parameters that lead to the final decision making by the consumer. The paper also evaluates the current options provided by *e-commerce* companies and also tries to fathom how they can target more customers. The paper focusses on evaluating the gaps hereby existing in the value chain and also gives recommendation so that the *e-commerce* companies can better focus and refine their offerings to best suit their customer needs.

SURVEY AND ANALYSIS

Through the survey we gathered data from a total of 214 respondents, out of which 124 were male and 90 were female respondents.

1. What is your gender? * How long have you been purchasing through *e-commerce* websites? * What is your age?

Unlike common perception It is quite obvious from the results that males have been purchasing since a longer time than females. More number of males have been purchasing in the 1-3 years span and also in 3-5 years span. It is more recently that females have started evolving more in terms of online shopping especially in the 25-34 age group. This could be attributed to the fact that males are more techno savvy and believe more in knowledge based shopping while females have been more of impulsive shoppers taking a longer time to shop. (Table 1).

2. What is your gender? * How many times do you purchase online? (Per 60 days) * What is your age?

Overall 54.23% (112/214) respondents prefer searching lot of information on the product before making the final purchase. Interestingly, while 64.51% (80/124) men prefer doing this, only 35.55% (32/90) women do the same. Further, 35.55% women (32/90) go by brand credibility, whereas only 11.3% men give importance to the brand. (Table 2).

3. What is your gender? * What motivates you the most for purchasing online? * What is your age?

Out of 214 responses, 82 responses came for 'Discounts Available'. Online marketplace in India is still a price sensitive and discount driven business. It should be noted that only 27.8% women (25/90) consider discount as first priority for online purchase, whereas 46% men (57/124) consider discount as the major motivation for buying online. Ease of purchase process followed by variety of products available are the other major motivations for buying online where men are slightly more sensitive. (Table 3).

Table 1

What is your age?		How long have you been purchasing through eCommerce websites?				Total
		Less than 1 year	1 year to less than 3 years	3 years to less than 5 years	5 years or more	
18-24	What is your gender? Male	4	36	19	5	64
	What is your gender? Female	7	30	17	2	56
	Total	11	66	36	7	120
25-34	What is your gender? Male	3	22	24	11	60
	What is your gender? Female	2	17	10	5	34
	Total	5	39	34	16	94
Total	What is your gender? Male	7	58	43	16	124
	What is your gender? Female	9	47	27	7	90
	Total	16	105	70	23	214

Table 2

What is your age?		How many times do you purchase online? (per 60 days)				Total
		Less than 5	5 - 9	10 - 14	More than 19	
18-24	What is your gender? Male	44	17	3		64
	What is your gender? Female	30	20	6		56
	Total	74	37	9		120
25-34	What is your gender? Male	34	16	8	2	60
	What is your gender? Female	17	13	4	0	34
	Total	51	29	12	2	94
Total	What is your gender? Male	78	33	11	2	124
	What is your gender? Female	47	33	10	0	90
	Total	125	66	21	2	214

Table 3

What is your age?			What motivates you the most for purchasing online?							Total	
			Discounts available	Ease of purchase process	Variety of product choices	Bundled offerings	Loyalty schemes	Various Payment options	Flexible delivery options		Other
18-24	What is your gender?	Male	39	12	9	1	2	1	0	0	64
		Female	19	8	8	6	7	3	3	2	56
	Total		58	20	17	7	9	4	3	2	120
25-34	What is your gender?	Male	18	19	10	2	6	0	5		60
		Female	6	17	5	3	1	1	1		34
	Total		24	36	15	5	7	1	6		94
Total	What is your gender?	Male	57	31	19	3	8	1	5	0	124
		Female	25	25	13	9	8	4	4	2	90
	Total		82	56	32	12	16	5	9	2	214

So men (in the age group considered) are more price sensitive than women. Therefore, we can say that scope for more revenue realization exists in women category in the online marketplace

4. What is your gender? * How would you rate your overall level of satisfaction with online purchases?
* What is your age? (Table 4).

50.9 % respondents are ‘Somewhat Satisfied’ with the overall online purchases. In terms of satisfaction level, gender influence doesn’t seem to exist, as most of the men and women respondents opted for ‘somewhat satisfied’.

Table 4

What is your age?			How would you rate your overall level of satisfaction with online purchases?					Total
			Highly dissatisfied	Somewhat dissatisfied	Neutral	Somewhat satisfied	Highly satisfied	
18-24	What is your gender?	Male	3	7	5	35	14	64
		Female	0	13	8	24	11	56
	Total		3	20	13	59	25	120
25-34	What is your gender?	Male	8	8	3	30	11	60
		Female	2	1	2	20	9	34
	Total		10	9	5	50	20	94
Total	What is your gender?	Male	11	15	8	65	25	124
		Female	2	14	10	44	20	90
	Total		13	29	18	109	45	214

Table 5

What is your age?		Advertisements of eCommerce sites influence your shopping preference					Total
		Highly Disagree	Disagree	Neutral	Agree	Highly Agree	
18 24	What is your gender? Male	4	3	13	41	3	64
	Female	0	7	13	32	4	56
	Total	4	10	26	73	7	120
25 34	What is your gender? Male		4	15	34	7	60
	Female		6	4	22	2	34
	Total		10	19	56	9	94
Total	What is your gender? Male	4	7	28	75	10	124
	Female	0	13	17	54	6	90
	Total	4	20	45	129	16	214

5. What is your gender? * Advertisements of e-commerce sites influence your shopping preference * what is your age? (Table 5).

60.3% (129/214) respondents say that branding does influence shopping preference of the customers. This result also has less influence in terms of gender preferences, as men and women are of the same opinion.

6. What is your gender? * Select the option that describes your online purchase process correctly * what is your age? (Table 6).

Overall 54.23% (112/214) respondents prefer searching lot of information on the product before making the final purchase. Interestingly, while 64.51% (80/124) men prefer doing this, only 35.55% (32/90) women do the same. Further, 35.55% women (32/90) go by brand credibility, whereas only 11.3% men give importance to the brand.

CONCLUSION AND SCOPE FOR FURTHER RESEARCH

One of the key factors a customer looks into is the customer satisfaction. Online purchase behavior varies with respect to the customer demographics. Survey reveals that most of consumers are somewhat satisfied followed by highly satisfied. This indicates the scope for improvement in terms of overall service experience. Most consumers purchase online whenever a price cut/discount is announced followed by Need. Also Branding and communication have played a major role in influencing the shopping purchase behavior. Majority of consumers search a lot for seeking information before making online purchases.

Gender plays a crucial factor in deciding the final purchase behavior-commerce vendors should grab the market opportunity and target the customers based on the shopping features or attractions. The

Table 6

What is your age?			Select the option that describes your online purchase process correctly				Total
			I search a lot of information before making online purchases	I do not search for any options but go by the Brand credibility	I evaluate options offline and purchase online	I evaluate options online and purchase offline	
18-24	What is your gender?	Male	39	8	15	2	64
		Female	22	16	18	0	56
	Total		61	24	33	2	120
25-34	What is your gender?	Male	39	6	10	3	60
		Female	10	16	8	0	34
	Total		49	22	18	3	92
Total	What is your gender?	Male	80	14	25	5	124
		Female	32	32	26	0	90
	Total		112	46	51	5	214

e-commerce companies should leverage this opportunity to inculcate the attracting factors with respect to the gender and position their product portfolio to cater the needs of both. From the analysis it is evident that the number of people who shop may stick on to a particular site based on the easiness, product portfolio, better reviews, delivery schedules etc. So in an e-commerce business the main focus should be on how to deliver better value proposition to the customers understanding these parameters.

This research is limited to demographic aspects viz., gender and age with reference to a generic online purchase behavior. e-commerce platforms being dynamic and aggressive in terms of online product offerings, future research can be conducted by carrying out a correlation study on influence of gender and different age groups separately on different online shopping categories as well.

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