

Chapter 10

Shipment Tracking, Delivery Speed, and Product Presentation as Antecedents of Repurchase Intention: Predictors of Online Shopping Repurchase Intention

Urvashi Tandon

Chitkara University, India

ABSTRACT

The chapter aims at understanding the predictors of attitude and repurchase intention with online shopping in India by using signaling theory. This research validates shipment tracking, delivery speed, and product presentation as new predictors influencing attitude towards online purchase. It also validates trust as a mediator between attitude and repurchase intention. Data was collected through a self-administered and structured questionnaire targeting online shoppers in North Indian states. A sample of 519 online shoppers was considered in this research. Structural equation modelling (SEM) was used to evaluate the interrelationships among constructs. To examine the hypothesized relationships, path analysis was carried out. The findings of the chapter revealed that delivery speed and product presentation had a significant positive impact on attitude towards online shopping. In contrast, shipment tracking emerged as non-significant antecedent of attitude. The study further empirically provides the evidence that trust mediates the relationship between attitude and repurchase intention.

INTRODUCTION

The pervasive and unlimited internet utilization has led to the advent of novel technologies, which have provided a distinct advantage for online retailing. “There has been an intense modification in shopping

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habits all over the world due to the power of the platform-a new business model which uses technology to connect people, organizations and resources in an interactive ecosystem” (Parker et al., 2016, p.1). This, in turn, has drifted the focal point to achieving excellence in logistics capabilities also. Transformations in the lifestyle have led consumers to practice e-shopping for simplifying their repetitive shopping events (Shareef et al., 2018; Tandon et al., 2021). But despite this massive intensification, the powerlessness to “touch, try and feel products” and timely delivery remain a preeminent obstruction in purchasing products online (Tandon, 2021).

To overcome these hurdles and apprehensions, online retailers introduced novel activities such as liberal and hassle-free timely delivery, shipment tracking and delivery speed, product presentation (Pei, 2014; Riley & Klein, 2019). Researchers have validated these constructs discretely, but an extensive model covering all these constructs composed in a single study is missing in the literature. This gap in literature encouraged the researcher to empirically validate these policies where the consequence of every policy given by online retailer is conceptualized and compared so that the online retailers can concentrate on those policies which lead to retention of consumers.

Most of the online retailers in India have come up with advanced distribution systems that assist consumers and retailers by providing timely delivery and order tracking. Consumers can track their orders, and retailers can provide delivery at a specific time, thereby reducing the logistic delays (Fairchild, 2016).

In order to stimulate e-commerce in India, 100 percent Foreign Direct Investment (FDI) in retail has been allowed since 2016 (IBEF, 2019). Further, by 2026, the Indian e-commerce market is projected to attain a figure of 200 billion (IBEF, 2020). The Indian e-Commerce market is further projected to exceed the U.S. and may become the second largest e-commerce market by 2034 (IBEF, 2021). This may be credited to 4G networks and penetration of smartphones. The Government of India has initiated a Digital India campaign with a target to create a trillion-dollar online economy by 2025. A steering committee was created to look into developing an e-commerce platform initiated by the Government of India. This committee aims to set up an infrastructure for developing online delivery of products to improve logistics infrastructure in villages and rural areas. Despite these efforts by the Government of India, among 560 million internet users (Internet World Stats, 2019), only 20 million are active online shoppers (Vijay, 2020).

Forrester Research (2020) estimated a steep increase in e-commerce sales by 7 to 8 percent in 2020, but this rise is unable to convert into respectable shopping numbers. This raises a concern to improve online customer base and a need to identify and understand the factors which help to retain the consumers. Further, India also lags behind its neighboring country China in e-Commerce adoption and penetration, which had a 14% online retail penetration at the end of 2019. As per U.N. trade and development experts, the e-commerce sector saw a “dramatic” rise in its share of all retail sales, from 16 percent to 19 percent in 2020 (UNCTAD, 2020). The U.K. also saw a spike in online transactions over the same period, from 15.8 to 23.3 percent; so too did China (from 20.7 to 24.9 percent), the U.S. (11 to 14 percent), Australia (6.3 to 9.4 percent), Singapore (5.9 to 11.7 percent) and Canada (3.6 to 6.2 percent) (UNCTAD, 2020). On the other hand, India’s e-commerce sector includes only 3.4 percent of the overall retail market, with 100-110 million users and an online gross merchandise value (GMV) of around 30 million (Salman, 2020). Thus, developing and developed nations differ in their socio-economic and regulatory aspects. Therefore, an indispensable requirement is to investigate the variables that facilitate e-retailers acquiring additional consumers in an emerging economy context like the Indian one.

Online shopping, no doubt, has been explored in the Indian scenario, but most studies are restricted to a specific geographic location with a limited sample size (Jain & Kulhar, 2019; Sharma & Rehman,

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