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Group Project Proposal – Online Shopping Frequency of DePaul College Students

Identifying Information

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Executive Summary

We conducted a study on DePaul students about their habits regarding online shopping. Many young people shop online regularly. If executed well, e-commerce, or selling something online, can make businesses thrive. We hypothesized that DePaul students always buy books online and our results, for the most part, supported our hypothesis. 11/23 participants buy books online the most. Almost 50% of them always buy books online. 1/3 (6/18 participants) rarely buy books in the actual stores. 8/13 participants buy books online once a month. The infrequency may be because they buy clothes more often, but need to buy books online because of the schedule of classes. In our free-form questions, a few participants said that they always buy textbooks online because it is cheaper and more convenient. This hypothesis is upheld because participants showed that they buy books online. Buying used books on amazon, or renting them on Chegg, is an easy way to get the books you need for a fraction of the price.

Our second hypothesis was that DePaul students shop for clothing online more regularly than for other items. Our results came back positive. 13/23 participants shop for clothing online the most more than anything else. Not 1 participant said that they rarely buy clothes in the actual store. A few participants said they shop online for clothes a few times a month contrary to only buying books once a month or never. Our free-form questions revealed that many people are turned off from buying clothes online because they want to try it on and make sure it fits correctly.

Our final hypothesis was that female DePaul students do more online shopping than male DePaul students overall. Our results came back null. 8 males took our survey, and 15 females took our survey. Out of the males and females, the most common response for how often they shopped online was once a month. Only 1 male and female shopped online everyday. Our data is not sufficient enough to conclude whether our hypothesis was supported or not. We asked the appropriate questions to try and get the

best data to support our hypotheses. Our pilot tested using convenience sampling consisting of at least 10 of our closest friends who currently attend DePaul University. We modified the questions according to how the pilot subjects react to them. Our only limitation, at first, was that we have a modified scope of only DePaul students, so the data could not easily be translated for the entire population. We executed our survey at three different times to try and incorporate more variations of students. Our supporting data did be found using online libraries such as JSTOR.

Introduction

The internet is an integral part of many of our lives. It is virtually impossible to go through the day without being connected. In "Consumer Decision Making in Online Shopping Environments: The Effects of Interactive Decision Aids" Gerald Häubl and Valerie Trifts say that the World Wide Web (WWW) has been growing rapidly due to numerous companies using it to sell products, and the adoption for other purposes such as online shopping (Trifts, p.5, 2000). Whether we agree with the importance of technology, we are immersed into it. Online shopping has become an epidemic especially with young people. Online shopping is different because of the ease of use, high level of interactivity and customization. Shopping in an actual store provides a different environment due to the ability to observe quality and features, receive real time feedback, and get quicker responses. They further that the environment, whether online or in store, affect how consumers interact with them (Trifts, p.5, 2000).

Businesses have caught on to the trend and found that having an online e-commerce site can be beneficial. Sometimes e-commerce sites alone do very well and do not need an actual store. An easy user interface can make all the difference. Studying consumer online shopping behavior did lead to an appropriate business model. We not only want to find out who shops online, but why and how often.

Ward A. Hanson and Daniel S. Putler in "Hits and Misses: Herd Behavior and Online Product Popularity " say that how consumers interact with online shopping environments affects the designers, marketers, investors, and even the consumers themselves. Furthermore, they conducted a study to see how people interact with a manipulated online environment. They found that listing downloads by upload date gave only the newest ones the most uploads. They also found that showing songs with more total downloads than they actually had caused the download count to increase as well (Hanson & Putler , 1996). It is fair to assume that when items seem popular, they become in higher demand. We are conducting our study for an insight into consumer online shopping behavior.

Background

In "Shelf Sequence and Proximity Effects on Online Grocery Choices" Els Breugelmans, Katia Campo and Els Gijsbrechts mention that the display, arrangement, and organization of the online interface can persuade or dissuade shoppers from purchasing items. Additionally, the order and position relative to other products can affect their purchasing behavior as well. Limited eye movements and simple scrolling is the most successful for users. (Breugelmans, Campo & Gijsbrechts, p. 118, 2007).

Degeratu et al. (2000) and Andrews and Currim (2000) compared online and offline shopping behavior. They found that brand name is more important online than in the actual stores. Brand loyalty seems lower for online shopping than in the actual stores as well. These may be due to the fact that online sites typically have less brands to choose from. Additionally, it may be because buying items in person allows the consumer to feel the item and observe its quality. Regarding online goods, the consumers have to infer the quality and experience the good only if they buy it (Dahaner, Wilson & Davis, p. 462, 2003).

Ganesh Iyer and Amit Pazgal in "Internet Shopping Agents: Virtual Co-Location and Competition" says the difference in retailer size affects online shopping behavior. Sometimes people become loyal because of a company's success and popularity across retailers. CDNow is more successful than Muzicdepot.com because of its marketing strategies (Iyer & Pazgal).

Hypothesis

H1: DePaul students are more likely to shop online for books instead of in actual stores.

H0: DePaul students are less likely to shop online for books instead of in actual stores.

In "On-line Shopping Behavior: Cross-Country Empirical Research" M. Adam Mahmood, Kallol Bagchi and Timothy C. Ford state that the most popular items purchased online are books, CDs, travel vacations, and computer hardware and software (Mahmood, Bagchi, Ford, 2004, p.14).

Results: Upheld

11/23 participants buy books online the most. Almost 50% of them always buy books

online. 1/3 (6/18 participants) rarely buy books in the actual stores. 8/13 participants buy

books online once a month. The infrequency may be because they buy clothes more

often, but need to buy books online because of the schedule of classes. In our free-form

questions, a few participants said that they always buy textbooks online because it is

cheaper and more convenient. This hypothesis is upheld because participants showed

that they buy books online. Buying used books on amazon, or renting them on Chegg,

is an easy way to get the books you need for a fraction of the price.

H1: More female DePaul students shop online than Male DePaul students.

H0: More male DePaul students shop online than Female DePaul students.

In "Shopping Style Segmentation of Consumers" Purushottam Papatla and Amit

suggest that only 6% of men buy clothes online while 26% of women do (Papatla,

Bhatnagar, 2002, p. 92).

Results: Null

8 males took our survey, and 15 females took our survey. Out of the males and females,

the most common response for how often they shopped online was once a month. Only

1 male and female shopped online everyday. Our data is not sufficient enough to

conclude whether our hypothesis was supported or not.

H1: DePaul students shop online for clothes more than anything else.

H0: DePaul students shop online for other kinds of items more than anything else.

In "Shopping Style Segmentation of Consumers" Purushottam Papatla and Amit Bhatnagar state that men are more likely than women to buy books online (Papatla, Bhatnagar, 2002, p. 92).

Results: Upheld

13/23 participants shop for clothing online the most more than anything else. Not 1 participant said that they rarely buy clothes in the actual store. A few participants said they shop online for clothes a few times a month contrary to only buying books once a month or never. Our free-form questions revealed that many people are turned off from buying clothes online because they want to try it on and make sure it fits correctly.

Questions

- **1.** Age Multiple Choice (18, 19, 20, 21, 22, 23+)
- 2. Gender Radio box (Male, Female)
- 3. How often do you shop online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- 4. On average, what is the order total when you shop online in one sitting? -Typein Help Text – Price, not quantity of items (ex. \$50.00)
- **5.** How many times do you visit online shopping sites in a day? Typein Help Text Including previewing items but not necessarily buying them
- **6.** Excluding groceries, how often do you buy items at the physical store? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- 7. How often do you buy books online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- 8. How often do you buy clothes online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)

- On average, how much do you spend when you shop at physical stores in one outing? – Typein Help Text – Price, not quantity of items (ex. \$50.00)
- **10.** What sites do you spend the most time online shopping at? Typein (Paragraph)
- 11. Do you ever online shop without buying anything? Radio box (Yes, No, N/A)Help Text Ex. Previewing items, "window shopping", looking around
- **12.** What items do you buy online the most? Check boxes (Clothing, Electronics, Computer Hardware, Computer Software, Books, Music, Jewelry, Office Supplies, Sporting Goods, Furniture, Groceries, Home Improvement, Health, Other, N/A)
- **13.** What items do you always buy online? Check boxes (Clothing, Electronics, Computer Hardware, Computer Software, Books, Music, Jewelry, Office Supplies, Sporting Goods, Furniture, Groceries, Home Improvement, Health, Other, N/A)
- **14.** Why do you shop online? Freeform

Method

We used convenience/availability sampling and personally asked 10 of our friends: five of Manny's friends and five of Jonathan's between Tuesday April 23, 2013 and Thursday April 25, 2013. We used special handling to safeguard the rights of human subjects (both confidentiality and informed consent): we did not ask for any identifying information (name, ID, hometown, etc). Additionally, we did not keep IP address (often kept automatically when surveys are done). We also executed informed consent by including a paragraph before the survey.

After our pilot survey, we added help text and changed the format of a question. We added help text "Including previewing items but not necessarily buying them." under the modified fifth question "How many times do you visit online shopping sites in a day?" Based on the question before "Around how much do you spend on average per online shopping in one sitting?" it may imply that they spend that much money each time they shop in the day, which is not necessarily the case. We made question eight "What sites do you spend the most time online shopping at?" a paragraph question, so users would feel more comfortable entering multiple sites. We added help text to question nine as well: "Ex. Previewing items, "window shopping", looking around" so people could better

understand the question. We want to know if they ever go online just to look at items and not necessarily buy them. While doing the pilot survey, we modified the questions even further and added more help text based on how people took the survey. The detailed planned survey did have the modifications present and more disclaimers to aid the subjects in understanding the questions.

Questions Pre-Pilot Test

- 1. Age Multiple Choice (18, 19, 20, 21, 22, 23+)
- 2. Gender Radio box (Male, Female)
- 3. How often do you shop online? Multiple Choice (Every day, a few times a week, once a week, once a month, never, N/A)
- **4.** Around how much do you spend on average per online shopping in one sitting? Typein
- 5. How many times do you online shop in a day? Typein
- **6.** How often do you buy items at the physical store? Multiple Choice (Every day, a few times a week, once a week, once a month, never, N/A)
- 7. Around how much do you spend on average each time you shop at physical stores? Typein
- 8. What sites do you spend the most time online shopping at? Typein
- 9. Do you preview items online without purchasing them? Radio box (Yes, No, N/A)
- **10.** What items do you buy online the most? Check boxes (Clothing, Electronics, Computers, Books, Jewelry, Office Supplies, Sporting Goods, Furniture, Groceries, Home Improvement, Health, Other, N/A)
- **11.** What items do you always buy online? Check boxes (Clothing, Electronics, Computers, Books, Jewelry, Office Supplies, Sporting Goods, Furniture, Groceries, Home Improvement, Health, Other, N/A)
- 12. Why do you shop online? Freeform

Questions Post-Pilot Test

- 1. Age Multiple Choice (18, 19, 20, 21, 22, 23+)
- 2. Gender Radio box (Male, Female)

- 3. How often do you shop online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- **4.** On average, what is the order total when you shop online in one sitting? Typein
 - Help Text Price, not quantity of items (ex. \$50.00)
- 5. How many times do you visit online shopping sites in a day? Typein Help Text Including previewing items but not necessarily buying them
- **6.** Excluding groceries, how often do you buy items at the physical store? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- 7. How often do you buy books online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- 8. How often do you buy clothes online? Multiple Choice (Every day, a few times a week, once a week, a few times a month, once a month, never, N/A)
- On average, how much do you spend when you shop at physical stores in one outing? – Typein Help Text – Price, not quantity of items (ex. \$50.00)
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- 13. What items do you always buy online? Check boxes (Clothing, Electronics, Computer Hardware, Computer Software, Books, Music, Jewelry, Office Supplies, Sporting Goods, Furniture, Groceries, Home Improvement, Health, Other, N/A)
- 14. Why do you shop online? Freeform

Limitations

Our main limitation was our modified scope of DePaul students during certain times. We did try and execute our survey at 3 different times to get a wider variety of DePaul students. (Ex. Only CDM majors are free from 3:00pm-4:00pm.) Other references such as "Relationship of Type of Product, Shopping Orientations, and Demographics with Preference for Shopping on the Internet" by Tulay Girard, Pradeep Korgaonkar and Ronnie Silverblatt state that demographic characteristics play a big role in online shopping preferences (Girard, Korgaonkar, Silverblatt, 2003, p. 101).

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