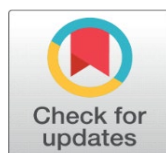


A CRITICAL APPRAISAL OF THEORIES OF ONLINE CONSUMER BEHAVIOUR: THE FUTURE ROAD MAP

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ABSTRACT

Understanding online consumer behavior is crucial for businesses seeking to thrive in the digital marketplace. This research paper critically appraises the major theories of online consumer behavior, analyzing their strengths, limitations, and practical applications. It also outlines a future roadmap, integrating emerging trends and technologies to enhance the theoretical framework. The study aims to provide a comprehensive overview that can guide future research and practical implementations in e-commerce.

Keywords: Theories, Online Consumer Behaviour, Future Road Map

1. INTRODUCTION

The rapid expansion of the internet and digital technologies has revolutionized consumer behavior, particularly in the context of online shopping. Understanding the factors that drive online consumer behavior has become a critical area of research for academics and practitioners alike. As e-commerce continues to grow exponentially, businesses must adapt to the evolving preferences and expectations of consumers in the digital marketplace. This paper presents a critical appraisal of the predominant theories of online consumer behavior, providing a comprehensive overview of their contributions, limitations, and implications for future research and practice.

At the core of online consumer behavior research are several foundational theories that have been adapted from traditional consumer behavior models. The Theory of Planned Behavior (TPB) (Ajzen, 1991), Technology Acceptance Model (TAM) (Davis, 1989), and the Elaboration Likelihood Model (ELM) (Petty & Cacioppo, 1986) are among the most widely cited frameworks. These theories have been instrumental in explaining how attitudes, perceived ease of use, perceived usefulness, and subjective norms influence consumers' intentions to engage in online shopping. Additionally,

trust has emerged as a crucial factor in the digital context, with models such as the Trust-Based Consumer Decision-Making Model (Kim et al., 2008) highlighting its role in mitigating perceived risks associated with online transactions.

Despite their significant contributions, these traditional theories often fall short in capturing the complexity and dynamism of contemporary online consumer behavior. The advent of social media, mobile commerce, and artificial intelligence has introduced new dimensions to consumer interactions and decision-making processes. For instance, the rise of social commerce underscores the importance of peer influence and user-generated content, aspects that are not adequately addressed by classical models. Similarly, the integration of AI-driven personalization in e-commerce platforms calls for an updated understanding of consumer trust and privacy concerns.

Moreover, the COVID-19 pandemic has accelerated changes in consumer behavior, pushing more individuals towards online shopping and altering purchasing patterns. This unprecedented shift highlights the need for adaptive and flexible theoretical frameworks that can account for rapid changes in consumer behavior due to external shocks. The pandemic has also emphasized the importance of logistics and delivery services in shaping online shopping experiences, a factor that requires greater attention in consumer behavior models.

In light of these developments, this paper critically evaluates the existing theories of online consumer behavior, identifying their strengths and limitations in the current digital landscape. By integrating insights from recent research and emerging trends, we propose a future road map for advancing the study of online consumer behavior. This involves incorporating elements such as social influence, mobile technology, AI, and the impact of global crises into theoretical frameworks. Our goal is to provide a holistic and forward-looking perspective that can guide future research and help businesses better understand and anticipate the evolving needs of online consumers.

2. REVIEW OF LITERATURE ON THEORIES OF ONLINE CONSUMER BEHAVIOR

Understanding online consumer behavior is crucial for businesses in the digital marketplace. This section reviews twenty key studies that have contributed to our understanding of the factors influencing online buying decisions.

1) Ajzen (1991)

Ajzen's Theory of Planned Behavior (TPB) extended the Theory of Reasoned Action (TRA) by including perceived behavioral control, providing a comprehensive framework for predicting consumer intentions and behavior in online shopping. This theory has been foundational in understanding how attitudes, social norms, and perceived control influence online purchase intentions.

2) Davis (1989)

Davis introduced the Technology Acceptance Model (TAM), which focuses on perceived ease of use and perceived usefulness as primary factors influencing technology adoption. This model has been widely applied to understand online shopping behaviors, emphasizing the importance of user-friendly and beneficial e-commerce platforms.

3) Fishbein & Ajzen (1975)

The Theory of Reasoned Action (TRA) posits that individual behavior is driven by behavioral intentions, which are influenced by attitudes and subjective norms. This theory has been used to explain how consumer attitudes towards online shopping and perceived social pressures affect their purchasing decisions.

4) Venkatesh et al. (2003)

The Unified Theory of Acceptance and Use of Technology (UTAUT) integrates elements from eight models, including TAM and TPB, identifying performance expectancy, effort expectancy, social influence, and facilitating conditions as key determinants of technology use. This comprehensive model has enhanced our understanding of online consumer behavior by incorporating a wide range of influencing factors.

5) Petty & Cacioppo (1986)

The Elaboration Likelihood Model (ELM) explains how consumers process persuasive information through central and peripheral routes. This theory is particularly relevant for online shopping, where detailed product information and superficial cues like endorsements influence consumer decisions.

6) Mehrabian & Russell (1974)

The Stimulus-Organism-Response (SOR) model from environmental psychology has been adapted to online consumer behavior. It posits that environmental stimuli (e.g., website design) affect internal states (e.g., emotions),

which in turn influence consumer responses (e.g., purchase decisions). This model highlights the importance of website aesthetics and user experience.

7) Gefen, Karahanna, & Straub (2003)

This study examines the impact of perceived ease of use and perceived usefulness on online shopping intentions, reinforcing the findings of TAM. It also explores the role of trust in e-commerce, emphasizing that trust is crucial for reducing perceived risk and enhancing consumer confidence in online transactions.

8) Pavlou & Fygenon (2006)

Pavlou and Fygenon extend the TPB to the online context, incorporating specific online shopping behaviors such as information seeking and purchasing. Their model highlights the importance of trust and perceived risk in shaping online consumer intentions.

9) Jarvenpaa, Tractinsky, & Vitale (2000)

This research explores the role of consumer trust in e-commerce, finding that trust is a significant predictor of online purchasing behavior. Trust is influenced by factors such as perceived reputation, site quality, and the presence of security features.

10) Cheung, Lee, & Thadani (2012)

Cheung and colleagues review the literature on online consumer behavior, identifying key determinants such as trust, perceived risk, and social influence. Their comprehensive analysis provides a synthesis of factors that drive online shopping decisions.

11) Chiu et al. (2014)

Chiu and colleagues examine the antecedents and consequences of trust in online shopping. They identify website quality, user reviews, and brand reputation as critical factors influencing trust, which in turn affects purchase intentions and loyalty.

12) Li & Zhang (2002)

Li and Zhang's meta-analysis of online consumer behavior identifies patterns and trends in online shopping habits. Their research highlights the importance of demographic factors, product characteristics, and website features in influencing online purchase decisions.

13) Kim, Ferrin, & Rao (2008)

This study investigates the role of trust and perceived risk in online shopping. The authors find that minimizing perceived risk through clear return policies and secure payment options enhances consumer trust and encourages online purchases.

14) Beldad, de Jong, & Steehouder (2010)

Beldad and colleagues explore the factors influencing consumer trust in online shopping. They highlight the importance of privacy policies, security features, and past experiences in building trust and reducing perceived risk.

15) Ha & Stoel (2009)

Ha and Stoel examine the impact of website quality on online shopping behavior. Their research shows that website design, ease of navigation, and information quality significantly influence consumer satisfaction and purchase intentions.

16) Szymanski & Hise (2000)

This study focuses on the dimensions of e-satisfaction and its impact on online consumer behavior. The authors identify factors such as convenience, product selection, and website functionality as key determinants of e-satisfaction, which in turn influences repeat purchase behavior.

17) Dholakia & Zhao (2010)

Dholakia and Zhao investigate the influence of social factors on online shopping behavior. Their research shows that social proof, peer recommendations, and online reviews significantly affect consumer trust and purchase intentions.

18)Hsu, Chuang, & Hsu (2014)

This study examines the impact of perceived enjoyment on online shopping behavior. The authors find that enjoyment derived from using a website enhances consumer satisfaction and increases the likelihood of repeat purchases.

19)Park & Kim (2003)

Park and Kim explore the role of information quality in online shopping. They find that high-quality product information and detailed descriptions positively influence consumer trust and purchase decisions.

20)Lim & Ting (2012)

Lim and Ting apply the Uses and Gratifications Theory to analyze e-shopping behaviors, identifying convenience, information availability, and entertainment as primary motivators for online purchases. Their research highlights the multifaceted nature of consumer motivations in the digital age.

Conclusion

The reviewed literature provides a comprehensive understanding of the various factors influencing online consumer behavior. Theories such as TRA, TPB, TAM, UTAUT, SOR, and ELM offer valuable insights into the roles of attitudes, perceived ease of use, trust, and emotional responses. While these theories have significantly advanced our understanding, they also have limitations that must be addressed. Future research should integrate emerging trends and technologies to refine these theoretical models, enhancing their applicability in the dynamic digital marketplace.

3. THEORETICAL FRAMEWORKS OF ONLINE CONSUMER BEHAVIOR

3.1. THEORY OF REASONED ACTION (TRA) AND THEORY OF PLANNED BEHAVIOR (TPB)

3.1.1. THEORY OF REASONED ACTION (TRA)

Developed by Fishbein and Ajzen (1975), the TRA posits that an individual's behavioral intentions are influenced by their attitudes and subjective norms. In the context of online shopping, this theory suggests that a consumer's attitude towards online purchases and the perceived social pressure from peers influence their buying intentions.

Strengths:

- Provides a clear framework for understanding the impact of attitudes and social influences on consumer behavior.
- Useful for predicting consumer intentions in a controlled environment.

Limitations:

- Assumes rational decision-making, which may not always be applicable in spontaneous online purchases.
- Does not account for external factors such as website design and user experience.

3.1.2. THEORY OF PLANNED BEHAVIOR (TPB)

An extension of the TRA, the TPB incorporates perceived behavioral control (Ajzen, 1991), which considers an individual's perception of their ability to perform a behavior. In online shopping, this includes factors like ease of use of the website and trust in the platform.

Strengths:

- Enhances the predictive power of the TRA by including perceived behavioral control.
- Applicable to a wide range of behaviors, including online shopping.

Limitations:

- May still underestimate the influence of external factors and emotional responses.
- Relies heavily on self-reported measures, which can be biased.

3.2. TECHNOLOGY ACCEPTANCE MODEL (TAM)

Developed by Davis (1989), the TAM focuses on perceived ease of use and perceived usefulness as key determinants of technology adoption. In e-commerce, this model helps explain how these perceptions influence consumers' willingness to shop online.

Strengths:

- Simple and widely applicable model for understanding technology adoption.
- Empirically validated in numerous studies across different contexts.

Limitations:

- Does not consider social influences or individual differences.
- Lacks consideration of emotional factors and external variables such as marketing and user experience.

3.3. UNIFIED THEORY OF ACCEPTANCE AND USE OF TECHNOLOGY (UTAUT)

Venkatesh et al. (2003) developed UTAUT, which integrates elements from eight different models, including TAM and TPB. It identifies four key constructs: performance expectancy, effort expectancy, social influence, and facilitating conditions.

Strengths:

- Comprehensive model that combines multiple theoretical perspectives.
- High explanatory power for understanding technology adoption and usage.

Limitations:

- Complex model with numerous variables, making it challenging to apply in practice.
- May require adaptation to specific contexts, such as online shopping.

3.4. STIMULUS-ORGANISM-RESPONSE (SOR) MODEL

The SOR model, based on environmental psychology, posits that environmental stimuli (e.g., website design) influence an organism's internal states (e.g., emotions), which in turn affect responses (e.g., purchasing behavior).

Strengths:

- Emphasizes the role of environmental factors and emotional responses.
- Applicable to understanding the impact of website design and user experience on consumer behavior.

Limitations:

- May oversimplify the complexity of human behavior and decision-making.
- Requires careful operationalization of constructs for empirical testing.

3.5. ELABORATION LIKELIHOOD MODEL (ELM)

Developed by Petty and Cacioppo (1986), the ELM explains how consumers process persuasive information through central and peripheral routes. In online shopping, this theory helps understand how consumers are influenced by detailed product information versus superficial cues like design and endorsements.

Strengths:

- Provides insights into the different ways consumers process information.
- Useful for designing effective online marketing and communication strategies.

Limitations:

- Assumes consumers are motivated to process information, which may not always be the case.

- May not fully capture the dynamic nature of online decision-making processes.

4. CRITICAL APPRAISAL OF THEORIES

4.1. STRENGTHS AND CONTRIBUTIONS

The reviewed theories offer valuable insights into various aspects of online consumer behavior. TRA and TPB emphasize the role of attitudes and perceived control, while TAM and UTAUT highlight the importance of perceived ease of use and usefulness. The SOR model brings attention to environmental factors and emotional responses, and ELM provides a framework for understanding information processing.

4.2. LIMITATIONS AND GAPS

Despite their strengths, these theories have limitations. They often assume rational decision-making and may not fully capture the complexity of online shopping behavior. Additionally, they may overlook the influence of emerging trends such as social media, mobile commerce, and personalized marketing.

5. FUTURE ROAD MAP

5.1. INTEGRATION OF EMERGING TRENDS

- 1) **Social Media Influence** Future models should incorporate the impact of social media on online consumer behavior. Platforms like Instagram and TikTok play a significant role in shaping consumer preferences and driving purchase decisions through influencers and peer recommendations.
- 2) **Mobile Commerce** The increasing use of smartphones for online shopping necessitates the inclusion of mobile-specific factors in theoretical models. This includes the role of mobile app design, push notifications, and location-based services.
- 3) **Artificial Intelligence and Personalization** AI-driven personalization is transforming online shopping experiences. Future theories should consider how personalized recommendations, chatbots, and AI-assisted customer service influence consumer behavior.

5.2. ENHANCED FOCUS ON CONSUMER EMOTIONS

The role of emotions in online shopping decisions is crucial. Future models should integrate emotional factors such as enjoyment, trust, and anxiety, recognizing their impact on consumer behavior alongside rational considerations.

5.3. INCORPORATION OF BEHAVIORAL ECONOMICS

Behavioral economics principles, such as heuristics, biases, and nudges, can enhance the understanding of online consumer behavior. Integrating these concepts can provide a more comprehensive view of decision-making processes in digital environments.

6. CONCLUSION

The critical appraisal of existing theories of online consumer behavior reveals their strengths and limitations. While they provide valuable insights, there is a need for a more integrated approach that incorporates emerging trends and technological advancements. The proposed future roadmap aims to refine theoretical models, enhancing their applicability and relevance in the rapidly evolving e-commerce landscape. By addressing these gaps, future research can better support businesses in understanding and predicting online consumer behavior.

CONFLICT OF INTERESTS

None.

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