

Barriers of Online Shopping in Developing Countries: Case Study of Saudi Arabia

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Abstract:

While a huge number of regular customers in Australia, Japan, USA, Canada and European countries have established a comfort level with shopping online on a regular basis, in developing countries it remains in an infancy stage. This research aims to explore the reasons that drive people in developing countries to buy online. The e-commerce industry with a general focus on Internet and online shopping examine application of the Theory of Planned Behavior (TPB), in particularly the barriers. We put the factors, the online racing through the analysis of the data. Note that among the 10 factors to affect the online shopping; social, technical, trust and affection are especially important factor for customers in developing countries such as Saudi Arabia

Key words: Australia, Japan, USA, Supermarket, Theory of Planned Behavior (TPB)

INTRODUCTION

By accretion of the accessibility of the Internet, it is estimated that this enormous sum in the future transactions fully to the world via the Internet are carried out. This probability is supported, if people deliberately on the details of online shopping. Taking into account a number of advantages such as the economy, avoid the behavior of time collect and methods for packaging good or evil of the economy tend these advantages fast, In this research article we are tried to highlight the barriers to face on online shopping, many peoples are work on it for different countries and different areas but I am working just focusing on kingdom Saudi Arabia and its related issues

LITERATURE REVIEW

On this ground, Chan et al. (2002) respite on the confidence that while electronic business market motionless establishes a little quantity of many countries' economies, it is seen as a chance to reduction cost and recover competence in other countries (Chanand Al-Hawamdeh 2002)

Notwithstanding the fact that online shopping has many benefits, when Business companies agree to create it, they have some problems in their business like employee's resistance, eliminating some departments and altering some arrangements. Of course, these are not all complications. Aftertaking away of all the company's inhibitors, people struggle to do shopping online.

Two of the most lengthily used psychosomatic philosophies which concentrate on the link between attitude and behavior are Technology Acceptance Model (TAM) proposed by Davis (1989) and Theory of Planned Behavior (TPB) offered by Icek Ajzen (1991). These two models have both been modified from Fishbein and Ajzen's (1980).

Theory of Reasoned Action (TRA) TAM explains and forecasts entity's receipt of a technology. On the other hand, TPB is one of the most predictive persuading theories being applied to learn the relations among beliefs, attitudes, social meanings and performances in numerous arenas (Ramus and Nielsen 2005).

This theory has been extensively rummage sale in examining customer conduct (East 1993, Conner 1993, Taylor and Todd 1995, Dennison and Shepherd 1995, Thompson and Thompson 1996, Bredahl and Grunert 1997, Povey and Conner 2000, Bredahl 2001, Scholderer and Grunert 2001).

Since TPB is a connected among attitude and behavior, it is a more talented theoretic framework for an in complexity examination of politics and fences held by customers' Internet grocery shopping in Kingdom of Saudi Arabia

By studying the literature, we determine the issues, which affect customers' choice to acquisition online associated with conservative grocery shopping in terms of convenience, product range, price, the risk of receiving mediocre excellence groceries and the loss of the frivolous feature of grocery shopping.

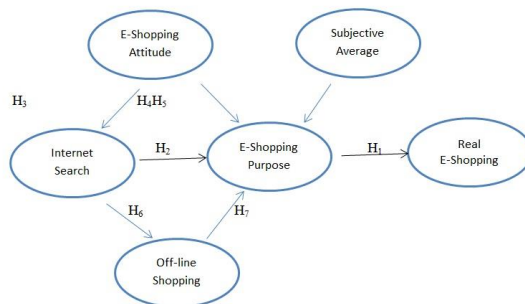
This theoretical research paper inclines to decipher what limits clarify consumers' readiness to buy groceries on the Internet. It twitches with an outline, continued with a brief clarification about the theory of deliberate conduct and then followed by the obstacles. In the third section, the methodology of this research article has been exemplified. It continues by examination of the data and at the end of this study, we express important hints, which clear, and details explain from our data.

An assortment of studies have attempted to profile Internet shoppers, mostly with respect to demographic and, to a slighter degree, psychographic standards which is given bellow table:

Authors	Purpose of the Research
Onthu and Garcia, 1999; Morganosky and Cude, 2000; Raijas and Tuunainen, 2001; Jayawardhena, 2004; Huang Y. and Oppewal H., 2006	Shoppers Meaning to Purchase Online
C.H. et al. 2003; Kshetri, 2005; Molla A. and Licker P.S., 2005; Lin H.F., 2007; Moon J., Chadee D., et al., 2008	E-commerce in Emerging Countries
Geustomers' decision making George, 2004; Choi J. and Geistfeld L, 2004; Garbarino E. and Strahilevitz M., 2004; Chen Y.H. and Barnes S. 2007; Connolly R. and Bannister F. 2008; Ha S. and Stoel L., 2008	Factors Effecting on Customers' Decision Making
Bellman et al., 1999; Weber and Roehl, 1999; Choi J. and Leung K. 2003; Colley A. and Maltby J., 2008; Childers T.L. and Scarborough C.K., 2008	Characterize of Internet Shoppers
Monsuwe' et al., 2004; Ramus and Nielsen, 2005; Hansen T. 2005; May So W.C., Danny Wong T.N. et al. 2005; Bridges E. and Florsheim r., 2008	Customers Approach Toward Online Shopping

THEORY OF PLANNED BEHAVIOR (TPB) ON A REVIEW

One of the most lengthily used communal mind theories about the way in which insights effect actions is Ajzen's Theory of Planned Behavior (Ajzen 1991, East 1993, Conner 1993, Taylor and Todd 1995, Dennison and Shepherd 1995, Thompson and Thompson 1996, Bredahl and Grunert 1997, Povey and Conner 2000, Limayem and Khalifa 2000, Bredahl 2001, Scholderer and Grunert 2001). As mentioned before in psychology, this theory is concerning the link between arrogances and conduct



The valence of the act for the possible performer can be mentioned as attitude, which is strong-minded by outcome opinions (being's views about the predictable consequence of a given conduct). Apparent social burden, to either perform an action or not, is known as subjective or social norms determined by normative beliefs. One of the factors important in formation of intention is ease of use; this can be specified by perceived behavioral control. Beliefs about factors that facilitate or impede the performance of the behavior, control beliefs, are ascertaining perceived behavioral control (Kotler 2002, Ramus and Nielsen 2005, Shih 2008, Vermeir and Verbeke 2008)

Hypotheses Test

H₁ Shows direct relation between E-Shopping Purpose and Real E-Shopping

H₂ Shows direct relation between Internet Search and E-Shopping Purpose

H₃ Shows direct relation between E-Shopping Attitude and Internet Search

H₄ Shows direct relation between E-Shopping attitude and E-Shopping Purpose

H₅ Shows direct relation between Subjective Average and E-Shopping Purpose

H₆ Shows direct relation between Internet Search and Offline Shopping

H₇ Shows direct relation between Offline Shopping and E-Shopping Purpose

In this probing study of customers' insights about Online grocery shopping, the **Theory of Planned Behavior** delivers a methodical, complete explanation of psychosomatic issues with a possible influence to clarify why people use or what do they desist from using the Online for groceries shopping. The factors are as below:

• **Convenience of shopping**

Online shopping stores are frequently accessible 24 hours a day, and many customers have Internet access from home and their smart phone both at work and at home. Other formations such as internet cafes and schools provide internet access as well. In difference, visiting a conventional super store needs to visit and must take place during business hours

In the occasion of an unruly with the item (e.g., the product was not what the consumer ordered, the product was not satisfactory), customers are worried with the ease of returning an item in exchange for either the right product or a repayment or refund. Customers may need to interaction the retailer shops, visit the post office and pay repayment or return delivery, and then wait for a replacement or refund payment. Some online shopping malls have more substantial return rules to recompense for the traditional benefit of physical stores. Ended of all the past(history) of online grocery shopping, convenience is the most critical and problematic parameter in the mind of customers (Berry and Seiders 2002, GVU 1998, Wolfenbarger and Gilly 2001,, Grewal and Iyer 2002, Raijas 2002)

• **Technical System and Web Design**

By seeing the mad and bars of online shopping, it would not be wrong to accomplish that this kind of shopping has some problems. As a case in point, many families cannot apply the Internet for the one line shopping process and also do not admittance to capable Internet joining (Hammond 2001, ONS 2002, Huang and Oppewal 2006). Furthermore, there is some websites needful long time to upload (GVU 1998, Forsythe and Shi 2003).



- **Available Products and Suitability**

By seeing the current studies it can be exposed by exploiting on-line shopping, purchasers have access to broader variety of store and products (GVU 1998, Huang and Oppewal 2006, Shih 2008). Numerous fruitful chastely virtual businesses cooperation deal with digital products, (counting info storing, recovery, and alternative), melody, pictures, office supplies, education, communiqué, software, photography, and economic transactions. Other fruitful marketers use droplet shipping or associate advertising methods to ease dealings of palpable goods without maintaining real record.

- **Price and Cost**

On-line customers can effortlessly assess to the products stipulations values and price more professionally and efficiently than Super Store (offline stores) (Monsuwe and Dellaert 2004). In the meantime you should keep in mind that customers accept that distribution (Delivery) payment (charge) is an extra cost (Hammond 2001, Ramus and Nielsen 2005)

- **Social Aspect of on-line Shopping**

Social shopping Aspect is a technique of e-commerce where customers' friends become involved in the shopping experience. Social shopping efforts to use technology to impersonator the social connections originate in physical shopping mall and stores. With the increase use of mobile devices, social shopping is now spreading outside the online world and into the offline world of shopping. Numerous scholars have strong view that

social interaction is missing factors in on-line shopping (Nielsen and Ramus 2005)

- **Overall trust in company:**

One of the most important details not to purchase through Internet is trust. The level of safety and security confidentiality has prejudiced on the online customers, it simple means that high level of security has a countless optimistic exertion on customers' boldness to Internet shopping (Rotter 1971, Jacobs 1997, Lee and Turban 2001, McKnight and Chervany 2001-2002, Grewal and Iyer 2002, Forsythe and Shi 2003, Choi and Leung 2003, Monsuwe and Dellaert 2004, Hammond 2001).

- **Personal service**

Numerous people rest on the belief that absence of individual customer services in online shopping clues them to countless anxiety. They favor to get some information and help about products at a physical site (Ramus and Nielsen 2005).

METHODOLOGY

To know the obstacles and their relevance according to our model that we have a questionnaire developed 64 elements. Then we test the questionnaire with 15 people, and the alpha of Cronbach 0.9 being bigger, it applies to the sale. The questionnaire contains personal questions about gender, age. Marital status and the rest of the questions have been divided into 10 groups represent a factor of the model. We distributed the questionnaire between 300 persons by e-mail and face to face. We received 243 completed questionnaires. It was about 81% back to the price again.

ANALYSIS

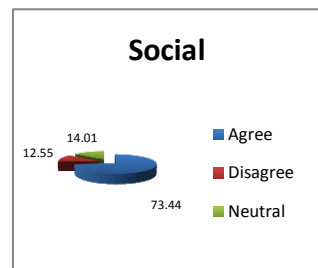
We analyze the study of questionnaires and run a descriptive analysis on the answers. Results are showed in following below Table

Descriptive Analysis

	Agree	Disagree	Neutral	Total
Social	73.44	12.55	14.01	100
Confidence	63.36	3.37	33.27	100
Technical	71.23	5.33	23.44	100
Affection	74.89	9.21	15.9	100
Trust	79.96	6.77	13.27	100

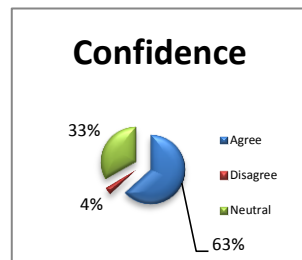
- **Social**

We originate that the social aspects are significant for the contribution parameters. In recollection and over the previous works we can assume the shortage of communication is a significant obstacle for on-line shopping (Steenkamp ET al.1999, Rosen and Howard 2000, Grewal and Iyer 2002, Choi and Leung 2003, Arnold and Reynolds 2003, Ramus and Nielsen 2005, Huang and Oppewal 2006). As from the table can be seen in the above table, 73.44 percent of public rest on the view that on-line grocery shopping absences of social features in contrast with conventional shopping, In eastern countries like kingdom of Saudi Arabia, numerous people have potential for shopping since they can interact with other people.



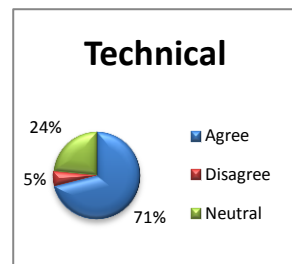
- **Confidence**

Confidence of shopping revenues to some matters like: logistics, shipment and delivering on fix time and complete products. It was stated through the history of on-line shopping researches scholar and there is composed in developing countries and developed countries (Ramus and Nielsen 2005), (Vermeir and Verbeke 2008). As a case in opinion, AMZAN.com removes this substance by smearing IT schemes and trained worker as chooser; every chooser cover a separate part of the store, As from above Table can be seen 63.36 percent public are agreed rest on the view that on-line grocery shopping absences of confidence features in contrast with conventional shopping.



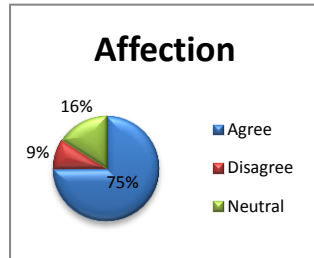
- **Technical**

The speed of Internet connection in Saudi Arabia is very fast as 3G and 4G. Internet in Saudi Arabia is provided by more than one factor: the Saudi Telecom, the CITC, and the ISP which provides the monthly subscriptions, this is a Whole list of the approved agreement Internet Service Providers in Saudi, so web page loading is time Consuming; on the other side Many Contributors Stated that web pages are muddling and unclear; Therefore, Saudi People do not Intelligence the Practicality of Internet shopping.



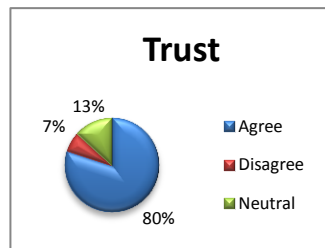
- **Affection**

Created on individualism-collectivism maxim (Leung & Choi 2003) it was predictable that 74.89 out of a hundred (percent) of public said that they are affected by their colleagues, friends and family. In fact, Saudi peoples used to advice regarding their doings by their colleagues, friends and since the overall overview is negative to on-line shopping, people are not keen to use it.



- **Trust**

Trust is one of the most important and significant problems in e-business (Monuwe and Dellaert 2004, Grewal and Iyer 2002, Ramus and Nielsen 2005, Kshetri 2007, Lee and Turban 2001, O’Cass and Fenech 2003). Over the past, eastern people used to manage and transact face to face (Kshetri 2007), but lately by the growing of electric banking in Saudi Arabia and helping from its compensations, people incline to use it. As from the table can be seen in the above table, 79.96 percent of public rest on the view that on-line grocery shopping absences of trust features in contrast with conventional shopping, in eastern countries like kingdom of Saudi Arabia.



CONCLUSION AND DISCUSSION

As we quoted in the outline of this research, meanwhile the online-shopping in emerging Nation such as Saudi Arabia in determinative years and the customers are not habitual in Online-Shopping. It is easy to say that online stores in developing nations have relatively calmer assignment to indulge the potential market to catch the customers to shop

online in contrast with the customers in advanced countries like USA, Japan, European Countries and Australia. By perusing the previous research of literature in the field of online business, online shopping, and the consequences of this investigation; we could change and develop the above-mentioned model about the inhibiting features of online grocery shopping.

Rendering to our consequences the whole limits distribute down to three groups and each group has a number of sub-factors. Some of these barriers such as social communication, security and trust, technical problems have been stated repeatedly through the literature. Environmental factors have an effect on companies in terms of social interaction, technical problems and affection, but companies can improve the logistics and the innovative use of its trust and cooperation with other reputable organizations and online payment sites. Lastly, often at times the web design and layout of the sites is not updated which translates into problems for customer browsing and online transaction. In addition, customers also suffer from an incomplete product list and feel disheartened when they do not find the products that they are looking for.

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