

SURVEY ON THE USE AND THE INTEREST OF INDIVIDUALS IN ONLINE STORES

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In Romania, most products sold in online stores are technology and communication ones. Best sold products through the Internet, globally speaking (games, toys, flowers, watches, tickets), are only 30% of the online products offered in Romania. Culture (books and information) only represents 10% of all products, as well as clothing and grooming products.

In recent years electronic commerce has had an explosive increase, starting to gain more and more ground on the traditional trade. In what follows, we will analyze the factors that favoured the development of electronic commerce, both in terms of consumers as well as vendors.

Keywords: electronic commerce, online store, customers, loyalty, Internet.

JEL Classification codes: M10, M15, M31.

In analyzing the evolution of electronic commerce in Romania we must start with the evolution of the number of Internet users. Despite the fact that in Romania the share of Internet users in the total population increased from 3.6% in 2002 to 35.5% in 2010 (according to statistics provided by Internetworldstats.com), our country ranks last in the European Union, which had a share of 67.60% in 2010. Countries with the highest percentage of Internet users are The Netherlands with 86.6% being users and Sweden with a share of 92.5% in 2010.

Romania is well below the European average considering the frequency of Internet users' online presence: in Romania only 21% of Internet users access it daily compared to 53% which is the European Union average.

Electronic commerce in Romania is still in its infancy. Romanians show fear because they are exposed to fraud (stolen credit cards, personal data's privacy, lack of compliance of the bought product with its presented description etc.). Although there are not many companies that have adopted this form of commerce, is a certainty the fact that their number and that of the online customers is increasing.

The slower growth of this new type of commerce in Romania has many causes. The most important cause is related to Internet access, either because of physical inability to connect, or because of lack of computer literacy, especially among the elder population segment. Also, another reason is that Romanians are still tributary to the mentality that an achieved property must be touched and seen in reality, measured and turned all around, while when shopping on the Internet the buyer can only read the product's description which may be more or less in line with reality.

The factors representing advantages of electronic commerce for consumers are primarily, consequences of the economic and social global development. Economic globalization has been one of the factors that have led to changes in the life of the population, with a direct effect on the way they makes their purchases.

Among the advantages offered by the electronic commerce we include the following:

- a) *time* - nowadays, because of the many activities the population is involved in, the time required for shopping has become an important element in choosing the purchasing method. From this perspective, electronic commerce has the advantage that a buyer can visit several virtual shops in a much shorter time than he would need for visiting the actual stores.
- b) *distance elimination* – is a great advantage offered by electronic commerce. By eliminating the distance between buyer and seller, anyone can easily buy products that are offered for sale in other cities or countries, without one of the parties having to move around.
- c) *access to information* - both online stores and the Internet give the buyer a lot of information about product's features. Most sites offer, besides the section where they display product characteristics, a section where those who already own one can provide feedback.
- d) *the price* - the use of electronic commerce offers the opportunity to get a much better price for a product, whereby the seller's trade mark-up not having to cover rental expenses and also having lower staff costs. Also, many sites offer the possibility to compare prices from various online stores for the same product. A good example is the electronic supply procedure (eProcurement) which by organizing auctions offers the opportunity to obtain lower prices for public procurement of goods and services.
- e) *freedom of choice* - because of the large number of stores, the customer can choose according to a much important number of options he desires, such as price, delivery date, colour, etc.
- f) *product comparison* - electronic commerce makes choosing a product from a group of products with similar characteristics much easier. Online stores sites offer the possibility of selecting more products for comparison. The selected products appear then in a table where one can see their compared characteristics, facilitating a purchasing decision for the customer.
- g) *permanent availability* – the uninterrupted running of the online shops throughout the year, 24 out of 24 hours a day, allows customers to shop at any time. It is one of the biggest advantages of electronic commerce, especially for people who have a very busy schedule, purchases being available at any time of day or night.
- i) *post-sales technical support* - buyers can receive online technical support from the provider, on the company's website in a separate area dedicated to questions and answers, solutions being provided by the company's technical staff, or through a facilitator who provides real-time answers. If none of the two support techniques is offered, it will be done by e-mail.

This study explores how does the general population understand and use online stores to buy certain products.

The research's subject, which is the public's perception on electronic commerce is relatively difficult to address in a quantitative research. In the present study's case, a special attention was given to how the questions were formulated, in order to avoid the respondent's tendency to generalize.

This study captures some of the topics addressed by other researchers, but new questions being also introduced.

The methodology:

The purpose of the study was to carry out a survey on the public's perception on online store.

The study's general objectives:

- The perception of individuals on Internet use and their interest in online stores;
- The perception of individuals regarding the categories of products in online stores.
- The perception of individuals on how shopping is being done in an online store and the relationship with the store.

Target population: Romanian citizens (men and women), urban and rural residents in Romania, over 18 years of age.

Sample size: 60 people

Type of sample: random sample, in stages, stratified

Sampling: probabilistic selection of the sampling points

Representativeness: the 60 people sample is representative of the population over 18 years old in selected areas (a 2.8% error at a confidence level of 95%).

Method of research: survey - face-to-face interview-based questionnaire administered by the interviewer.

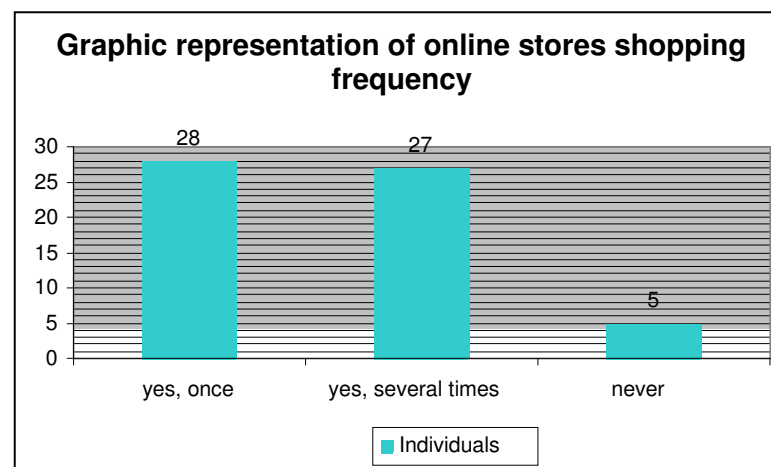
Data collection: For each individual, data was collected using the questionnaire below, with one or more accepted variants, by a field operator (the authors of the paper). The interviews were conducted face to face.

Fieldwork, data processing: they were carried out by the authors of this paper between September and October 2011.

Study results:

A. The perception of individuals on Internet use and their interest in online shops

When asked "Have you ever bought from an online store?", 27 people (47%) of those surveyed said they have shopped in online stores several times and 28 confirmed that they only bought products from an online store once. 8% of respondents (5 individuals) have never shopped online.

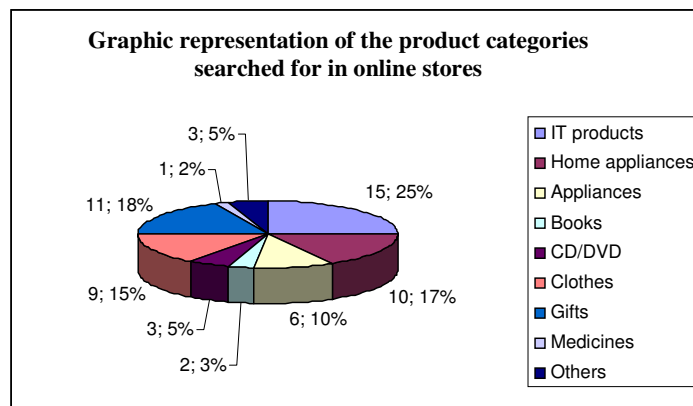


Graphic no.1
Realized by author

When asked "How often do you access the Internet to visit online shops?", more than three quarters of the respondents (76%) stated that they use the Internet daily to visit online stores, compared with 16% who frequently access the sites of electronic stores and only 8% of respondents who rarely or never use the Internet for this purpose.

B. The perception of individuals on categories of products in online shops

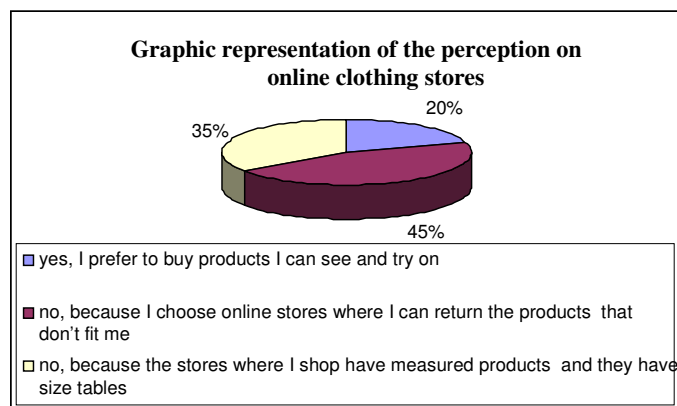
When asked "What kind of products you are interested in when you visit an online store?", 25% (15) of respondents are interested in IT products, 18% (11) want to buy gifts and 17% (10) appliances. 15% (9) of individuals are seeking clothing in online stores, while in electronics 10% (6) are interested. People who buy CD/DVD and other products are in proportion of 5% (3), and 3% (2) show an interest in books. Only 2% (1) of them goes online to buy medical products.



Graphic no. 2

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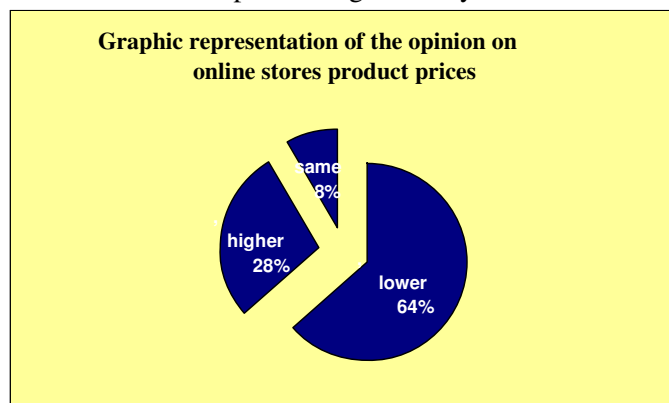
The fact that you cannot try on or/and test products may induce a feeling of insecurity when one wants to purchase products from online stores, so: 45% of respondents have no fear in buying products from online stores, while more than half (35%) choose stores where they can return unsatisfactory products. Only 20% of respondents avoid such stores.



Graphic no. 3

Realized by author

Three quarters of the individuals consider that the price of the products in online stores is lower than in real shops, while 28% think the price is higher. Only 8% see no difference.



Graphic no. 4

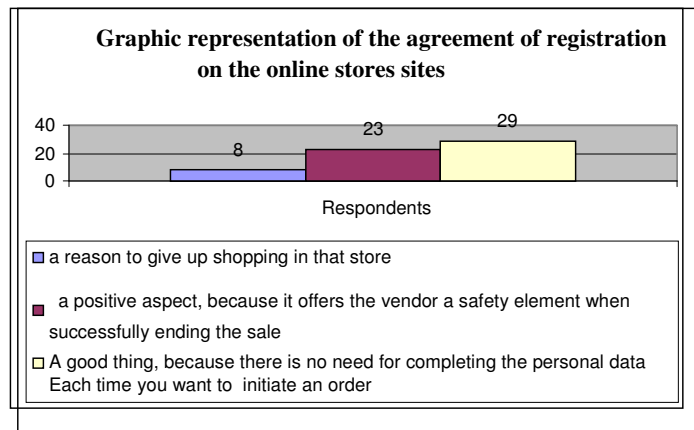
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Conclusions:

Most of the people who answered the questionnaire, are interested to purchase IT products (25%), in online stores, and prefer to buy clothing / shoes in stores where they can return products if they do not fit (45%). In large proportion (24 people) choose to purchase daily/street vestments and 64% believe that online stores prices are lower than in real stores.

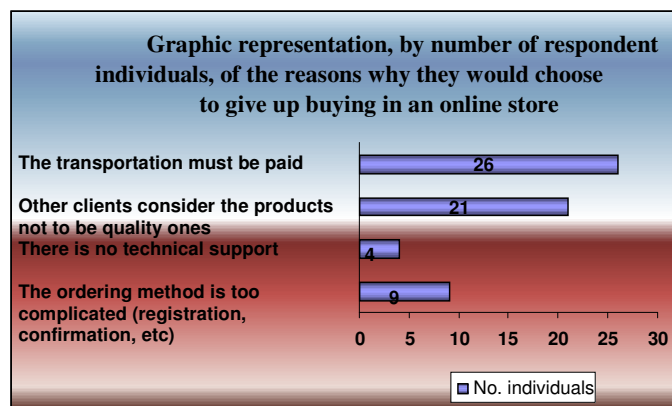
C. The perception of individuals on how shopping is being done in an online store and the relationship with the store.

When asked "What do you think about the fact that some online stores ask for customer registration before an order?", almost half of individuals considered it to be a benefit for them to register on the site, while 23 consider that this gives a safety element to the sales process. 8 people would choose not to buy from an online store, where they would require registration.



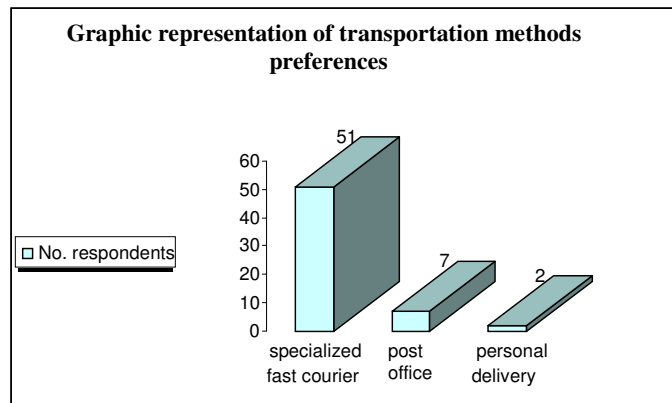
Graphic no. 5
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When asked "What are the reasons that would determine you to choose to buy from an online store?", 26 people of 60 respondents would choose to buy from a store, where the transportation of the products would be paid, 21 would be influenced by the opinion of other clients, and 9 would not shop in stores where the procedure is too complicated. 4 individuals consider that the lack of technical support would make them hesitate when buying online.



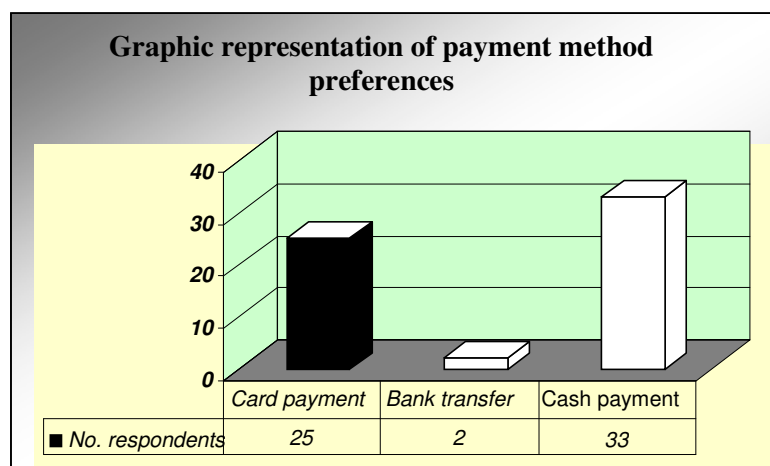
Graphic no. 6
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Of all respondents, 51 (55%) prefer the courier as a transportation method, whereas 7 (42%) are convinced that by Post they can receive goods safely. Only 2 people (3%) choose the personal delivery of the ordered goods.



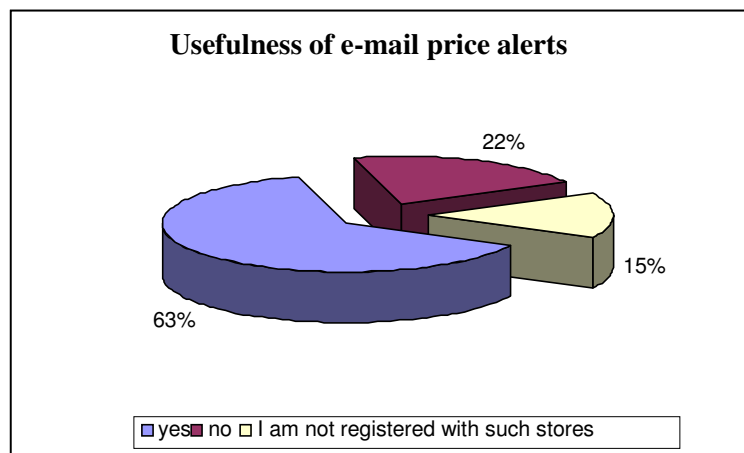
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Regarding payment methods, more than half of those who participated in the study (33) prefer cash payments, while 25 chose to pay with a credit card. Only 2 people find it more convenient to do a bank transfer.



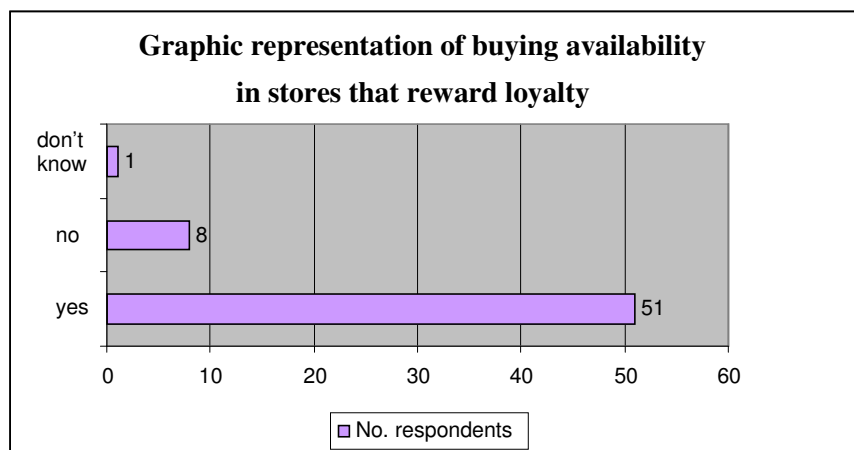
Graphic no. 8
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When asked "Do you consider it useful for online stores where you have registered, to send you e-mail alerts when they offer discounts on certain products or they have new products?", 63% of respondents said yes, while 22% are not interested in such price alerts. 22% say they are not registered with such stores.



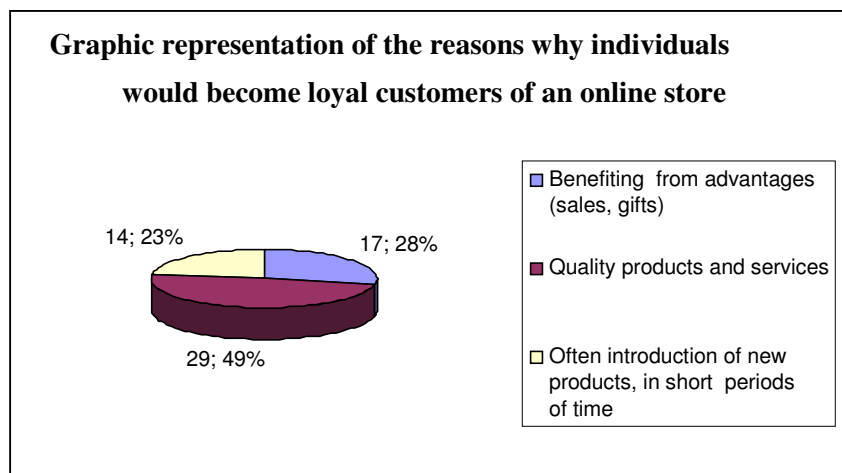
Graphic no. 9
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Regarding the relationship with the loyalty tools used by some stores, at the question "Would you be more willing to buy from a store that rewards customer loyalty?" the answer was clearly yes for 50% of respondents. Furthermore, this is one of the aspects that proves the great interest of customers for the customizing of the products and services they buy, and this regardless of how the transaction takes place.



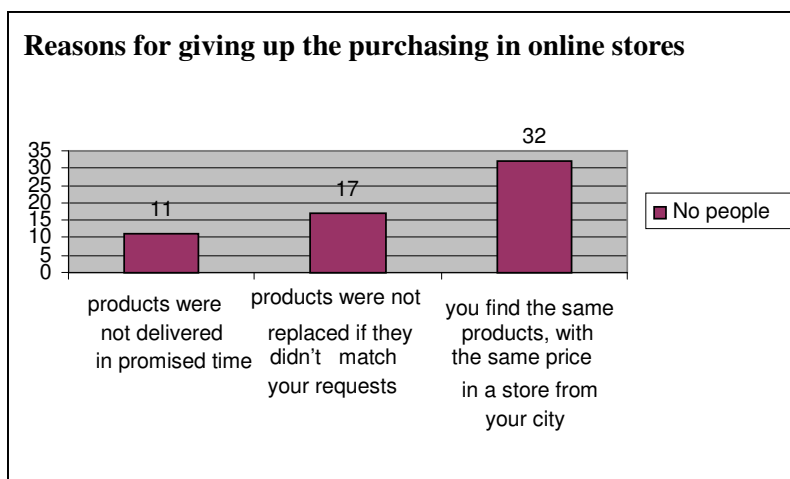
Graphic no. 10
Realized by author

Almost half of respondents (29.49%) would become loyal customers of stores that offer shopping benefits and advantages, while 17.28% appreciate in a store, the quality of products and services. 14.23% are more interested in the frequent occurrence of a novelty.



Graphic no. 11
Realized by author

Regarding the reasons which would determine them to choose not to purchase products in online stores, respondents' answers reveal an aspect any trader already knows, namely, the fact that the ultimate differentiation element in the perception of buyers- especially in times of crisis - is and will remain the price of the products.



Graphic no. 12
Realized by author

Conclusions:

Regarding registration on online store sites, only 8 respondents would choose to buy when they are requested to create an account, while almost half believe it to be useful. 26 of the respondents do not agree to pay for the transportation of the products and 51 of them would like to receive them by courier. As for payment methods they prefer reimbursement. Almost half of the individuals consider it useful to receive notifications about discounts by e-mail and appreciate stores that offer discounts and benefits, but would decline to buy online products that can also be found in traditional stores using the classical sales method.

With regard to information pertaining to the structuring of other elements of the survey respondents, key findings are presented in the table below as follows:

Socio-demographic data

	Sex	Age	Occupation	Studies	Background	Monthly income on family member
Answers	Female (33 people)	21 – 35 years old (17 people)	Employees (19 people)	Superior (31 people)	Urban (45 people)	Less than 950 lei (25 people)
Percent (%)	55,00	28,34	31,67	51,67	75,00	41,67

Survey conclusions:

Without pretending to having finished up the questions related to online stores and hardly considering the number of respondents as being enough, we conclude that people from all walks of life and different environment, know about the existence of virtual stores, and, if they don't shop in them yet, they are interested in certain categories of their products or in products they think they might find online.

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