

# **FACTORS INFLUENCING CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING AMONG UNIVERSITY STUDENTS: WITH SPECIAL REFERENCE TO SABARAGAMUWA UNIVERSITY OF SRI LANKA**

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## **Abstract**

Online shopping has become an increasing concern among university students in Sri Lanka. Hence, it is very important to identify and understand online shopping behaviour among university students. Therefore, this research aims at identifying the factors which influence consumer behaviour towards online shopping among university students at Sabaragamuwa University of Sri Lanka. The sample size was 250 students and primary data were collected through a structured questionnaire and analyzed with the help of Partial Least Square Structural Equation Modeling (PLS-SEM). The study revealed that perceived usefulness, perceived ease of use, perceived risk and subjective norms are significant while trust is not significant in predicting online shopping behaviour. Also, online purchase intention acted as a mediator for independent variables (trust, perceived usefulness and perceived ease of use). Finally, this study provides a better understanding to E-marketers and shopping website developers about the online shopping behaviour among university students in Sri Lanka empirically.

**Keywords:** *Online shopping behaviour, Online shopping intention, Structural Equation Modeling, University students.*

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## **Introduction**

With technological advancement and the pandemic situation, most people have become used to online shopping. According to Sirimane (2016), Sri Lanka can be identified as a country with the fastest-growing online shopping market. Especially, online shopping has become an increasing concern among university students in Sri Lanka. That means, online shopping has largely influenced the preferences and buying patterns of consumers. Researchers have identified the university age as the most common age for internet use and online shopping. According to datareportal.com reports, the number of internet users had increased to 11.34 million in Sri Lanka in 2022 and according to its analysis, internet users had increased by 4.9% between 2021 and 2022. Also, confidence in products and online payment methods have increased. Finally, the online shopping industry shows rapid growth in Sri Lanka. Hence, it is very important for many parties to identify and understand the most important factors that influence online shopping behaviour among university students including e-sellers and university students because online shopping is different from physical market shopping. Hence, this research aims at identifying the factors which influence consumer behaviour toward online shopping among university students concerning Sabaragamuwa University of Sri Lanka.

## **Materials and Methods**

For the current study research philosophy was positivism. The quantitative research approach incorporated into this research by distributing an online structured questionnaire to university students at Sabaragamuwa University of Sri Lanka. The questionnaire included closed-ended questions. The total population was considered to be all the students of the University and the amount was 6250. The sample size was taken as 250 and it was taken by referring to the table developed by Krejcie and Morgan (1970). The sample was selected using the simple random sampling technique as there were only a few responses from some faculties. PLS Structural Equation Modeling technique used as the analyzing technique. Hence, the researcher used SmartPLS 3 software for analysis. First, after estimating the structural model, reliability and validity were checked and after that collinearity of the inner model, the significance of the structural model, and the relevance of path coefficients were assessed.

## Results and Discussion

The researcher assessed the path coefficients and t-values from the PLS algorithm and bootstrapping procedure to identify the significance of hypothesized impacts of the variables.

**Table 1:**

*Path Coefficients and Significant among Constructs*

Hypothesis	Relationship	B	t-statistics	Results
H1a	Trust ->OSB	0.020	0.344	Not Supported
H1b	Trust -> OSI	0.229	2.497***	Supported
H1c	PU -> OSB	0.420	6.456***	Supported
H1d	PU -> OSI	0.284	3.209***	Supported
H1e	PEOU -> OSB	0.163	2.607***	Supported
H1f	PEOU -> OSI	0.201	1.959**	Supported
H1g	PR -> OSB	0.328	7.115***	Supported
H1h	PR -> OSI	-0.143	1.663*	Supported
H1i	SN -> OSB	0.089	1.757*	Supported
H1j	SN -> OSI	-0.093	1.288	Not Supported
H1k	OSI -> OSB	0.207	4.351***	Supported

Source: Sample Survey of factors influencing consumer behaviour towards online shopping among university students in Sabaragamuwa University of Sri Lanka 2022. (Note <sup>a</sup>: \*=p<0.1 \*\*=p<0.05 \*\*\*=p<0.01)

The researcher developed and then tested 11 hypotheses intending to analyze the impact of influencing variables. As shown in Table 1, 9 hypotheses were supported in predicting the university students' online shopping behaviour and intention. Hence, only 2 hypotheses were rejected (H1a and H1j). The findings of the research have found that perceived usefulness, perceived ease of use, perceived risk, and subjective norms are significant to predict online shopping

behaviour among university students while trust is not significant in predicting online shopping behaviour. Finally, this study provides a better understanding to E-marketers and shopping website developers about online shopping behaviour among university students in Sri Lanka.

For the study, online shopping intention was identified as a mediator variable. Hence, the mediator or indirect effect of online shopping intention was examined using 5 hypotheses and three hypotheses were accepted. The results regarding the mediating effect have been explained below in Table 2.

**Table 2:**

*Path Coefficient and Significance of mediating variables*

Hypothesis	Relationship	B	t-statistics	Results
H2a	PEOU -> OSI -> OSB	0.042	1.775***	Supported
H2b	PU -> OSI -> OSB	0.059	2.504**	Supported
H2c	SN -> OSI -> OS	-0.019	1.184	Not Supported
H2d	Trust -> OSI -> OSB	0.047	1.969**	Supported
H2e	PR -> OSI -> OSB	-0.029	1.411	Not Supported

Source: Sample Survey of factors influencing consumer behaviour towards online shopping among university students in Sabaragamuwa University of Sri Lanka 2022 (Note <sup>b</sup>: \*\*= $P < 0.05$  \*\*\*= $P < 0.10$ )

It could be concluded that online purchase intention acted as a mediator for independent variables (trust, perceived usefulness, and perceived ease of use). That means, trust, perceived usefulness, perceived ease of use, and perceived risk are significant while subjective norms are not significant in predicting online shopping intention. According to the conceptual model, online shopping intention was a mediator variable and online purchase intention acted as a mediator for independent variables (trust, perceived usefulness, and perceived ease of use).

## **Conclusion and Recommendations**

The researcher tested the total of 16 hypotheses for examining the impact of all identified factors on online shopping behaviour and mediating effect of online shopping intention. According to the results, consumers' trust in better customer services and brands impacts on online shopping intentions of university students. Also, positive use performance of online shopping websites and stores impacts online shopping behaviour of university students. Further, consumers consider the perception of minimum effort to engage in online shopping. Moreover, the degree of risk felt by the consumer while the shopping process can be identified as a constraint to purchase intention, and perceived social pressure has a low impact on online shopping. Finally, by referring to this research, the researcher recommends that e-marketers and online sellers can improve their performance of online stores and websites by removing the factors which can be a cause to reduce the feeling of trust regarding their shopping websites. Also, the researcher recommends that the government implement strict policies to protect the privacy and safety of online shopping platforms.

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