



THE EFFECT OF CUSTOMER PERCEPTION TOWARDS ELECTRONIC BRICK-AND-CLICK RETAILERS IN DURBAN, KWAZULU-NATAL

BY

Makhosazane Buthelezi

Student number: 21224782

**Submitted in fulfilment of the requirements for the degree:
Master of Management Sciences: Retail Business Management**

**Durban University of Technology
Faculty of Management Sciences
Department of Marketing and Retail Management**

APPROVED FOR FINAL SUBMISSION

Supervisor: Dr. P. Moodley

Date

DECLARATION

I, the undersigned, Makhosazane Buthelezi, do hereby declare that unless otherwise indicated, this dissertation is solely the result of my own work. This work has not been submitted to any other tertiary institution for a degree award or other purposes and all the authors whose work contributed to this study have been accordingly referenced.

Signed

Makhosazane Buthelezi

Date

DEDICATION

This work is dedicated to my magnificent God, the master of the universe and the ruler of the heavens and the earth who made it possible for me to undertake and successfully complete this study.

ACKNOWLEDGEMENTS

This dissertation would not have been possible without the support and dedication of a number of very special persons. Thank you to:

- My Creator for the talent, the knowledge, the determination and the strength to complete this study.
- My Supervisor Dr P. Moodley for her continued support, encouragement and long hours of reading this study, of which I am proud.
- Extend my special gratitude to Erica Fouche for granting me the permission to conduct my survey.
- Mr. Jacques Cloete for assistance on the technical side.
- All my friends and family members for their patience and unending support.

ABSTRACT

Brick-and-Click retailing was introduced in the 21st century and it was a challenge to traditional retailers (Diamond and Pintel 2013: 91). Kloppers (2014: 1187) reveal that online shopping has grown tremendously worldwide in the last few years but South Africa seems to lag behind the rest of the world where the development of Brick-and-Click is concerned. Gupta, Mittal and Nayyar (2011: 401) state that electronic retailing is now a trending shopping tool. Laudon and Traver (2010: 6) assert that as electronic retailing drastically grows, most customers act and react based on their perceptions, not objective reality. According to Hawkins and Mothersbaugh (2010: 278) customer's perception are much more vital than their knowledge of objective reality. Customer's perception affects their actions, leisure and buying habits which has a great impact on the Brick-and-Click retailers. Laudon and Traver (2010: 5) believe that electronic retailing is challenging to most retailers, as there are many factors that need to always be considered. Botha *et al.*, (2008: 277) mention that the South African online retail market needs to overcome a number of obstacles in order to enhance the growth of online shopping.

The aim of this study is to identify the factors that affect customer perception on electronic retailing in Brick-and-Click retailers in Durban, KwaZulu-Natal. The primary objective of the research is to examine the effect of customer perception of electronic retailing in Durban. Durban is known as the largest city in KwaZulu-Natal, therefore using Durban as the sample was advantageous to the study in terms of results. Furthermore, this study obtained permission (see appendix C-gatekeepers letter) from Mr Price Clothing who is one of the largest retailers in Durban to engage in this study.

The study followed a quantitative research method in order to attain the set objectives of the study. Non-probability sampling technique was employed in recruiting the participants. Convenience and purposive sampling techniques were used to generate the sample population in this study. The target population for the study were all the customers that shop at the Brick-and-Click retailers in Durban, KwaZulu-Natal. Questionnaires were administered electronically via the database of Mr Price. The study used both descriptive and inferential statistics. Statistical Package for Social Scientists (SPSS) version 23.0 was used to analyse the data.

The results suggest that Brick-and-Click retailers pay more attention towards the factors that affect the customer perception as they can determine the success or failure of the business. Researchers in the literature review highlight that customer perception is the way customers view shopping quality of the stores performance and effectiveness in terms of its product or services (Ha and Stoel 2011: 199). Aspfors (2010: 10) believes that it is essential to identify customer's needs and wants by knowing customer perceptions. The study revealed that majority of customers indicated that they are aware of electronic retailing, a frequency of 2-3 times a month was the highest followed by never shopped online customers. The study also discovered that customers were influenced by different factors to shop online, less are of the opinion that online shopping is secure, and even fewer are prepared to make online payments. Finally, only few have a positive attitude toward online shopping. Lastly, the study also discovered that prices and delivery are the main motivating factors for customers to shop online while the least motivators were referrals from friends, family and review site, company reputation and appealing product description.

Lee and Barnes (2016: 48) suggest that Brick-and-Click retailers invest in Research and development (R&D) to discover various factors affecting the customers to buy electronically. Brick-and-Click retailers are further advised to develop strategies pertaining how to retain customers especially strategies suitable for their target market as they all differ from one retailer to another. Research and development can assist in implementing the right strategies at the right time minimizing cost. Through research and development, the retailer can also determine the needs and wants through understanding perception of customers. Retailers must be aware of all the factors in order to provide ideal strategies. Recommendations on how to use the important factors in online shopping could be aimed at developers of websites and owners of Brick-and-Clicks. They should change their marketing strategies giving priority to customer orientation and they should be particularly focused on the ease of use of online shopping services. Brick-and-Click retailers should devote resources to better understand consumer behaviour, technologies of the future and their development (Baubonienė and Gulevičiūtė 2014:81).

TABLE OF CONTENTS

The influence of customer perception towards electronic retailing at brick-and-click retailers in Durban, KwaZulu-Natal

CHAPTER ONE: INTRODUCTION OF THE STUDY

1.1 Introduction	1
1.2 Background of the study	1
1.3 Statement of the research problem	2
1.4 Aim and objectives	3
1.4.1 Aim of the study	3
1.4.2 Objectives of the study	3
1.4.3 Research questions	3
1.5 Rationale of the study	4
1.6 Scope of the study	4
1.7 Delimitations	4
1.8 Limitations	5
1.9 Theoretical background	5
1.10 Research methodology	6
1.11 Outline of the dissertation chapters	6
1.12 Conclusion	8

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction	9
2.2 Definition of key terms	9
2.2.1 Electronic retailing	9
2.2.2 Brick-and-Click	9

2.2.3 Customer perception	10
2.3 Electronic retailing	10
2.3.1 Electronic retailing in South Africa	11
2.3.2 Customer acceptance of electronic retailing	12
2.3.3 The purpose of electronic retailing	14
2.3.4 The importance of electronic retailing	15
2.3.5 Advantages of electronic retailing	15
2.3.6 Disadvantages of electronic retailing	16
2.4 Customer perception towards electronic retailing	18
2.5 Proposed model	19
2.5.1 The customer perception process	20
2.6 The importance of understanding customer perception in retailing	24
2.7 Factors influencing customer perception towards electronic retailing	25
2.7.1 Transactions or payment systems	26
2.7.2 Trust	27
2.7.3 Fraud	27
2.7.4 Returns	28
2.7.5 Late deliveries	28
2.7.6 Electronic Word-of-Mouth	29
2.8 The influence of customer perception on electronic retailing	30
2.9 Consumer buying behaviour towards electronic retailing	31
2.9.1 Relationship between customer perception and customer buying behaviour	31
2.9.2 Customer mind-set in online shopping	32
2.9.3 Consumer buying process	32
2.10 Online customer experience	35
2.11 Expectations	36

2.11.1 Levels of expectations	36
2.11.2 Types of online expectation	37
2.12 E-satisfaction	38
2.13 E-loyalty	39
2.13.1 The three advantages of e-loyalty	39
2.14 Strategies used to develop customer base	40
2.14.1 Electronic Customer Relationship Management	40
2.14.2 Introduce E-SERVQUAL method	41
2.14.3 Benefits to the e-retailer for using E-SERVQUAL method	42
2.14.4 Portfolio matrix	43
2.15 Conclusion	45

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction	47
3.2 Research objectives	47
3.3 Research design	47
3.4 Study approach	48
3.5 Target population	50
3.6 Sampling method	50
3.7 Sample selection and size	50
3.8 Research instrument	51
3.8.1 Measuring instrument	51
3.8.2 Development of the questionnaire	51
3.8.3 Questionnaire design	51
3.8.4 Structure of the questionnaire	52
3.9 Data collection	52

3.9.1 Informed consent	53
3.9.2 Pre-test	53
3.9.3 Data analysis	53
3.9.4 Validity	54
3.9.5 Reliability	54
3.10 Ethical considerations	54
3.11 Anonymity and confidentiality	55
3.12 Limitations of the study	55
3.13 Delimitations of the study	55
3.14 Conclusion	56

CHAPTER FOUR: DATA ANALYSIS

4.1 Introduction	57
4.2 Response rate of the study	57
4.3 Research instrument	58
4.4 Frequencies	58
4.4.1 Gender of respondents	59
4.4.2 Race of respondents	60
4.4.3 Age of respondents	61
4.4.4 Employment of respondents	62
4.4.5 Monthly income of respondents	63
4.4.6 Educational level of respondents	64
4.4.7 Frequency of respondents shopping online	67
4.4.8 Factors affecting respondents who do not shop online	73
4.4.9 Opinion of the respondents who do not shop online	73
4.5 Conclusion	79

CHAPTER FIVE

5.1 Introduction	80
5.2 Review of the theoretical study	80
5.3 Empirical study	80
5.4 Aim and objectives of the study	81
5.4.1 Aim	81
5.4.2 Objectives	81
5.5 Findings from the study	81
5.5.1 Objective one	81
5.5.2 Objective two	82
5.5.3 Objective three	83
5.5.4 Objective four	83
5.6 Conclusions	83
5.7 Limitations of the study	84
5.8 General recommendations	84
5.9 Specific recommendations	85
5.9.1 Manage customer perceptions	85
5.9.2 Invest more in marketing and promotions to attract and retain current Customers	85
5.9.3 Create loyalty programs	86
5.9.4 Implement advanced technology system	86
5.9.4 Provide a secure and easy payment processing	86
5.10 Recommendations for further research	87
5.10 Conclusion	88

List of reference	89
Appendix A	104
Appendix B	110
Appendix C	111

FIGURES

Figure 1.1: Outline of the dissertation chapters	7
Figure 2.1: South African electronic retail sales 2004-2011	11
Figure 2.2: Growth of electronic retailing per country	12
Figure 2.3: Technology acceptance model	13
Figure 2.4: Customer perception process	20
Figure 2.5: Proposed model of customer perception process	21
Figure 2.6: The power of word-of-mouth	30
Figure 2.7: Consumer buying behaviour process	34
Figure 2.8: Factors that affect e-satisfaction	38
Figure 2.9: The four different sections within the BCG Matrix	44
Figure 4.1 Gender of respondents	60
Figure 4.2 Race of respondents	61
Figure 4.3 Age of respondents	61
Figure 4.4: Employment of respondents	62
Figure 4.5: Monthly income of respondents	63
Figure 4.6: Educational level of respondents	64
Figure 4.7: Frequency of respondents who do not shop online	68
Figure 4.8: Factors affecting respondents who do not shop online	73
Figure 4.9: Opinion of the respondents who do not shop online	74

TABLES

Table 3.1: Characteristics of quantitative approach	49
Table 4.1: Response rate of the survey	57
Table 4.2: Questionnaire setting	58
Table 4.3: Respondents of online and non-shoppers	59
Table 4.4: Gender of respondents cross tabulated with shopping	60
Table 4.5: Demographics of adopters and non-adopters	65
Table 4.6: Demographics frequency of respondents	69
Table 4.7: Respondents motivating factors to shop online	77
Table 4.8: Perception of respondents who shop online	78

CHAPTER ONE

INTRODUCTION TO THE STUDY

1.1 INTRODUCTION

The way customers think and purchase goods or services has changed due to the increase in popularity of electronic retailing in the South African economy (Rajesh and Purushothaman 2013: 36). Laudon and Traver (2010: 6) reveal that as electronic retailing drastically grows, most customers act and react based on their perceptions, not objective reality. Thus, creating challenges to Brick-and-Click retailers since perception is based on individual's personal experience, selective or subjective (Cant, Brink and Brijball 2006: 115). According to Hawkins and Mothersbaugh (2010: 278) customer's perception are much more vital than their knowledge of objective reality. Customer's perception affects their actions, leisure and buying habits, which has a great impact on the Brick-and-Click retailers. The chapter reviews the concepts of customer perceptions, Brick-and-Click retail industry in Durban, KwaZulu-Natal and the effect customer perception has over Brick-and-Click retailers. The aim, objectives and the problem statement of this study will be presented in this chapter, as well as the theoretical background of the study. The structure of the study will be outlined at end of this chapter.

1.2 BACKGROUND OF THE STUDY

According to Diamond and Pintel (2013: 91), in the 21st century when electronic retailing was introduced, Brick-and-Mortar retailing also known as traditional retailing was challenged. Gupta, Mittal and Nayyar (2011: 401) state that electronic retailing is now a growing shopping tool. Perreault and McCarthy (2005: 359) explain that while electronic retailing propagates, it creates a challenge to many Brick-and-Click retailers on how to attract and retain customers as their perception change on a daily basis due to experience, knowledge and so on. This study will explore the effect of customer perception on electronic retailing at a Brick-and-Click retailer in Durban, KwaZulu-Natal. Many studies have been

conducted about customer perceptions concerning online shopping in different parts of the world, however very few studies have been conducted in South Africa especially regarding the Brick-and-Click retailers. Laudon and Traver (2010: 5) believe that electronic retailing is challenging to most retailers, as there are many factors that need to always be considered. Botha *et al.*, (2008: 277) mention that the South African online retail market needs to overcome a number of obstacles in order to enhance the growth of online shopping.

1.3 STATEMENT OF THE RESEARCH PROBLEM

Empirical studies reveal that the South African electronic retailing is under-performing in comparison to most other developed and developing countries (Kloppers 2014: 118). Studies conducted by Goldstuck (2013: 1); Ahmad, Omar and Ramayah (2010: 227); and Schneider (2009: 116) do affirm that, South African electronic retailing has vast potentials and opportunities however; these potentials and opportunities are partly undermined by customers' poor perception. More so, pertinent concerns such as mistrust, payment issues, late deliveries and fraud have often been attributed to factors adversely impacting on customer's perception in this industry (Chipp and Ismail 2004: 212, and Cant *et al.*, 2006: 114).

Beneke, Flynn, Greig and Mukaiwa (2013: 219) argue that customer's perception plays a vital role in consumers purchasing decisions and behaviour. They further elaborate that online shopping involves activities that are technologically intensive but also of an impersonal nature. A recent survey conducted within the Johannesburg region reveal that, the development and growth of the Brick-and-Click retailers is been undermined by the unpleasant experiences of customers (Retailing in South Africa 2016: 129).

On the basis of the research problem, the purpose of this research is to identify and get insight into customer perceptions towards online shopping, identify factors which influence online shopping and strategies that can be implemented to improve the retail industry; explore the reason behind of less attention of customers towards online

shopping. Furthermore, any segments can be established by identifying the customers and how these segments relate to identified factors.

1.4 AIM AND OBJECTIVES

Hence, in consonance with these challenges faced by this sector, this study has developed the following aim and objectives:

1.4.1 Aim of the study

The main aim of the study is to identify the factors that affect the customer perception on electronic retailing in Brick-and-Click retailers.

1.4.2 Objectives of the study

- To study perceptions of customers towards online retailing;
- To examine the effect of customer perception on electronic retailing;
- To assess the relationship between customer perception and buying behaviour; and
- To provide strategies capable of promoting a positive customer perception among Brick-and-Click retailers.

1.4.3 Research questions

- What are the perceptions of customers towards online retailing in Durban Brick-and-Click retailers?
- What are the effects of customer perception on electronic retailing in Durban Brick-and-Click retailers?
- What is the relationship between customer perception and buying behaviour?
- What strategies can be provided to promote a positive customer perception among Brick-and-Click retailers in Durban?

1.5 RATIONALE OF THE STUDY

The level of competition in Brick-and-Click retailers has increased, creating more concerns about customer's perceptions. The results are hoped to help Brick-and-Click retailers with understanding the whole notion of customer perception. Botha, Bothma and Geldenhuys (2004: 212) state that Brick-and-Click retailers who understand how customer's perceptions are formed are better equipped to communicate with customers. The outcome of the study is to help Brick-and-Click retailers, build knowledge in the body of academia and also discover the main influence in customer's perception on electronic retailing. Only a few academic studies have explored South African online shopping (Barnard and Wesson 2004; Cloete *et al.* 2002; Moodley 2002 and 2003). Thus this study will also contribute to this area.

1.6 SCOPE OF THE STUDY

The scope of the study was limited to customers who purchase merchandise online in Durban, KwaZulu-Natal Brick-and-Click retailers and how their perception affect the electronic retail industry. The study investigates how customer perception affect Brick-and-Click retailers in Durban, KwaZulu-Natal.

1.7 DELIMITATIONS

Delimitations are defined as those characteristics that limit the scope that are within your control. The researcher should mention the delimitations in the study (Simon 2011: 02). Delimiting factors of this study were as follows:

- Research questions and Objectives

The study was confined to a Brick and Click retail outlet. Retailers from other industries or traditional retailers cannot use the data found in this study simply because the data found in this study was strictly to online shopping in a Brick-and-Click clothing retail store, which was aimed to be studied in depth.

- Geographical location

Questionnaires were administered electronically; therefore, travelling was not any issue.

- Category of people/ events

The target population in the study were customers who purchase at Brick-and-Click retailers, questionnaires were distributed electronically to e-customers.

1.8 LIMITATIONS

According to Simon (2011: 2) limitations can be defined as influences that the researcher cannot have control over. Limitations are often conditions or influences that cannot be controlled by the researcher that place restrictions on the methodology and conclusions. The following limitations have influenced the study:

- The sample

The sample was restricted to the region of KwaZulu-Natal where the study was based.

1.9 THEORETICAL BACKGROUND

This study aims to examine the effect of customer perception on electronic retailing in Durban, KwaZulu-Natal. According to Botha and Bothma (2015: 137) in South African electronic retailing is growing drastically at a rate of 30% per year. Internet World Stats (2014) further argue that South Africa is still behind the rest of the countries, with over 10%. A study conducted by Hung (2016: 49) reveals that the main reason why South African customers do not shop online is that they want to have a physical experience when purchasing the product, security concerns is another issue. Galatis (2013: 52) points out another reason as to why South African customers are not shopping electronically is because large retailers have not created enough online platforms. One of the big concerns to South African consumers is the fear of using their credit card online (Alfreds 2015: 1).

1.10 RESEARCH METHODOLOGY

The study will be conducted a survey only using participants who purchase at a selected Brick-and-Click retailer in KwaZulu-Natal. A descriptive research design was used and will take a quantitative approach. Shuttleworth (2008: 1) believes that a quantitative research method is an excellent way of finalising data, proving or disproving hypothesis. Preventative measures will be utilised by the researcher to minimise the occurrence of errors. Questionnaires will include brief and easy questions to ensure respondents understand and are able to comprehend the questions. Respondents will be well informed about the purpose of the questionnaire and what will be expected from their responses. Questionnaires were distributed electronically via the database of the retailer. A non-probability sampling technique will be applied to the study. A form of purposive sampling is ideal for this study as it sought out a distinct trait from consumers who are online shoppers. Every customer that purchase at the Brick-and-Click retailers will stand a chance of being part of the study. The desired response is at 100% given the method of questionnaire distribution. Participation of the respondents will be entirely voluntary. The researcher will work with the electronic retailer to submit the questionnaire via their database. The study will use both descriptive and inferential statistics. The Statistical Package for Social Scientists (SPSS) version 23.0 was used to analyze the data.

1.11 OUTLINE OF THE DISSERTATION CHAPTERS

The study is divided into five chapters that are chronologically arranged from the introductory chapter to the concluding chapter.

- Chapter 1- Introduction and background to the problem

In this chapter the researcher will be introducing the topic, aims and research objectives, problem statement and the background of the study in detail.

- Chapter 2- Literature review

This section reviews literature relevant to customer perception and electronic retailing.

- Chapter 3- Research design

This chapter reviews the research design that will be used in this study to collect information from the participants selected in the research field.

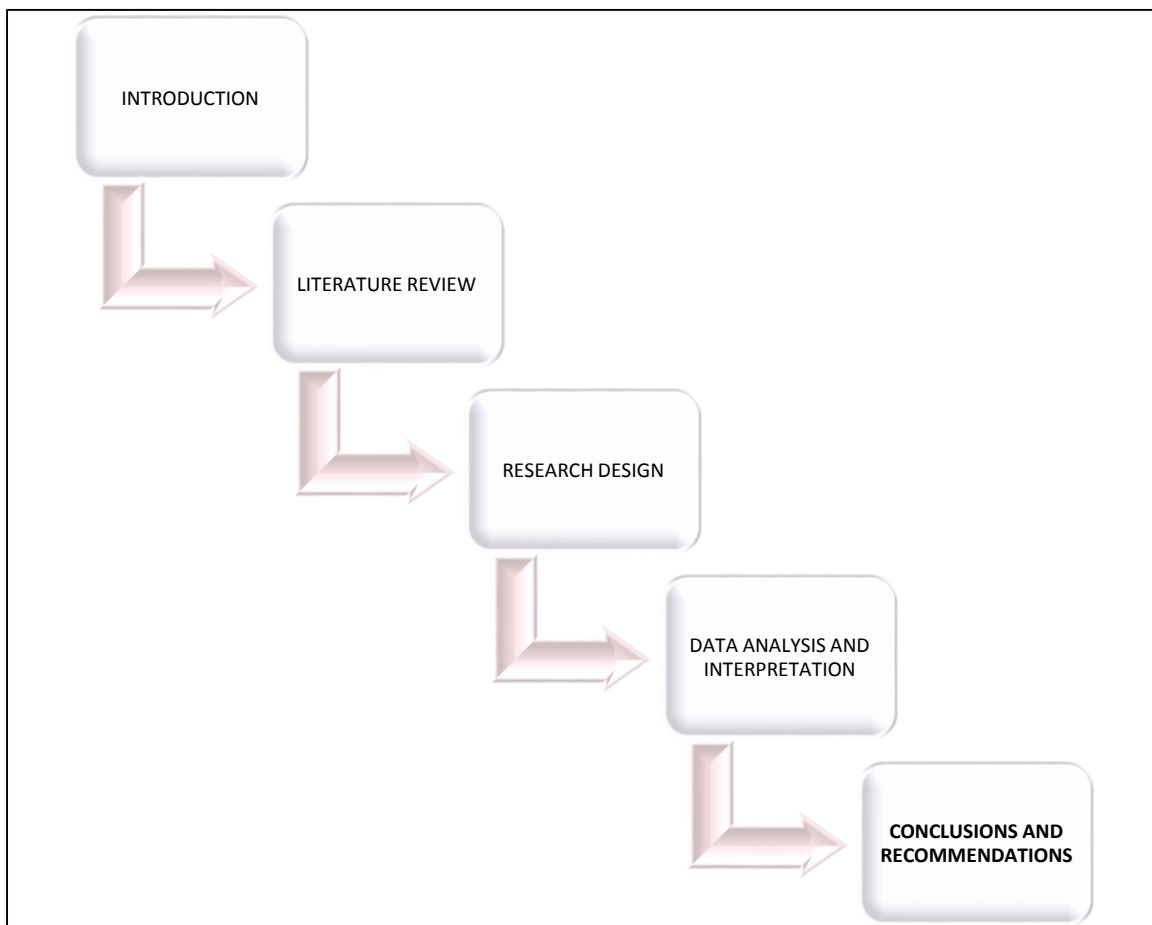
- Chapter 4- Data analysis and interpretation

Data collected from the participants in a form of questionnaires will be presented, analysed and interpreted.

- Chapter 5- Conclusion, discussions and recommendations

The research results will be presented and evaluated according to the objectives of the study. The conclusion will be based on the results presented and the researcher will provide recommendations.

Figure 1.1: Outline of the dissertation chapters



1.12 CONCLUSION

The chapter presented an introduction to the study and discussed the research problem. The aim, objectives, and the rationale that motivated this study were also given. The outline of the dissertation chapters and brief explanations were provided. The following chapter is dedicated to the reviewing of the existing literature and the discussion of relevant theories that can explain how customer perception can affect Brick-and-Click retailers.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The previous chapter provided a detailed background to the study. This chapter will offer in-depth information relating to concepts of customer perception and the effect it has on electronic retailing. The chapter also discuss in detail literature related to the constructs that were extracted from the aim and objectives of the study which were identified in chapter one.

2.2 DEFINITION OF KEY TERMS

2.2.1 Electronic retailing

Kim and Lennon (2011: 98) define electronic retailing as shopping via the internet. Kalia (2013: 85) points out that electronic retailing is a direct sale of products and services through virtual stores on the internet. Electronic retailing involves online interaction between an e-retailer and an e-customer from the point where the customer visits the e-retailer's website to the point where the e-retailer fulfils the customer's order (Thirumalai and Sinha 2011: 477). Electronic retailing (e-retailing) also known as online shopping or e-commerce relate to any business offering goods and service to the public. In this case, customer over the internet for their personal usage (Uzun and Poturak 2014: 164).

2.2.2 Brick-and-Click

Diamond and Pintel (2013: 91) describe Brick-and-Click as a retailer who uses both the traditional and electronic medium to sell products and services to customers. Perreault and McCarthy (2005: 359) reveal that Brick-and-Click retailing has grown drastically in the past years; retailers of all types of businesses are now using the traditional and electronic method simultaneously to increase sales.

2.2.3 Customer perception

Subramaniam, Mohre and Kawde (2014: 2) explain customer perception as a process by which a customer selects, interprets or views things around the world. Two or more customers can be exposed to the same stimuli or condition but how they view, select or interpret is very different. Aspors (2010: 13) agrees that customer perception is a process in which a customer selects, arrange and interpret stimuli. On a daily basis, customers are exposed to millions of different stimuli therefore our brains receive and process only a small portion of all these stimuli.

2.3 ELECTRONIC RETAILING

Electronic retailing is a retail communication format used by the retailer and a customer through the internet. After searching and evaluating a product, merchandise can be ordered directly by the customer through the website, interactive network or by telephone. The products are then delivered to the customer's specified address (Tyagi and Agarwal 2012: 1266). According to Kalia (2013: 84) electronic retailing has become an important tool in the retail industry, which is believed to have a major impact on the business world. A study conducted by Corbitt, Thasanankit and Yi (2013: 203) highlight that the internet is now an essential marketing tool related to the development of platform for distributing, trading and selling products.

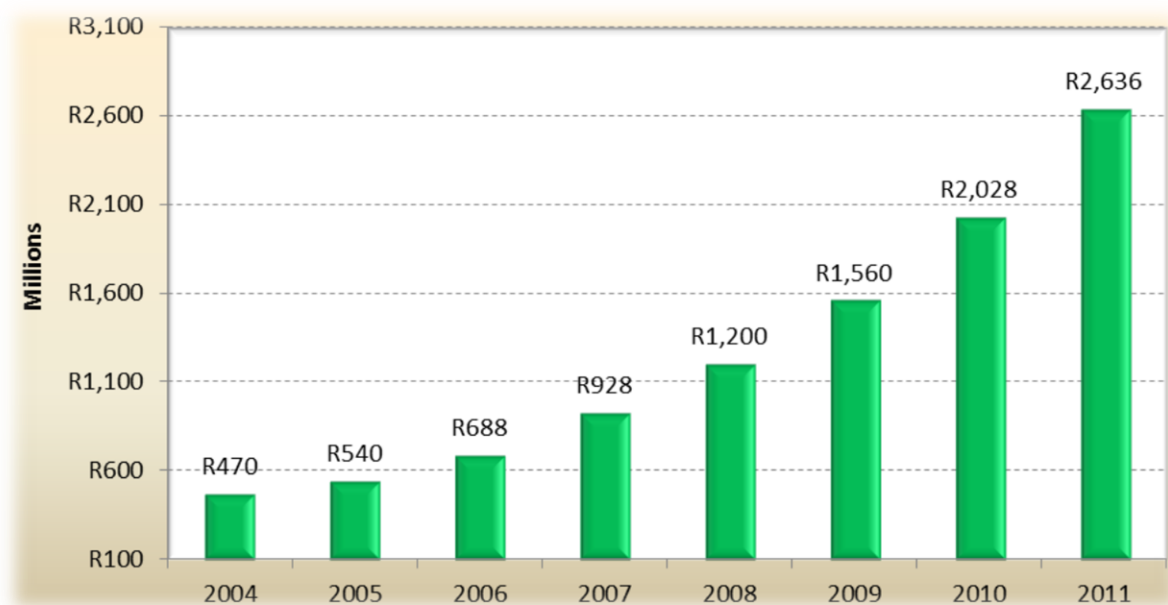
Electronic retailing has undergone extraordinary growth in the past few years. Everyday companies are adopting newer communication and information technologies to maintain and enhance their performances (Prinsloo 2013: 16). Organizations are using internet as a medium to conduct business transactions to tap greater opportunities in global market at extremely low operational costs. Organizations can only survive in this competitive environment if they are able to provide best service quality to their customers, making service as key factor in the success of any organization. However, two third of the electronic stores are not able to achieve profitability. The biggest reason for this unprofitability is attributed

to an important construct that has gained research attention known as e-service quality (Kalia 2013: 84).

2.3.1 Electronic retailing in South Africa

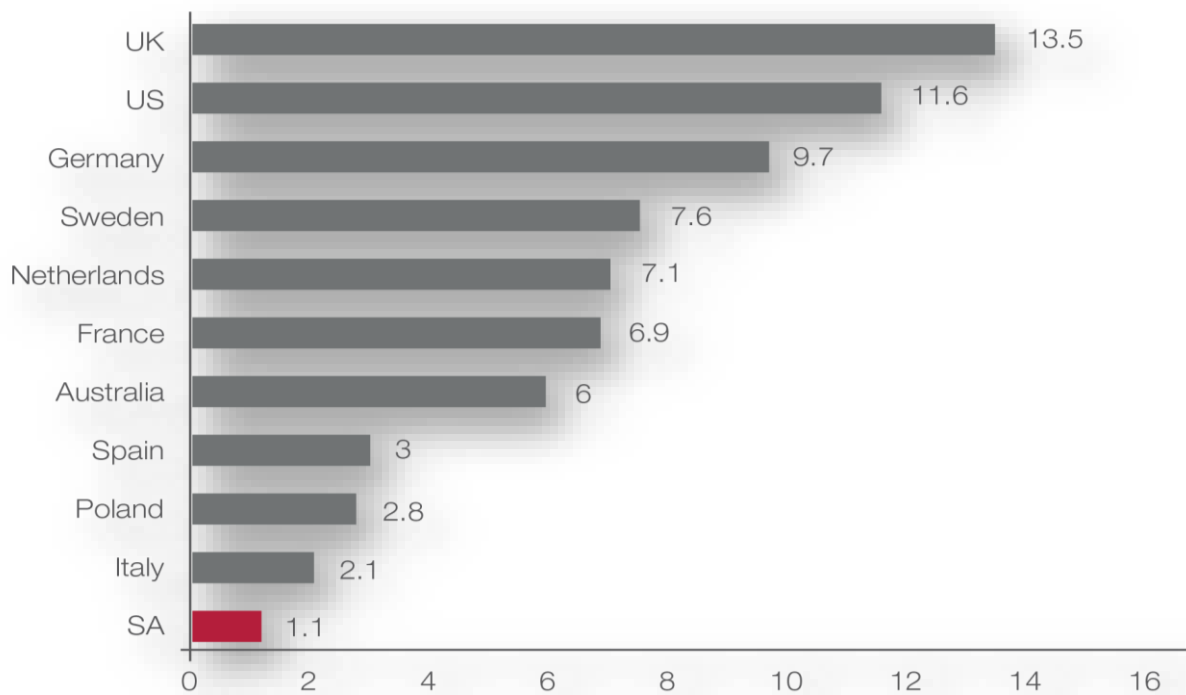
Electronic retailing is growing in South Africa but the speed growth of online shopping is not as quick as compared to other developed or developing countries (Rajesh and Purushothaman 2013: 37). Bashir (2013: 19) agrees that electronic retailing continues to lag behind in South Africa, Rajesh and Purushothaman (2013: 37) additionally explains that most retailers are still trying to figure out the reason behind this entire act of customers. Moloney (2014: 8) states that South African brick-and-mortar retailers have been too reluctant to invest in electronic retailing until the past few years.

Figure 2.1 South African electronic retail sales 2004-2011



Gauteng provincial treasury (2012: 12).

Figure 2.2 Growth of Electronic retailing per country



Urban studies (2015: 01).

2.3.2 Customer acceptance of electronic retailing

Technology Acceptance Model (TAM) was developed to explain and predict computer usage-behaviour (Klopping and McKinney 2004: 36). The Technology Acceptance Model is the core to research in technological adoption. The primary model identified two outcomes, namely attitude towards the technology and intention to purchase using the technology, and two major predictors, namely perceived usefulness and ease of use (Celik and Yilmaz 2011: 153).

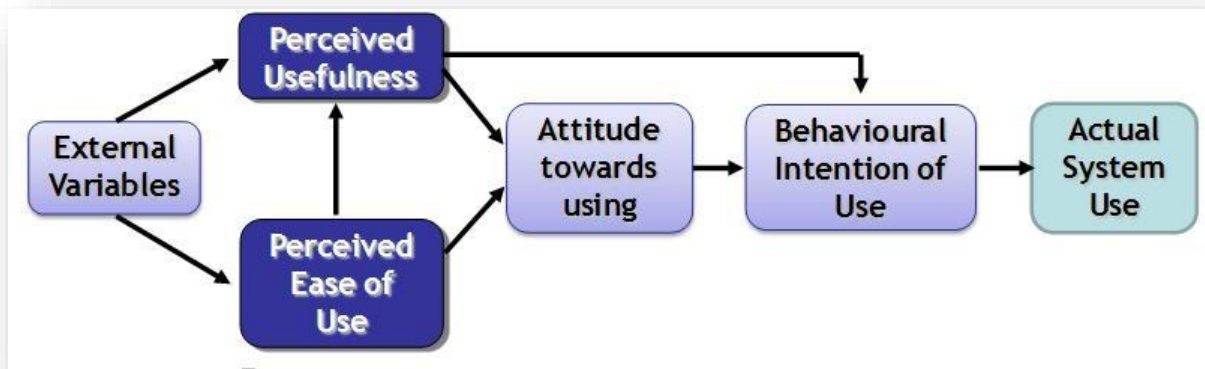
Customer's acceptance of technology is a very essential field of study. Many models have been recommended to predict and explain the use of a system, the Technology Acceptance Model is the only model that has captured the attention of the most scientific community and is a vital modelling approach in information technology research. TAM is the most widely known and used research model predicting information technology adoption and it was confirmed to be one of the leading

theories in the industry of electronic commerce adoption by customers (Ha and Stoel 2009: 565). Renko and Popovic's (2015: 29) study reveal that two perceptions influence the acceptance of electronic retailing: ease of use and usefulness. Celik and Yilmaz (2011: 153) explain perceived usefulness as the belief that using technology will develop performance and additionally explain ease of use as a belief that using the technology will be uncomplicated.

Tabassam, Chaudhry and Nusair (2016: 3) describe perceived usefulness as customer's perception of how electronic retailing can simplify and improve the shopping in terms of effectiveness, time and money, while perceived ease of use is defined as customer's perception of how easy it would be to learn how to use and navigate the online store. It is recommended that perceived usefulness and ease of use represent the beliefs which have led to the acceptance of information technology (Renko and Popovic 2015: 29).

Tabassam *et al.* (2016: 4) determine that perceived usefulness is a major factor that affects the retention of online customers. Vaghela (2014: 204) further assert, that online customers like to compare the expected usefulness with actual usefulness of which it has impacted on individual's intention to shop online. Online customers always have expectations, if these expectations are not met, a negative perception will be created. However, if the expected usefulness meets the actual usefulness and the customer is satisfied, it is more likely that the customer has experienced a positive intention to shop online. It is believed that perceived usefulness is a resilient determinant of the intention to adopt TAM and electronic commerce. Meaning, if a customer's online shopping experience meets their expectations, it will create a positive perception and ultimately have a positive impact on customer buying behaviour towards online shopping.

Figure 2.2: Technology Acceptance Model



Renko and Popovic (2015: 29).

2.3.3 The purpose of electronic retailing

Lee and Lin (2005: 161) state that when electronic retailing was introduced, most retailers attempted it, to gain a competitive advantage by using electronic retailing to interact with customers. Nowadays Brick-and-Click retailers are now using electronic retailing as a tool to increase sales. A study conducted by Moloney (2015: 8) reveals that low penetration into the market, high cost of internet broadband, low profitability and poor postal services are contributing factors that weaken the business case to invest in e-commerce. However, the high strategic importance e-commerce has placed on the e-retailers to ensure they meet all the customer expectations.

Electronic retailing has a vast number of alternatives that are available to customers compared to other retail formats. For example, customers can shop electronically anywhere in the world in less time than it takes to visit the traditional retailer. However, it does have disadvantages to the retailer. Customers normally visit all the electronic retailer sites who are selling the product to compare price before purchasing. This process is believed to be a time-consuming exercise unless the customer is focused and finds a few items that they might like to study in detail. Tyagi and Agarwal (2012: 1268) assert that retailers who are service oriented often score

higher as their sales staff are knowledgeable about their preferred customer's needs and want. A significant potential benefit of electronic retailing is the ability to have an electronic agent to select a small set for the customer to look at in detail.

2.3.4 The importance of electronic retailing

Rajesh and Purushothaman (2013: 37) believe that due to the increase of globalization, the importance of online retailing has increased creating convenience for customers. According to Kalia (2013: 84) most retailers are using internet as a medium to conduct business transactions to develop greater opportunities at extremely low operational costs. Kalia (2013: 84) further state, retailers can only survive in this competitive environment if they strive to be the best to their customers. Electronic retailing has been a very helpful purchasing tool via the internet. It is believed to allow customers to have a wide variety of products and the opportunity to choose from different brands or companies. In this study, we will focus on the first interaction which is customer-to-business.

2.3.5 Advantages of electronic retailing

- *Time saving*

Doric, Primorac and Kozina (2016: 43) believe that customers that saves a significant amount of time are the ones that knows exactly what they want. A customer can reach the desired product in few minutes with just a mouse click and continue with other activities. Gotland (2011: 12) explain that time saving is one of the most motivating factor for online adopters. Online shopping saves time during the purchase and also eliminate the travelling time or cost.

- *Better prices*

Ashiwin and Manjula (2016: 1105) concede that electronic retailers offer cheap and better prices compared to the traditional retailers, some online retailers also offer rebates and discount coupons. Products are delivered

straight to customers from the manufacture or retailer without the distribution or wholesaler being involved.

- *Price comparison*

A study conducted by Ranganathan and Iswarya (2015: 208) reveal that customers who compare prices of electronic retailers, review all feedbacks and rating about that certain product before making the final decision.

- *Less compulsive purchases*

Electronic retailing is less compulsive, no pressure or selling skills to compel customers. When customers shop online they feel a sense of direction and in control, since they do not buy things that they do not need compulsively (Doric *et al.* 2016: 1105).

- *Discreet purchases*

Ashiwin and Manjula (2016: 1105) concludes that online shopping is good for discreet purchases for personal items. Most customers are more comfortable shopping in their home, enabling them to purchase without embarrassment or any discomfort of feeling like that there are people watching you.

2.3.6 Disadvantages of electronic retailing

- *Delivery cost*

Doric *et al.* (2016: 44) assert that when a customer delivery to the desired address, delivery cost is usually paid. Many e-retailers offer free delivery cost option if a customer orders or purchase the over a certain minimum amount. Delivery costs also depend on the weight and size of the product for example, a bigger and heavier product will have a high delivery cost thus making the online purchase unaffordable.

- *No immediate satisfaction*

Ashiwin and Manjula (2016: 1106) feel that when shopping in a traditional retailer a customer enjoys, feel and touch the product immediately, which is a different case when shopping online. Once the product has been received, it will determine the satisfaction levels of the customer. The time it takes the retailer to deliver the product will also have a positive or negative influence towards the satisfaction of the customer.

- *Senses*

To many customers it is discouraging not to see and try out the desired product at the same time. Customers prefer shopping at traditional retailers because they can feel the product, try on the correct size or see it live. A product that cannot be seen it does not inspire the same sense of security compared to the product that can be seen, felt, smelt and tried (Doric *et al.* 2016: 44).

- *Personal information*

Gotland (2011: 12) mentions that customers are not considering online shopping due to security risk that exists. The storing and sharing of personal information data and credit card number when shopping online is a big and serious concern to customers.

- *Human factor*

Pratminingsih, Lipuringtyas and Rimenta (2013: 105) explain that when shopping online customers do not receive introduction, advice or opinion about the product. Doric *et al.* (2016: 44) further explain, human interaction can be used as a strategy by retailers to develop the interpersonal relationships to their advantage. Retailers must develop a specific relationship with the customers just like the traditional stores.

- *Products quality*

The error or malfunction of the product purchased online can only be seen when it arrives at the customer's desired address. Although the chances of exchanging or refunding the product are there but the cost of sending the product back will definitely increase the product price (Doric *et al.* 2016: 44).

2.4 CUSTOMER PERCEPTION TOWARDS ELECTRONIC RETAILING

Ha and Stoel (2011: 199) believe that customer perception is the way customers view shopping quality of the stores performance and effectiveness in terms of its product or services. Electronic customer perception entails a variety of encounters which is a process of browsing, searching, engaging in a transaction and lastly post-purchase. Yee and Yazdanifard (2014: 2250) ascertain that in consumer behaviour, customer perception is the way of receiving information which interact and integrated by the customer towards the product although each customer may have a different point of view.

Keller (2003 cited in Yee and Yazdanifard 2014: 2250) reveal that the concept of customer perception was created by customer's experience on how they perceive the service that is offered by the retailer and also conclude if they actually satisfied with the electronic service or not. Wilson, Zeithamal, Bitner and Gremler (2008: 105) mention that image and impressions of the brand or retailer can determine the success of the business if the products are selling meets the customer expectations.

The keystone of building knowledge is perception, not only about products or services but about everything in the world. Many individuals believe that perception is somehow different to the truth, which is not true. Perceptions always differ from one individual to another, however for each individual their perception is the whole truth (Blythe 2013: 101). Aruna and Williams (2015: 51) additionally reveal that perception towards electronic retailing and intention to purchase online is not only affected by usefulness, ease of use or enjoyment. They further point out that external factors such as product characteristics, previous online shopping experience,

situational factors and trust in online shopping are also the factors which impact customer perception and intention to shop online.

Quester, Pettigrew and Hawkins (2011: 228) point out perception is a very critical part of processing information system in human's brain. Stimuli such as objects, events or messages are interlinked series of activities in a system which are transformed into information and stored in the customer's brain. Solomon, Bamossy, Askegaard and Hogg (2006: 25) go further by revealing the customer perception process which is in different stages. The first stage is called the exposure stage, next is the attention stage and lastly, the interpretation stage.

2.5 PROPOSED MODEL

The proposed model was constructed based on Cant and Heerden (2010: 56) customer perception process model. In this study, behavioural response and its process was added. The aim of the proposed model is to show the effect of customer perception towards the electronic retailer. The model reveals what happens when the customer has recalled the information, the two types of behavioural responses and the effects of their behaviour towards the Brick-and-Click retailers.

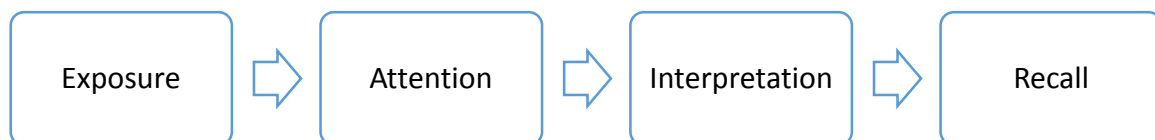
The primary objective of the study is to examine the effect of customer perception towards online retailing. It is crucial that retailers are well informed about customer perception process from the first to the last stage. The model will assist retailers to provide strategies that are relevant to the current problem. Quester *et al.* (2011: 228) state that customer perception changes over time, therefore retailers need to know before implementing the strategy which stage in the process is affecting their customer perception. Retailers of all types will be able to use the model as a way to develop a strategic tool of how to attract and retain customers through maintaining their perception.

2.5.1 The customer perception process

Customers are the heart of the business. Companies all over the world always strive to satisfy their customers' needs and wants however, challenges arise affecting dissatisfaction of customers. Studies conducted by researchers suggested strategies on how to attract, retain and satisfy customers but these strategies do not seem to be the best for electronic retailers hence, retailers are still faced with the dilemma on how to attract, retain and satisfy customers for a long period. Each country uses a different method to attract customers to the brand or company. South African customers are easily influenced by word-of-mouth through friends, family and social media (Beneke, Mill, Naidoo and Wickham 2015: 68).

According to Cant and Van Heerden (2010: 56) the customer perception process involves four stages; exposure, attention, interpretation and recall while Solomon (2013: 71) reveal only three stages; exposure, attention and interpretation. In this study, the researcher has proposed a similar model which is more relevant to this study. Durmaz and Diyarbakirlioglu (2011: 17) believe that when a customer recall information, there will always be a response. The response will either be negative or positive towards the retailer. A negative or positive response will have a huge impact towards the electronic retailer, it determines the success or failure of the business. If the customer has a positive customer perception about the electronic retailer it does not mean the perception will never change, meaning customer perception changes over time from negative to positive or from positive to negative depending on the satisfaction of their expectations.

Figure 2.3 Customer perception process



Cant and Van Heerden (2010: 56).

Figure 2.4 Proposed model of customer perception process



The following are customer's perception process stages from figure 2.4:

Stage 1: exposure

Hawkins and Mothersbaugh (2010: 279) state that exposure takes place when a stimulus occurs for instance, image from a newspaper, a smell for food. Once that stimulus is placed within the customer's environment it will come within range of their receptor nerves. This stage gives customers the opportunity to pay attention to information that is available but at the same time there is no guarantees.

Stage 2: attention

Customers do not attend to everything they see, hear or touch. Attention occur when the stimulus activates one or more sensory receptor nerves, and the resulting sensations go to the brain for processing (Quester, Pettigrew and Hawkins 2011: 231).

Stage 3: interpretation

Solomon (2013: 92) mentions that interpretation is the assignment of meaning to sensations. Interpretation is related to how we comprehend and make sense of incoming information based on characteristics of the stimulus, individual, and the situation. Two people can hear or see the same event, but their interpretation of it can be as different as night and day, depending on what they had expected the stimulus to be.

Stage 4: recall (Memory)

Recall stage is very vital in the guiding of the perception process. Recall phase refers to the storage of the information in an individual's memory. There are two components involved in this stage; Long-term storage component and short-term active component (Mupamhanga 2016: 31).

Stage 5: behavioural response

Durmaz and Diyarbakirlioglu (2011: 17) define behavioural response as any behaviour that results from a stimulus. The behavioural response of a customer perception plays a huge role on the customer buying process as it is the last stage

that determines the e-satisfaction, e-expectations or e-loyalty of the customer towards the e-retailer. Perceptions are different from one customer to another and therefore determines the behavioural response in every customer differently.

Stage 5.1: negative perception

Vanishree (2012: 48) explain that negative experiences increase levels of poor perception with electronic retailing and therefore becomes difficult for the business to retain customers. Negative behavioural response can sometimes be caused by bad word-of-mouth. Perception is one of the psychological factors that has a positive or negative impact in a human's behavior. Perception is believed to be a process that consist of various sub-processes, they are built based on the individual's conceiving or understanding communication (Durmaz and Diyarbakirliogu 2011: 18).

➤ No Purchase

Non-purchase resulting from a negative perception is a bad outcome for the business. The business cannot survive without sales.

➤ Brand switching

Yee and Yazdanifard (2014: 6) pronounces brand switching as the customer decision to purchase the same product at the alternative retailer. Brand switching can be caused by numerous factors such as; a level of satisfaction with the most recent purchase, price increase, competitive brands or desire for novelty.

Stage 5.2: positive perception

Kotler and Keller (2012: 150) state that customer expectations must be met or exceeded by electronic retailers to ensure that customers are retained. According to Wong, Lo and Ramayah (2014: 478) customers who have a positive perception towards the retailer are likely to buy from the same e-retailer over a period of time. Positive perceived intention and revisiting the e-retailer in the near future can describe as the e-loyalty of the customer.

➤ Purchase

Customer purchase is a sign of a positive perception towards the retailer although the perception may change anytime. Customer perceptions may change over time and therefore it is vital for retailers to continually assess customer perceptions (Babin and Harris (2013: 289).

Stage 5.2.1: expectations

Zeithamal, Bitner and Gremler (2009: 87) believes that there is a relationship between customer perception and expectations. Perceptions are formed by customers through various factors provided by the retailer. Customer expectations differ from one customer to another. Customers that have a higher expectation, if not met can result to customer dissatisfaction and losing customers to competitors. Expectations can result in the following two ways:

➤ Satisfaction

Pratminingsih *et al.* (2013: 105) explain that a high level of customer satisfaction is believed to lower the switching of service providers from customers, thereby increasing repeat purchase and eventually enhancing profitability of the company.

➤ Dissatisfaction

Dissatisfaction will negatively influence commitment and also create no future purchases resulting to negative reinforcement that will create disloyalty and bad word-of-mouth Pratminingsih *et al.* (2013: 105).

2.6 THE IMPORTANCE OF UNDERSTANDING CUSTOMER PERCEPTION IN RETAILING

According to Chipp and Ismail (2004: 237) the electronic retail industry revolves around customers. Understanding customer perception is very vital as it helps the retailer with basic understanding of what the customer wants and needs at that particular time. Customer perception is directly linked with customer behaviour, meaning the customer buying behaviour is mostly based on the customer's perception it has about that particular retailer (Cant and Van Heerden 2010:56). Durmaz and Diyarbakirliogu (2011: 19) articulate that customer perception

represents the way customers view products or services. They further state that customer's attention will depend on the stimuli, and also the customer's interest and need for that product.

Aspfors (2010: 10) believes that it is essential to identify customer's needs and wants by knowing customer perceptions. Customer perceptions are developed up by the customer experience, the way they perceive the service offered to the actual service and ultimately by whether they are satisfied or not. It is very crucial to know customer perception, how the service is perceived, selection, products or service, location, customer satisfaction and eventually the success of the business can be affected. The success of the retailer is settled by how the image of the store and products sold by the retailer meet the customer's expectations (Cant *et al*, 2006: 193).

Durmaz and Diyarbakirliogu (2011: 19) reveal that understanding customer perception helps the e-retailer in knowing the way customer's view product/services. Schiffman, Kanuk and Wisenblit (2010: 175) add that the retailer can have influence of the customer by understanding the current perception customers have over their product or service. Perception is powerful and very important part of getting customers to purchase the product or service. Zemke and Woods (1998 cited in Aspfors 2010: 10) state that electronic retailers do not only face competition from other retailers. Therefore, it is very essential that retailers understand customer perceptions, recognize their needs and wants and also know the elements that attract customers to visit the web site of the electronic retailer. They further state, one of the best ways to raise level is by knowing the customer's perceptions.

2.7 FACTORS INFLUENCING CUSTOMER PERCEPTION TOWARDS ELECTRONIC RETAILING

According to Finn (2011: 28) electronic retailing is an automated self-service and lacks the opportunity for face-to-face communication and interaction with other people. The following have been identified as factors that impact customer perceptions towards e-retailing:

2.7.1 Transactions/ payment systems

Botha, Bothma and Geldenhuys (2008: 77) state that in the Brick-and-Mortar (traditional retailing) retailing world both the retailer and customer have face to face interaction. Turban and King (2003: 413) add that customers use cash, checks and debit or credit cards to make the purchase which goes directly from one hand to another. Schneider (2006: 491) goes further into explaining that the evolution of the technology has changed the retailing industry. Online shopping transactions often occur electronically where the e-retailer and customer never would meet. He further states that the entire transaction is based on mutual trust, which involves the trust between the customer and e-retailer. Payment systems in the electronic retailing has been the most delaying object for customers to shop online simply because it is perceived to be the high level of risk transactions since customers lack direct contact with e-retailers (Pratminingsih, Lipuringtyas and Rimenta 2013: 105). Rayport and Jaworski (2003: 53) also mention that payment concerns also have an influence on loyalty. These concerns include:

- Fraudulent acts

In the South African economy, fraud has been identified as the most challenging issue to retailers. Most online retailers have lost millions of Rands due to fraudulent acts which occur in the payment systems. The well-known fraud is the theft of card details stored on the Electronic retailer's computer where hackers electronically break into a retailer's computer where credit card details are stored (Turban and King 2003: 422).

- Transaction costs

Rayport and Jaworski (2003: 53) mention that payment concerns also have an influence on loyalty. The primary form of online payment is the credit card system and is regarded as a risk. According to Turban and King (2003: 420), a credit card provides the holder with credit to make purchases up to a certain limit which is fixed by the card issuer. The disadvantage of credit cards is that holders are charged high interest. Other cost may arise when the customer makes a purchase which is known as bank charges. Brick-and-Click retailers are then faced with a situation of ensuring that the electronic systems that provide electronic services are highly secured. If the

retailers do not secure the payment systems or customer private information it is believed that loyal customers will lose due to the situation which can be prevented before it occurs.

2.7.2 Trust

According to Corbitt, Thanasankit and Yi (2003: 204), trust has a vital influence on consumer behaviour. Trust is defined as the confidence one has on the partner that she or he is willing to rely on for an exchange, trust has two components: confidence in ability and retention (Mukherjee and Nath 2007: 1177). Uzu and Poturak (2014: 164) mention that trust is one of the major factors for online shopping adoption in the South African retail industry. Most customers are not familiar with the whole process of online shopping; therefore, electronic retailers should strive to build trust among their customers in order to avoid uncertainties.

The major aims of building trust are to attain a sustainable a competitive advantage over their competitors and thereby enhance a business performance. Trust is established through a combination of security, word-of-mouth, privacy, brand image and advertising. Trust is a core dimension of loyalty. Trust is extremely important for increasing customers' loyalty and retaining customers towards electronic retailing. A high level of trust may ultimately transform a satisfied customer into a loyal one. (Ha 2004: 329). Trust has long been seen as critical to online shopping, higher trust strengthens attitude (Lee and Barnes 2016: 36). Corbitt, Thasanankit and Yi (2013: 203) believes that trust is essential between customers, retailers, among organisations and it is a principle of every business relationship. E-commerce has been brought to a new level because of a critical factor of trust.

2.7.3 Fraud

The fear of online fraud has resulted in customers not purchasing online, thus has affected many electronic retailers (Uzu and Poturak 2014: 164). Malviya and Sawant (2015: 5) suggest that quality service must be delivered by retailers in order to satisfy customers. Implementing quality management approach that will guarantee quality from the systems, suppliers and staff. Online shoppers expect electronic retailers to

protect personal data, provide assurance for secure payment, and sustain the privacy of online communication.

2.7.4 Returns

Customers are not given the opportunity to inspect the product to ensure if it in a good condition or not before paying for it. Therefore, most of the time customers are concerned about the condition of the product and what options are available if not satisfied (Botha *et al.* 2008: 384). The performance of e-retailers in handling product returns is affected by risk characteristics of products. Ramanathan (2011: 1) reveals that in order to shape a customer's low-risk and high-risk products, handling of products must be highly considered but this method is not for products that exhibits medium levels of risk. Electronic customers are mostly concerned about the ease of return policy. The complications of how to exchange or return products, the duration permissible to return the product and the cost related with the shipping of the product back to the electronic retailer are frequently worries connected with an online return policy (Shukla 2016: 27). Raman (2014: 31) suggest that Brick-and-Click retailers must understand that trust is vital in electronic business. Therefore, it is their responsibility to build trust with e-customers. Once the customer learns to trust the e-retailer, it will be easy to also trust the transaction medium when purchasing online.

2.7.5 Late deliveries

According to Liao, Chen and Lin (2011: 3982), electronic retailing faces many challenges compared to Brick-and-Mortar retailing. Customers of Brick-and-Mortar retailers usually receive purchases immediately after paying in order to avoid potential delivery mistake problems. Whereas, in Brick-and-Click customer pay for the products, while the e-retailer delivers it to the customer's address at an agreed date. Satisfying customers with service delivery is extremely difficult for Brick-and-Click retailers. Turban and King (2010: 4) state that major differences among Brick-and-Mortar retailing and Brick-and-Click retailers in delivery must be the primary focus of attention in retailing. Late deliveries cause customers to have a negative

perception and bad image about the retailer. The delivery service provided by e-retailers might determine the satisfaction or dissatisfaction of the customer. If the product has been received on the date promised in a good standard, the customer will eventually trust the retailer, which means there is a high opportunity for repeat purchases resulting to customer loyalty.

2.7.6 Electronic word-of-mouth

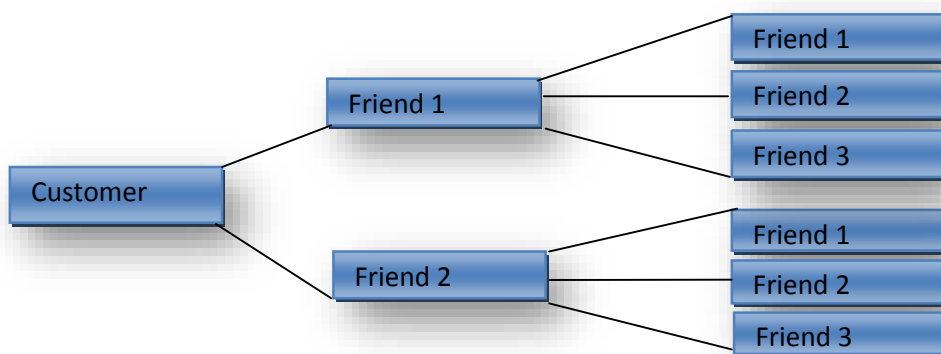
According to Beneke *et al.* (2015: 68) electronic word-of-mouth has grown drastically over the past year due to the rapid growth of the internet. Customers now have the opportunity to share their experiences and views to other customers on a global scale. Abrantes, Seabra, Lages and Jayawardhena (2012: 1068) believe that electronic word-of-mouth has been discovered to play a major role in determining customer's attitude, behaviour and perception towards the retailer. They further add that negative word-of-mouth has been discovered to have a greater impact on customers than positive electronic word-of-mouth.

Lerthairakul and Panjakajornsak (2014: 143) define word-of-mouth as the communication tool that allow customers to share information, experiences and their personal views, expectations and purchasing intent. Electronic word-of-mouth (e-WOM) communication can be defined as any positive or negative statement or comments made by customers about a brand or retailer to other potential customers. These statements or comments are made available to a multitude of people and institutions via the Internet (Cheung and Rabjohn 2008: 229). A study conducted by James and Strahilevitz (2013: 1035) show that customers are more influenced by those with whom they interact, therefore word-of-mouth can be seen as being more credible than the sincerest salesperson and is able to influence more people at a greater rate and it is also believed to be more influential than conventional marketing.

E-word-of-mouth is a very powerful communication tool and has been an important element for practitioners and marketing researchers. The e-word-of-mouth communication can be spread through a variety of channels example; through the mail and via the internet which has increased drastically in frequency. E-word-of-mouth is a widely known tool by marketers and has been proven to have a major role in customer buying decisions, behaviour and perceptions.

Traditional marketing tools of conventional advertising media and personal selling is not effective as word-of-mouth. The e-WOM has now become an important and permanent element of the online marketing mix by contributing a great deal to the purchasing decisions of online consumers. Researchers all over the world are interested in investigating the motives for seeking e-WOM and for sharing or articulating the e-WOM, providing implications for marketers to better understand online consumer behaviour (Cheung and Rabjohn 2008: 229).

Figure 2.5: The power of Word-Of-Mouth



Zungu (2012: 51).

2.8 THE INFLUENCE OF CUSTOMER PERCEPTION ON ELECTRONIC RETAILING

Electronic retailers are not aware how vital it is to have a good notion of customer perception. The industry is growing rapidly, creating competition and different experiences towards customers. Nowadays, customers are opportune to purchase at any retailer of choice. A negative customer's perception develops a bad reputation about the retailer, developing the loss of interest from the customer and automatically the customer switches off to other retailer (Jun, Yang and Kim 2010: 817).

Renko and Popovic (2015: 23) assert that a negative perception from the customer is not good for the e-retailer as it is important to them to attract and retain customers.

They additionally explain that being able to retain customers and influence their loyalty is seen as the key factor in winning market share. Vanishree (2012: 48) mentions that a positive perception results to positive word-of-mouth, decrease levels of risk perception and favorable return online purchases.

2.9 CONSUMER BUYING BEHAVIOUR

Schiffman, Kanuk and Wisenblit (2010: 3) define consumer behaviour as a process utilized by customers in searching for their desired products, choosing, purchasing and disposing to satisfy their needs. It can be concluded that consumers are decision makers as to what products or services they want to purchase. Customers behave differently and they are influenced by different factors (Internal and external factors).

2.9.1 Relationship between customer perception and consumer buying behavior

The online shopping behaviour differs to traditional shopping. A negative traditional shopping behaviour can easily be changed through many methods unlike online shopping behaviour (Reddy and Chalam 2015: 324). According to Bashir (2013: 8) consumer buying behaviour refers to the study of groups, organisations, individuals and processes used to select, secure, dispose products and services, ideas and experiences to ensure satisfaction of needs and the impacts of processes towards the customers and society. Hjort, Lantz, Ericsson and Gattorna (2013: 853) mention that customer buying behaviour is often influenced by customer perception, they further explain that it is crucial for retailers to always observe their customers and implement solutions where it's possible. Ukbar and James (2012: 2) agree that customer purchasing decisions are influenced by perception as well.

Bashir (2013: 8) mentions that's consumer buying behaviour is different to every individual online customer. The difference depends on buying choices which can be easily influenced by buying habits and choices that are in-turn tampered by social and psychological drivers that affect the buying decision process. Customers are playing an important role in electronic retailing by spreading their comments on social media, web pages, etc. Word-of-mouth can easily assist online retailers to identify the

factors that can affect consumer's buying behaviour and the associations between these factors and type of online customers. Once that has been discovered, electronic retailers can further widen their marketing strategies to convert potential customers into active ones and also retain them as loyal customers as one of the asset of the business (Yee and Yazdanifard 2014: 2249).

2.9.2 Customer mind set in online shopping

The concept of consumer mind set model was introduced by Wurtzberg a motivational psychologist. According to his theory, online consumer mind set is composed of different thought, different information processing and emotions (Bashir 2013: 20). Consumer buying behaviour towards online shopping is mostly affected by consumer mind set. The model has strong influence towards cognitive, effective and behavioral aspects of consumer activities in online shopping and the model also has the ability to overcome external environment. There are two different types of determinants that were identified in consumer mind set, namely: goal oriented and experimental (Robert and Proctor 2005: 597).

2.9.3 Consumer buying process

Schiffman *et al.* (2010: 484) explain that consumer buying process is the steps that consumers follow when making a purchase. The process differs due to the various factors of influence, based on the internal and external factors. Internal factors involve perception, motivation, personality, attitude and learning of a customer. The external factors comprise of culture, social, media and economic variable. Influence of these factors depends on the demographic profile of the consumer like gender, age, education, occupation and income. Nagaraja and Girish (2015: 201) further state that the most important demographic profile feature of the consumer is the gender. The habit about buying will differ between the genders. Understanding consumer buying decision process is challenging for every electronic retailer. Electronic retailers can receive an unexpected reaction from customers both positive and negative towards the brand, product launched or promotion activity carried out. Following are the five stages that customers encounter or follow when making a purchase:

Stage one: Need recognition and problem awareness

Cant *et al* (2006: 195) state that the first step, customers normally identify need or problem. Need of recognition or problem awareness is often due to the condition which arise to the transformation in necessity, new situation or lifestyle. Problem recognition is about the awareness of the need of changing the existing state to conform to the desired or ideal state. There are two major categories which are divided into two needs: Psychological and physical needs.

Stage two: Information search

After the need has been identified, the consumer will start searching for the solution in order to satisfy the need or solve the problem. During the process customers rely on numerous resources such as internal and external. Mentions that source can be described as an experience that a customer has gone through previously. If the customer was not satisfied, he or she will look for sources of information which are external to ensure that the information is collected. Depending on the importance or complication of the product, the customer will undertake an external search of information based on the value (Peter and Olson 2005: 169).

Stage three: Evaluation alternatives

According to Plessis and Rousseau (2007: 267) once the information has been collected by the customer using different sources, information is further analysed for the appropriateness of the need. The identified alternatives will be evaluated using varies evaluation criteria by applying different decision rules, compensatory or non-compensatory rules. While the evaluation of alternatives is being processed, the customer lists out the pre-existing criteria which is established by the previous experience. Celik and Yilmaz (2011: 153) state that the criteria can be divided into two product attributes: hard and soft product attributes. Hard product attributes are the tangible benefits that a customer considers, like performance, features or cost of the product and further explains that soft product attributes are intangible benefits like prestige, style, and taste or brand image.

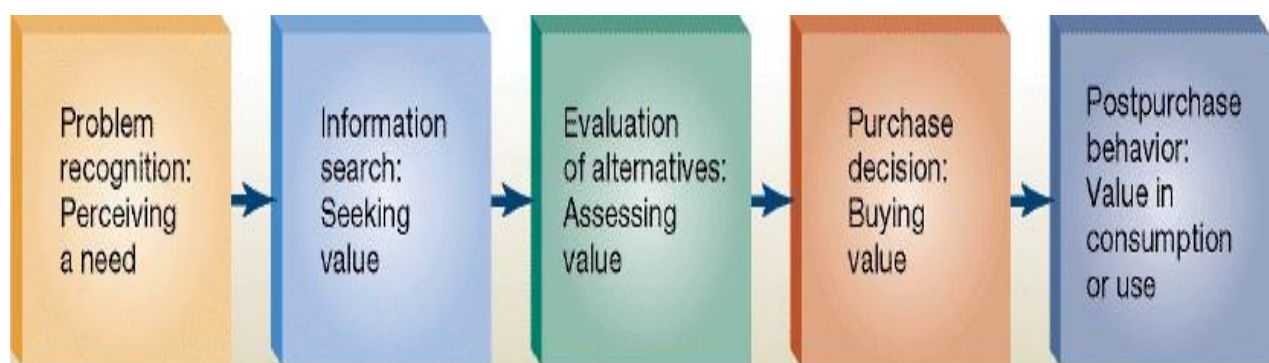
Stage four: Decision implementation or purchase

According to Nigricea and Edu (2012: 195) after the evaluation of the alternatives available based on the criteria chosen, the customer will choose one product to purchase. This is where the actual purchase takes place and it called consumer buying decision process. At this stage, customers get influenced by their country-of-origin effect and customer philosophies. Nagaraja and Girish (2015: 201) highlight that while the customer is making the purchase of the product chosen, the customer end-up making impulse purchase (unplanned purchase). Impulse purchases are caused by attractive offers or the characteristics of the customer.

Stage five: Post-Purchase evaluation

The satisfaction or dissatisfaction of the purchase made will depend on whether the need was fulfilled or not. For the customer to recommend the product to others or also buy the same product next time will be determined by the need fulfilment or problem solving. Electronic retailers must aim to satisfy customers at all times, to ensure that they achieve good will and brand loyalty. Often customers do not give much importance to post-purchase evaluation if the product purchased has satisfied the need. Evaluation of the customer is the most important factor for the next purchase of the customer (Schiffman *et al.* 2010: 498).

Figure 2.6: Consumer buying behaviour process



Hawkins and Mothersbaugh (2010: 251).

2.10 ONLINE CUSTOMER EXPERIENCE

According to McLean and Wilson (2016: 603) online customer experience is defined as the cognitive state experienced during navigation. Gentile, Spiller and Noci (2007: 397) define online customer experience as a set of interactions between a customer and a product or electronic retailer which provoke a reaction. The customer is involved in a cognitive and affective processes of incoming sensory information from the retailer's website, the results received are formed to the formation of an impression in memory. A number of antecedent situations are influencing the cognitive and affective state of the customer. There are different ways customers can encounter incoming sensory data from a variety of stimuli of the retailer's website such as visual imagery, audio delivery, video and text-based information (Rose, Clark, Samouel and Hair 2012: 309).

According to Vanishree (2012: 48) levels of risk perception with online shopping are increased by negative experiences and can make it difficult for other online businesses to gain initial customers. Customer experience is believed to have influence in future online customer behaviour. Therefore, when viewing online customer experience impression information, you need to cumulatively follow repeated exposure to the electronic retailer. The electronic retailer does not have total control of all aspects of the online customer experience formation, simply because an online shopping interaction does not take place at the retailer's store. Electronic retailing has involved many external variables of which the electronic retailers have been unaware off (Rose *et al.* 2012: 309).

Online customers are not just shoppers but also users of technology and information seekers. Online customer experience is considered to be more complex than the online shopping experience (McLean and Wilson 2016: 604). Trevinal and Stenger (2014 cited in McLean and Wilson 2016: 604) remark that since retailers are still in the phase of understanding the way customer think, act and behave within the online environment, as such there is no clear understanding definition of the experiential variables of a retailer's website and its environment.

2.11 EXPECTATIONS

Knowing customer expectations is crucial for retailers in order to determine their customer service performance since perception and customer buying behavior is mostly influenced by expectations. Customer's wants and needs for that particular time are basically revealed by customer expectations. Views or feelings of a service delivery used to compare actual performance of the electronic retailer are called customer expectations (Zeithamal, Bitner and Gremler (2009: 81). However, Kopalle, Lehmann and Farley (2010: 251) state that expectations are influenced by a number of factors. Such factors may include, previous experiences with other online or offline retailers. Therefore, an intimate understanding of customers such as background is required to fully anticipate their expectations and perceptions.

Lucas (2012: 218) asserts that customers have different expectations when using automated response systems when shopping online. The system is believed to provide a prompt service delivery and customers will perceive negatively towards retailers who do not offer such a service. Turban and King (2010: 5) divulge that retailer's assurances makes customers' expectations too high, whereas the e-retailers are not able to fulfil some of these expectations. For example, the e-retailers frequently inform customers when the order will be delivered and only to find out that the order is not received on the date promised. Such scenarios often create dissatisfaction which often results to disloyalty. Customer expectations play a very important role in a customer's decision making process, below are two levels of expectations discussed in detail:

2.11.1 Levels of expectation

Brick-and-Click retailers should understand that online customers have different and unique levels of expectations which a retailer must fully satisfy. Primary expectations and secondary expectations establish the overall expectations of each customer (Harris 2010: 17).

- Primary expectations

Brubaker (2013: 1) clarifies that vital necessities of online customers is to communicate with the retailer's website. For example, every electronic customer expects to easily find products and make payments of purchased products faster without any delays.

- Secondary expectations

Secondary expectations are often based on previous experiences initiated from primary expectation. From the previous example, within the e-retailer the customer expects to receive a good service, fast delivery and good quality products. Although customers' expectations frequently change with each individual customer having a unique set of expectations, it is important that the customer service of each e-retailer addresses these challenges (Andreassen and Streukens 2013: 5).

2.11.2 Types of customer expectations

It is important for the Brick-and-Click retailers to have the knowledge and understanding of the following types of customer expectations (Brink and Berndt, 2009: 62):

- Predicted service:

Predicted service is customer expectations prior to the actual the expectations, normally this type of expectation is high especially if the e-retailer has a good reputation. Furthermore, customer satisfaction evaluation is developed by comparing predicted product/service received by the customer.

- Desired service:

A desired service expectation differs from one customer to another, it reveals what the customer wants compared to the predicted service. Desired service is also believed to be higher than predicted service. Desired service can be defined as a "level of service the customer hopes to receive".

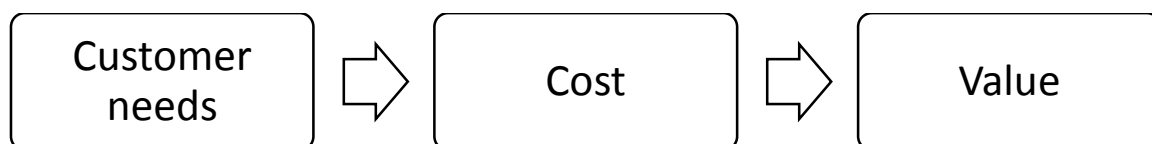
- Adequate service:

Adequate service is defined as the level of product/service a customer will accept. Furthermore, adequate service is based on customer experiences that develop over time. The factor that pressures adequate service is predicted service.

2.12 E-SATISFACTION

Chang, Wang and Yang (2009: 426) define e-satisfaction as a customer's feelings of expectations fulfillment or dissatisfaction resulted from comparing products or services. In relation to customer expectations, satisfaction often means customer reaction to the overall service fulfillment or judgement of the fulfilled service. Pratminingsih *et al.* (2013: 105) express customer satisfaction as positive or negative emotion about the service received from the retailer. The key to retaining a customer is through customer E-satisfaction. Uzun and Poturak (2011: 164) highlight that E-satisfaction is essential in terms of improving financial performance in the company. As a result, retailers ought to provide or deliver excellent value to customers to ensure that they confirm, accept and stay loyal to them. Further, explain that e-satisfaction is the outcome of a comparison between expected and perceived performance throughout the customer relationship.

Figure 2.7: Factors that affect e-satisfaction



Uzun and Poturak (2011: 164).

2.13 E-LOYALTY

Customer e-loyalty is one of the crucial factor at electronic retailing in terms of growth and performance. A loyal customer can be identified when a frequent repurchase of a product or service is made from a particular retailer. E-loyalty can be simply defined as a commitment to re-purchase or patronize a desired product from the same e-retailer regardless of the situational influences (Angelova and Zekiri 2011: 241). Uzun and Poturak (2011: 165) explain e-loyalty as a continuous quality support from customers. Chang *et al.* (2009:427) argue that e-loyalty is a strong relation between a customer and a brand. The only way to know a strong relation between the customer and the brand is through the emotional connection that join customer continuity of purchasing products or services. Uzun and Poturak (2011: 165) additionally explain that e-loyalty is also a point where customers show and repeat a positive nature of buying behaviour related to the retailer or brand. Jain, Gajjar, Shah and Sadh (2016:

354) further explain that repurchase intention, repeat purchases or recommendations are good factors that can be used to measure the attitude approach of the customer and it is an excellent indicator of e-loyalty. Angelova and Zekiri (2011: 241) conclude that the continued survival and future growth of the e-retailer lies to the e-loyalty of the customers. Customers that are satisfied with the products or service of the e-retailer are very likely to remain with that particular e-retailer, leading to future revenue for the business. E-retailers all over the world are implementing the accepted business theory that retaining customers optimizes profitability. While the cost of acquiring new customers is very much higher than the cost of retaining existing customers. E-retailers are advised to satisfy their customers in order to stimulate them to retain and repeat their product or service purchase.

2.13.1 The three advantages of E-loyalty

Reichheld and Scheffer (2000 cited in Uzun and Poturak 2011: 165) established the following three advantages of E-loyalty:

- To attain and retain customers is very expensive for retailers however, once this has been achieved the retailer gain a competitive advantage.

Pratminingsih *et al.* (2013: 104) agree that it is very much less expensive to retain current customers than to seek new ones.

- Loyal customers purchase more than switchers due to their repeat purchases which means that loyal customers will spend more money in future than others.
- The last advantage is that loyal customers often propose or suggest to friends and family to purchase at a particular retailer or brand. Therefore, in this case customers use Word-Of-Mouth communication which is one of the most vital and non-expensive strategic tool to market the retailer or products.

2.14 STRATEGIES USED TO DEVELOP CUSTOMER BASE

2.14.1 Electronic customer relationship management

According to Chikweche and Fletcher (2013: 295) the key strategic tool that can be facilitated by Brick-and-Click retailers is Electronic Customer Relationship Management (ECRM). ECRM is described as a new approach of taking care of the online customer. It can be seen as the customer electronic service strategy that aims at building long-term sustainable customer relationships which adds value to both the customer and the e- retailer (Botha *et al.* 2008: 374). Baranov (2012: 15) agrees that Electronic Customer Relationship Management focuses on customer retention than customer acquisition. He also believes that ECRM is one of the best strategic tools that e-retailers can implement since it costs much more money to gain a new customer, than to retain an already gained customer. Durmaz and Diyarbakirlioglu (2011: 19) argue by suggesting that in order to develop excellent customer base, online retailers can influence the perception of its customers by understanding the current perception that customers have on that particular product and make changes.

Hosseini, Hosseini and Meymand (2016: 360) state that electronic customer relationship management is a business strategy that is a long-term competitive advantage by enhancing time and quality of delivery to customers as well as extracts business value simultaneously. Electronic customer relationship management is a

strategy that corporate and customers achieve what they want from each other through a stronger bond together. Jalal and Ibrahim (2012: 364) explain ECRM as a unified viewpoint combining three Components: people, processes, and technology. In other words, the main purpose of electronic customer relationship management can be better understanding value and behavior with customers to enhance their loyalty and therefore increase profitability. Therefore, companies must rely to restore the relationship between company and customers, rather than relying on traditional model of trying to sell more.

ECRM aims to fulfill customer's individual needs in order to increase the value for both the customers and electronic retailers alike. The individual treatment has potential negative effects for the electronic retailer. As it seemingly neglects other customers deemed less worthy, it provokes customer perceptions of unfairness and unethical concerns towards the firm. Despite these damaging consequences, few studies have examined the role of fairness in ECRM (Yu, Nguyen, Han, Chen and Li 2014: 351).

2.14.2 Introduce E-SERVQUAL method

Santos (2003: 01) defines electronic service quality as the evaluation and conclusions between the excellence and quality of electronic service delivery. Research has proven that electronic service quality has influence on customer buying decisions but retailers have recently applied these findings. For example, community websites, electronic customer satisfaction channels and causes of web site success have been applied to assess Electronic service quality measures (Chen, Hsu and Lee 2013: 475).

Raj and Devgan (2014: 786) further explain that online shopping is a multifarious process that needs to be divided into several sub-processes such as searching for information, online transactions, or customer interactions. Often customers are not able to evaluate each sub-process in detail during the visit to a Brick-and-Click, however, only observe the Electronic service as an overall process and outcome. Furthermore, the high standard of Electronic service quality to customers is the means of realizing potential benefits from the internet.

Finn (2011: 27) further suggests that customers normally compare product features and online prices than through Brick-and-Mortar retailing, Electronic service quality turn out to be a key factor for customers. Online customers thus expect equal or higher levels of service quality than traditional retailing customers. E-SERVQUAL is a strategy on its own that most e-retailers have implemented in the past years in order to be competitive and also develop a positive customer perception.

2.14.3 Benefits to the electronic retailer for using E-SERVQUAL method

Kalia (2013: 08) designed the following E-SERVQUAL method:

- Differentiation

Most of the retailers find it very challenging to differentiate themselves from competitors. One of the possible alternatives is to provide superior customer service. Service quality of an organization cannot be measured objectively; this further makes evaluating success difficult. E-SERVQUAL makes measuring service quality more objective and precise

- Marketing strategies

Show that electronic retailers can set their marketing objectives and strategies on the basis of inputs received as per E-SERVEQUAL instrument. A marketing strategy will assist retailers with developing goals that will increase sales and achieve a sustainable competitive advantage.

- Gauging customer perception

The E-SERVEQUAL instrument, as compared to other retailers can be used for the purpose of evaluating and tracking customer preferences and perception of the quality.

- Predicting customer perception

E-SERVEQUAL is found to be the most vital predictor of overall customer satisfaction emphasizing on personal needs, site organization, user friendliness, and efficiency.

- Personalization

The interactivity in e-service results in its requirement of personalization. Fulfilment is then the requirement for e-service in the virtual environment.

- Profitability

Long-term benefits to companies is the results of high e-service quality.

- Identifying service quality gaps

This instrument can be used to identify the gaps between experience (satisfaction) and expectation (importance).

2.14.4 Portfolio Matrix

Aspfors (2012: 637) believe that in order for retailers to keep track of their products performances they need to use portfolio matrix which can be used by any retailer. The tool consists only of products or product lines. The portfolio matrix is a tool that gives indications of how different products are performing and how to improve their performances. Hertog (2014: 46) mentions that portfolio matrix is the approach tool that assist in visualizing the current situation. It is not advisable for this tool to be seen as an ultimate solution. The product lines within the matrix can be placed within sections or between sections. Different measures are done depending on where the products are positioned and questions regarding product positioning, promotion needs and product range need to be considered although the main considerations will always be profitability, external market and customer perceptions. Portfolio matrix can be analysed using the Boston Group Consulting Matrix (BCG Matrix).

Figure 2.8: The four different sections within the BCG matrix

<p><u>Star</u> High market growth High market share Cash neutral Hold</p>	<p><u>Problem child</u> High market growth Low market share Cash absorbing Build</p>
<p><u>Cash cow</u> Low market growth High market share Cash generating Harvest or milk</p>	<p><u>Dog</u> Low market growth Low market share Cash neutral Divest</p>

Aspfors (2012: 37).

Star

Stars are known as products that generates a lot of cash into the business. In order to attract customers, these products need to be placed at a prime site in the retailer online store. Stars are high growth, high share businesses. They are the market leaders in the fast growth markets and often require heavy investments to build or maintain share in rapidly expanding markets. The strategy is to build or even maintain or hold its position as long as possible (Aspfors (2012: 37).

Question marks

Riley (2015: 1) state that a new product does not generate much cash and new products needs a promotion and enough space must be facilitated for establishment. A question mark requires a lot of cash both to keep up with a rapidly growing market and improve its share position. The strategy must to decide between further

investments to move question marks to star status (Differential advantage) or to purchase out the product.

Cash cow

According to Aspfors (2012: 37) and Burns (2014: 24) cash cow is known as a steady product which does not need a lot of promotion or online prime shelf space. Cash cows are low growth, high share businesses, these products have the ability to generate more cash than can be re-invested profitably in its own operations. Thus, profits are used for investment in other businesses. The strategy is to defend market share.

Dog

The term dog refers to products that have a low market share and low growth markets. This product only generates a limited amount of cash but takes up the important online shelf space. The product is taken away if it does not support products from the star or cash cow section. The strategy is to minimize expenditures (Riley 2015: 1).

2.15 CONCLUSION

The different factors influencing customer perception reflected upon above gives some insight to the study about how customer perception affect Brick-and-Click retailing. Despite the extensive research on the effects on customer perception towards electronic retailing, there is still a lot to explore with regards to how Brick-and-Click retailers must attract and retain customers. Previous studies have also not made emphasis on the improvement of customer perception and factors influencing customer perception. Egan (2011: 33) suggests that Brick-and-Click retailers must always keep abreast of changes in the customer market, it is another suitable tool and is required as it ensures that the right service is delivered at the right time to customers creating a positive customer perception. Understanding customer perception is very vital for every e-retailer. The e-retailer can use his knowledge of customer perception as a competitive advantage; the knowledge of customer perception can be obtained through research, surveys and other methods. Electronic

retailing has become a profitable sales channel for many retailers. Understanding customer perceptions is the core success of the business (Lee and Barnes 2016: 49).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

Hennink (2011: 26) define research methodology as the way in which data was collected during the study. This section reviews the methodology that was used in this study to ensure first-hand information was collected from customers selected for the study. It covers the research design, sampling method, data collection, data analysis, reliability and validity, pre-test and recommendations will be provided based on the findings of the study. These methods were employed to achieve the objectives of the study which are mentioned hereunder:

3.2 RESEARCH OBJECTIVES

The main aim of the study was to identify the factors that affect the customer perception on electronic retailing in Brick-and-Click retailers. The objectives formulated to achieve this aim were:

- To study perceptions of customers towards online retailing;
- To examine the effect of customer perception on electronic retailing;
- To assess the relationship between customer perception and buying behaviour;
- To determine how to promote a positive customer perception among Brick-and-Click retailers; and
- To provide strategies capable of promoting a positive customer perception among Brick-and-Click retailers.

3.3 RESEARCH DESIGN

Research design is defined as a framework that implements a research project and procedures that must be adhered to in obtaining information for completing the research objectives are provided (Malhotra 2010: 10). Burns and Bush (2010: 148) explain that a detailed framework of the procedures that are followed in a

research in order to achieve the aim and objectives is called a research design. It relates to specified research methods that are followed in the collection and analysis of data. According to Shuttle (2013: 52) research design is a detailed plan used by participants and collect information from them.

This study follows a descriptive research design which supports the objectives of the study as it wishes to determine the perceptions of consumers towards online retailing. According to Cant and Van Heerden (2010: 127) descriptive research designs can sometimes be very complex which also includes the use of statistical methodology. Descriptive is a research designed to answer questions like what? Who? When? Where and how? Complete and accurate description of the problem must be endeavoured. In this study a descriptive design was applied; the findings will be presented in numbers, statistical parameters or figures.

3.4 STUDY APPROACH

The study approach in this research use a quantitative method as close-ended questionnaires were used to obtain relevant data from participants of the study. Creswell (2014: 05) describe quantitative research as an approach that test objective theories by examining the relationships among variables. The variables are then measured on instruments, to ensure that data is analyzed using statistical procedures. Saunders, Lewis and Thornhill (2007: 145) assert that the quantitative research approach predominantly deals with data-collection and data analysis procedures such as use of questionnaires and statistics or graphs that use statistical models and numerical data. The following are the characteristics of the quantitative approach:

Table 3.1: Characteristics of quantitative approach

QUANTITATIVE APPROACH		
1	Objective data	Quantitative data are presented in numbers.
2	Complex structured methods.	Quantitative researcher's analyses data to confirm or disprove hypothesis.
3	Abstraction reality	They deal directly with abstraction reality not with everyday life.
4	Outsider's perspective	Quantitative researcher's try to understand the facts of the research investigation from an outsider's perspective.
5	Stable	The focus is on the casual aspects of behaviour and collection of facts that won't change easily.
6	Particularistic	They control the investigation and structure of the research situation in order to identify and isolate variables.
7	Reliability	Quantitative researcher's focus on consistent and stable measurement of data as well as replicability.
8	Large numbers	Usually aim for large numbers of cases and the analysis of the results usually based on statistical significance.

Welman et al. (2007: 08).

The questionnaires were filled by the respondents via the database of the electronic retailer. Questionnaires contained only closed-ended questions. Closed-ended questions helped with the exact information to be collected and also provided a choice of answers to respondents.

3.5 TARGET POPULATION

Welman *et al.* (2007: 52) define the target population as the useful components or members such as individuals, groups, organisations, human products and events which are of interest in a study. Gay and Airasian (2011: 121) similarly describe target population as a group of interest to the researcher, the group to which the researcher would like the results of the study to be generalized upon. For this study, the target population only consisted of online customers who purchase at Brick-and-Click retailers in Durban, KwaZulu-Natal. According to Sekaran (2003: 266), a sample population comprises of members selected from a particular area to form the sample. Lapan and Quartaroli (2009: 88) agree by affirming that a sample population is a group extracted from the total population of that particular area as representative for the purpose of the study.

3.6 SAMPLING METHOD

Non probability sampling technique was applied to the study. According to Babbie (2012: 192) a non-probability sampling technique refers to a collection of sampling approaches which have distinguishing characteristics that subjective judgement can play a role in selecting the sample. A form of purposive sampling was ideal for this study as it sought out a distinct trait from consumers who are online shoppers. This is a type of non-probability sampling technique where units in the sample were selected based on characteristics pre-specified by the researcher so that the sample will have same distribution characteristics assumed to be existing in the population. The non- probability sampling technique was appropriate to the study, since every customer that purchase at the Brick-and-Click retailers stood a chance of being part of the study.

3.7 SAMPLE SELECTION AND SIZE

Sample size refers to the number of respondents that will be selected into the research study (Burns and Bush 2010: 60). For this study the desired sample size was 400 respondents. However, as a result of the questionnaire being hosted on the website

of the Brick and Click retailer the study generated a sample of 5872 of which 4 834 respondents completed the questionnaire.

3.8 RESEARCH INSTRUMENT

3.8.1 Measuring instruments

According to Welman *et al.* (2005: 40) measuring instruments are tools used in obtaining information for research purposes. For this study questionnaires were used to collect relevant information from customers.

3.8.2 Development of the questionnaire

Malhotra (2010: 10) state that the following are the characteristics of a questionnaire:

- The respondent's voluntarily enter his/her responses on the questionnaire which saves the researcher's time.
- Conducting questionnaires is less expensive than personal interviews.
- Respondents are free to express themselves without fear of identification.
- Collection of data with broad range of topics can be collected within a limited period.

3.8.3 Questionnaire design

The questionnaire was designed by the researcher using a standardized format. The questions posed to the participants were directly linked to the aim and objectives of the study. Furthermore, Likert scale questions was used, using a five scale questionnaire with questions around customer's perception towards online retailing. The questions were coded from 1-5 (strongly agree, agree, neutral, disagree and strongly disagree). Section A addressed objective that needed to be addressed in the study, whilst Section B comprised of the demographics of the respondent.

3.8.4 Structure of the questionnaire

The questionnaire consisted of the following two sections:

Section A

- Frequency of shopping online
- Online payment
- Flexibility
- Convenience
- Attitude
- Ease of accessibility
- Decision influence

Section B:

- Gender
- Race
- Age
- Employment history
- Monthly income
- Highest educational level

3.9 DATA COLLECTION

According to Rouse (2013: 90) data collection is described as the process of finding different sources of information to ensure that a researcher gets a clear idea of the answer to the question under study. Questionnaires were administered electronically via the database of a retailer for which permission had already been granted (see attached gatekeepers letter; Appendix C).

3.9.1 Informed consent

According to Shahnazarian, Hagemann, Arbuto and Rose (2014: 3) informed consent is a voluntary agreement with the participant in research. A detailed information is provided to participants about the study to ensure they can make an informed, rational and voluntary decision to participate.

The following were included by the researcher:

- The purpose of the study
- Expected duration
- Information on their right to decline or withdraw
- Procedures of the study

3.9.2 Pre-test

A pre-test is designed to improve questionnaires to ensure that respondents will not experience problems in answering questionnaires. Pretesting also eliminates problems when analysing data (Saunders, Lewis and Thornhill 2012: 451). This provided an understanding to the researcher with regards to what type of a questionnaire or what type of questions are more understandable to customers. By that it has ensured that the researcher provides a good structured questionnaire after the pretesting process to be more constructive. Ten participants were selected who fitted the profile of the study population. Each were handed the same questionnaire that was run electronically and feedback obtained from the participants in this stage of the study helped to streamline the questionnaire for efficiency and effectiveness towards the generation of responses during the electronic distribution of the questionnaire.

3.9.3 Data analysis

In order to make reasonable conclusions in this research, a statistician was employed to analyse the responses provided by the participants of the study. Data analysis was done through SPSS v 23 to generate results of the research and to test variables to determine the findings of the study.

3.9.4 Validity

The objectives of the study were used to guide the formulation of questionnaire, this ensured what needed to be measured was going to be measured through the measuring instrument. Lapan and Quartaroli (2009: 52) mention that external validity is a design and implementation of experimenting a study that allows underlying relationships between dependent and independent variable to emerge if they really exist. External validity was ensured by engaging in a large sample size from which generalizations can be made. To ensure construct validity, the research explored the theoretical constructs of the study on which inferences are made throughout the study. Easy, short and straight forward questions were designed to accommodate different levels of intellectual capacities among the participants.

3.9.5 Reliability

Bearden *et al* (2011: 6) define reliability as the ability of data collection methods to collect accurate and consistent results. Malhotra (2010: 318) states that reliability test is important for ensuring the collection of consistent data from diverse administrations of a measuring scale.

The following measures were used to improve both validity and reliability of the questionnaire,

- A pre-test was conducted which provided learning points on improving the reliability of the instrument.
- All questions included in the questionnaire were derived directly from the objectives of this study.
- Each question in the questionnaire was derived from the objective and essentially contributed to part of the objective.

3.10 ETHICAL CONSIDERATIONS

The proposal was served at the ethical clearance committee for approval. Whilst this study used human beings as subjects, there was no threat of harm nor were there no vulnerable populations that was asked to participate in the study. The questions in

the questionnaire were not intrusive nor did it infringe on the reputation or security of the respondent. No form of incentives was used to encourage participation from respondents. Respondents were informed that the research was strictly for academic purposes and that no information would be disclosed to no-one other than the institution under which the academic studies are pursued at.

3.11 ANONYMITY AND CONFIDENTIALITY

Anonymity and confidentiality is defined as the importance of having the ability to protect sensitive information and the names of the respondents by the researcher (Crow and Wiles 2008: 1). The researcher ensured anonymity by not collecting identifying information from the participants and there was no link of individual responses with participant's identities as it is also not essential to the study protocol.

3.12 LIMITATIONS OF THE STUDY

Limitations are influences that the researcher cannot control. There are conditions or influences that cannot be controlled by the researcher that place restrictions on your methodology and conclusions (Simon 2011: 2). The following limitation might have influenced the study:

➤ The sample

The sample is restricted to the region of KwaZulu-Natal where the study is based.

3.13 DELIMITATIONS OF THE STUDY

Delimitations are defined as those characteristics that limit the scope which are within your control. The researcher should mention the delimitations in the study (Simon 2011: 2). Delimiting factors of this study were as follows:

➤ Research questions and Objectives

The study was confined to the Brick and Click retailers. Offline retailers or traditional retailers cannot use the data found in this study simply because the data found in

this study was strictly to online shopping in Brick-and-Click clothing retail stores, which was aimed to be studied in depth.

➤ Geographical location

Questionnaires were administered electronically; therefore, travelling wasn't any issue.

➤ Category of people/ events

The target population in the study were customers who purchase at Brick-and-Click retailers, questionnaires were distributed electronically to e-customers.

3.14 CONCLUSION

This chapter presented the research methodology that was followed in this study. The research design, target population, sample selection and size, instrument design, data collection and analysis methods, and validity and reliability were discussed. The study adopted a survey strategy which was carried out using a retailer's online database. The next chapter provides a presentation of the research findings and the analysis of the results.

CHAPTER FOUR DATA ANALYSIS

4.1 INTRODUCTION

In this chapter, the results of data analysis are provided. Results and findings obtained in this study are discussed, the results are presented in the form of graphs, tables and figures for the quantitative data that was collected. The questionnaire was the primary tool that was used to collect the data. The questionnaire was distributed electronically to internet users who visit Brick-and-Click retailers. The data collected from the responses was analysed with SPSS version 24.0. To ensure that empirical objective was achieved, the researcher analysed and presented the results as they appear in the various sections of the questionnaire (See attached appendix A).

4.2 RESPONSE RATE OF THE SURVEY

The questionnaires were distributed online for two weeks; 5 872 responses were received; 4834 remained after removing incomplete questionnaires. Of the complete questionnaires: 3579 (74%) respondents shop online; 1255 (26%) respondents do not shop online; 4357 (90.1%) respondents are female; 2110 (43.6%) respondents are black; 1627 (33.7%) respondents are in the age group 24-29; 3050 (63.1%) respondents are employed; 2048 (42.4%) respondents are in the income group 0-R5,000; 2547 (52.7%) respondents have matric as highest qualification.

Table 4.1: Response rate of the survey

Population area	Durban, Kwa-Zulu Natal
Intended sample	None
Responses (total)	5 872
Responses (completed questionnaires)	4 834
Response rate	82.3%

From Table 4.1 a response rate of 82.3% was achieved, respondents successfully completed only 4 834 questionnaires. Wellman *et al.* (2007: 174) asserts that a 60%

response rate is appropriate for a quantitative study. Thus, this implies 82.3% response rate is appropriate for this study.

4.3 THE RESEARCH INSTRUMENT

The questionnaire was divided into 8 sections which measured various themes. Below questionnaire setting is illustrated:

Table 4.2: Questionnaire setting

Questionnaire setting	
Question 1	Frequency
Question 2	Online payment
Question 3	Flexibility
Question 4	Convenience
Question 5	Attitude
Question 6	Easy of accessibility
Question 7	Decision influence
Question 8	Demographic profile: <ul style="list-style-type: none"> ➤ Gender ➤ Race ➤ Age ➤ Education ➤ Monthly income ➤ Employment

4.4 FREQUENCIES

According to Babbie (2008: 450) frequency distribution refers to a description of the number of times various characteristics of a variable are observed in a sample. Frequency distributions are easily understood when expressed in the form of graphs and tables. This study expresses all frequencies in form of tables, pie charts and bar graphs.

Table 4.3: Respondents of online shoppers and non-shoppers

	Number of respondents	Percentage of respondents
Online shoppers	3 579	74%
Non-shoppers	1 255	26%
Total	4 834	100%

Table 4.3 illustrate the number of respondents who are online and non-shoppers. 74% of respondents were online shoppers and 26% were non-electronic shoppers.

SECTION A: BIOGRAPHICAL DATA

This section summarizes the biographical characteristics of the respondents. The research primarily focused on a number of biographic variables, which are discussed below.

4.4.1 Gender of respondents

The gender of the respondents is as follows.

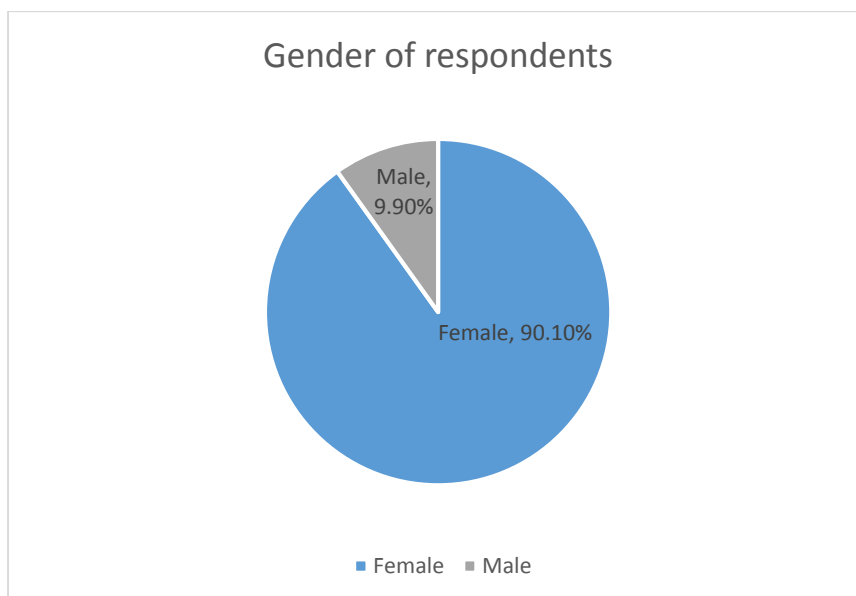


Figure 4.1: Gender of respondents

The pie chart above shows that 9.90% of the respondents were male, whilst the other 90.10% comprised females from the selected sample of study.

Table 4.4: Gender of respondents cross tabulated with shopping

	Gender	
	Female	Male
Do not shop online	1 077 (22.3%)	178 (3.7%)
Shop online	3 280 (67.8%)	299 (6.2%)
Total	4 357 (90.1%)	477 (9.9%)

Table 4.4 shows that 3 280 (67.8%) of the respondents are females who shop online as opposed to 299 (6.2%) of respondents who are male and shop online. It can be concluded that women remain predominant online shoppers. This view is supported in a study conducted by Gray (1992 cited in Lewis 2015: 1) who allege that more women shop online in comparison to men.

4.4.2 Race of respondents

Figure 4.2 below illustrates race of respondents expressed in percentages.

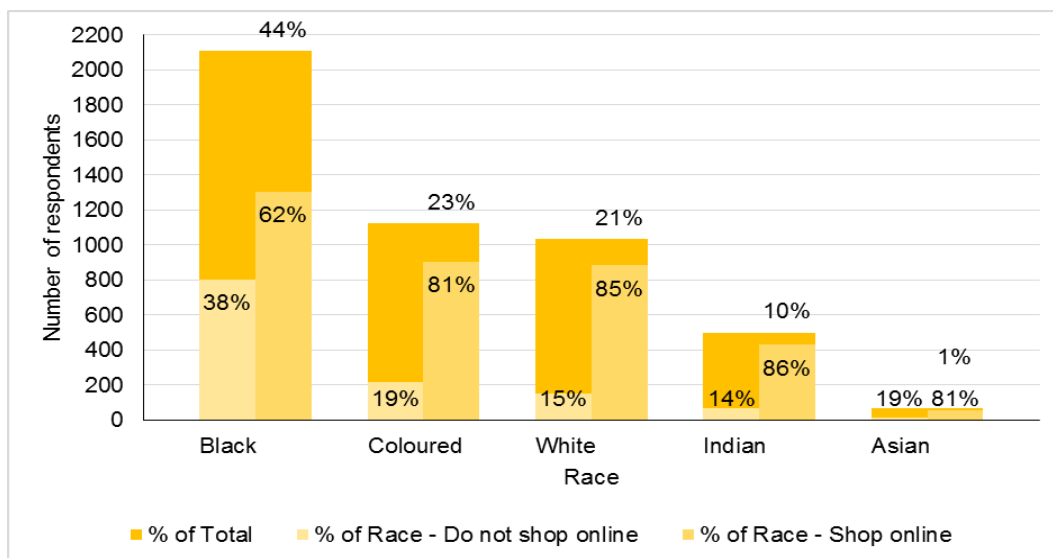


Figure 4.2: Race of respondents

Figure 4.2 indicate that 1% of the respondents were Asian, 44% were Black, 23% were Coloured, 10% Indian, and 21% were White. Although the majority of the respondents were Black, they had the lowest ratio of online shoppers to non-shoppers at only 62%, compared to the other races that were all over 80%.

4.4.3 Age of respondents

Figure 4.3 below illustrate age of respondents expressed in percentages.

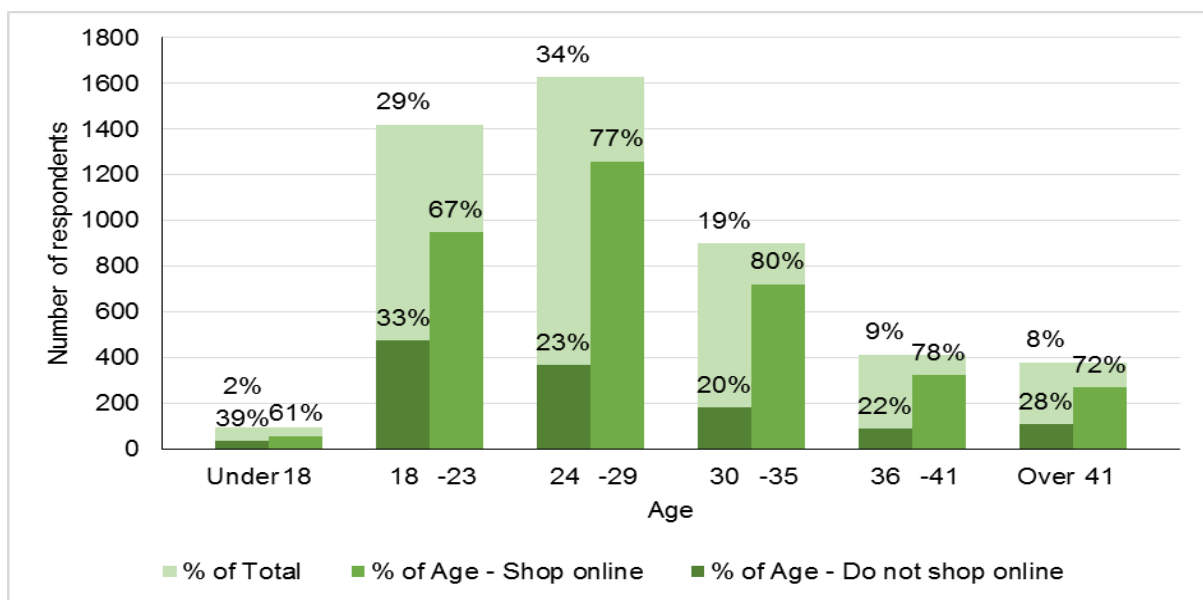


Figure 4.3: Age of respondents

From Figure 4.3, 2% of the respondents were under the age of 18 years, 29% were within the ages of 18-23, 34% of the respondents were in between 24-29 years of age range, 19% were 30 to 35 years of age, 9% were 36-41 years of age, and 8% were over 41 years of age. Consequently, most respondents are between the ages of 24-29 years representing 32.7%.

Older than 41 years of age and under 18 citizens constitute a smaller percentage (8% and 2%) of respondents. Although the 24-29-year age group has the highest response rate (Figure 4.3), the age group 24-41 years has the greatest impact on online shopping with rates of 77%, 80%, and 78%, respectively. A study conducted

by Levin, Levin, and Weller (2005: 283) hereby support this proposition, they assert that majority of online shoppers in South Africa are often individuals who fall between 19 and 39 age bracket.

4.4.4 Employment of respondents

Figure 4.4 below illustrates the employment of respondents expressed in percentages.

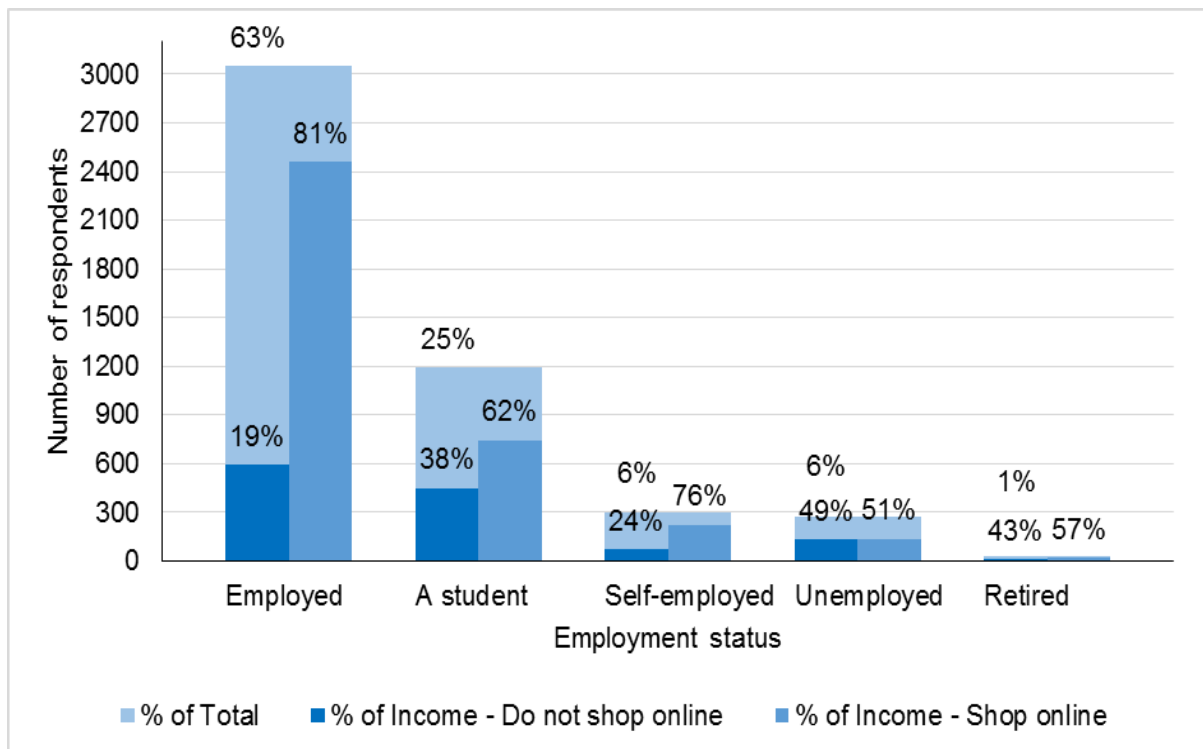


Figure 4.4: Employment of respondents

From Figure 4.4 above, 6% of the respondents were self-employed, 63% were employed, 6% were unemployed, 1% are retired and the remaining 25% were students. Consequently, the majority of respondents are employed. The employed respondents had the greatest impact on online shopping followed closely by self-employed and students.

4.4.5 Monthly income of respondents

Figure 4.5 below illustrates the monthly income of respondents expressed in percentages.

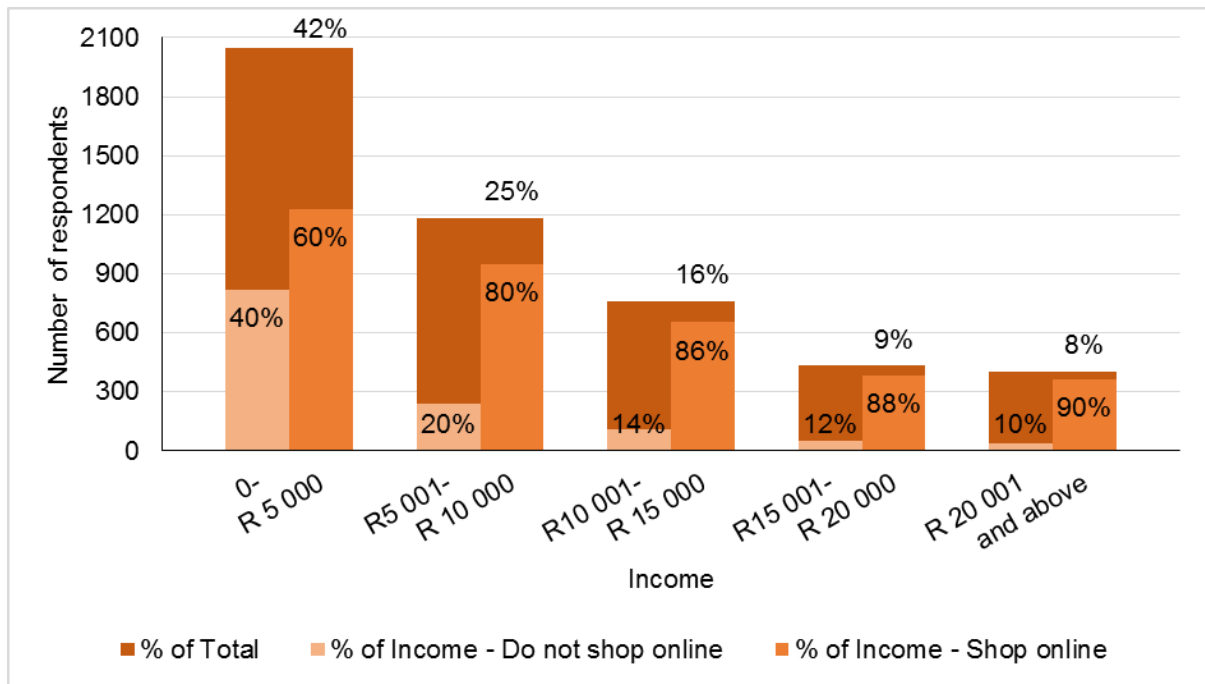


Figure 4.5: Monthly income of respondents

According to Figure 4.5 below, 42% of the respondents earned income within the bracket of R0-R5,000; 25% earned income between R5,001-R10,000; 16% earned income between R10,001-R15,000; 9% earned income between R15,001-R20,000; and 8% earned above R20,000. Therefore, the majority of online shoppers earned income between R0 to R5000. This reflects that a significant population of online shoppers patronize electronic retail stores.

4.4.6 Educational level of respondents

Figure 4.6 below illustrates the educational level of respondents expressed in percentages and frequencies.

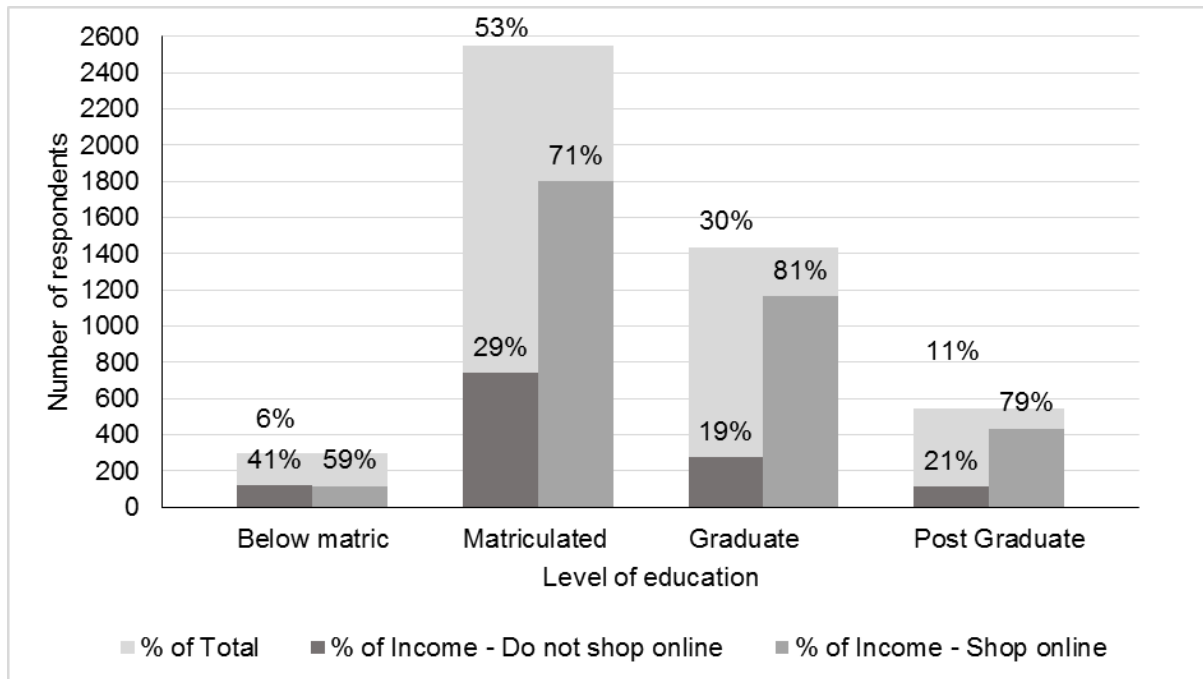


Figure 4.6: Educational level of respondents

Figure 4.6 illustrates that 6% of respondents are below matric, 53% of respondents hold a matriculation certificate, 30% are graduates and 11% are postgraduates from the selected sample. As a result, 94% of respondents have at least the matriculation certificate. Graduates have the highest incidents of online shopping at 81% and post-graduates the second highest at 79%. It therefore means that levels of education tend to dictate the shopping capacity at online shopping in this study. A study conducted by Hashim, Ghani and Said (2009: 25) supports by stating that upper management tend to shop online more compared to the middle and lower management or level of education. De Swardt (2008: 29) believes that South African electronic retailing will dramatically increase in future as education percentage rate is increasing and more students or individuals are being exposed to information technology.

Table 4.5: Demographics of adopters and non-adopters

Demographics		Adopters	Non-adopters
Gender	Female	75.3%	24.7%
	Male	62.7%	37.3%
Race	Asian	80.6%	19.4%
	Black	61.8%	38.2%
	Coloured	80.7%	19.3%
	Indian	86.0%	14.0%
	White	85.5%	14.5%
Age	Under 18	61.3%	38.7%
	18-23	66.7%	33.3%
	24-29	77.4%	22.6%
	30-35	80.0%	20.0%
	36-41	78.3%	21.7%
	Over 41	71.5%	28.5%
Employment	Student	62.4%	37.6%
	Employed	80.6%	19.4%
	Self-employed	75.9%	24.1%
	Unemployed	50.6%	49.4%
	Retired	57.1%	42.9%
Income	0-R5 000	60.1%	39.9%
	R5 001-R10 000	80.0%	20.0%
	R10 001-R15 000	85.7%	14.3%
	R15 001-R20 000	88.0%	12.0%

	R20 0001 and above	90.4%	9.6%
Education	Below matric	59.0%	41.0%
	Matriculated	70.8%	29.2%
	Graduate	80.9%	19.1%
	Postgraduate	79.2%	20.8%

➤ Gender

Table 4.5 above reveal that 75.3% of females are online shoppers, 62.75 of male's shop online whilst 24.7% of females and 37.3% of males do not shop online.

➤ Race

Show that 80.6% of Asians, 61.8 of blacks, 80.7% of colored's, 80.0% of Indians and 85.5% of white's shop online. Figure 4.9 further reveal that 19.4% of Asians, 38.2% of black, 19.3% of colored's, 14.0% of Indians and 14.5% of whites do not shop online.

➤ Age

According to figure 4.9; 61.3% of under 18, 66.7% of age between 18-23, 77.4% of age between 24-29, 80.0% of age between 30-35, 78.3% of age between 36-41 and 71.5% of over 41 of age shop online. However, 38.7% of under 18, 33.3% of age between 18-23, 22.6% of age between 24-29, 20.0% of age between 30-35, 21.7% of age between 36-41 and 28.5% of over 41 of age shop online.

➤ Employment

Figure 4.10 divulge that 62.4% students, 80.6% employed, 57.9% retired, 75.9%, 75.9% self-employed and 50.6% unemployed are online shoppers. 37.6% students, 19.4% employed, 42.9% retired, 24.1% self-employed and 49.4% unemployed do not shop online.

➤ Income

Figure 4.11 tell that 60.1% of R0-R5 00, 80.0% of R5 001-R10 000, 85.7% of R10 001-R15 000, 88.0% of R15 001-R20 000 and 90.4% of R20 001 and above are online shoppers. 39.9% of R0-R5 000, 20.0% of R5 001-R10 000, 14.3% of R10 001-R15 000, 12.0% of R15 0001-R20 000 and 9.6% of R20 001 and above do not shop online.

➤ Education

Figure 4.12 show that 59.0% are respondents below matric, 70.8% matriculated, 80.9% graduates and 79.2% postgraduates shop online. 41.0% below matric, 29.2% matriculated, 19.1% graduates and 20.8% postgraduates do not shop online.

In conclusion, the study shows that there is a high number of online shoppers in Durban, KwaZulu-Natal then non-shoppers.

SECTION B: DATA ANALYSIS

4.4.7 Frequency of respondents shopping online

Figure 4.7 below illustrates how often respondents shop online expressed in percentages.

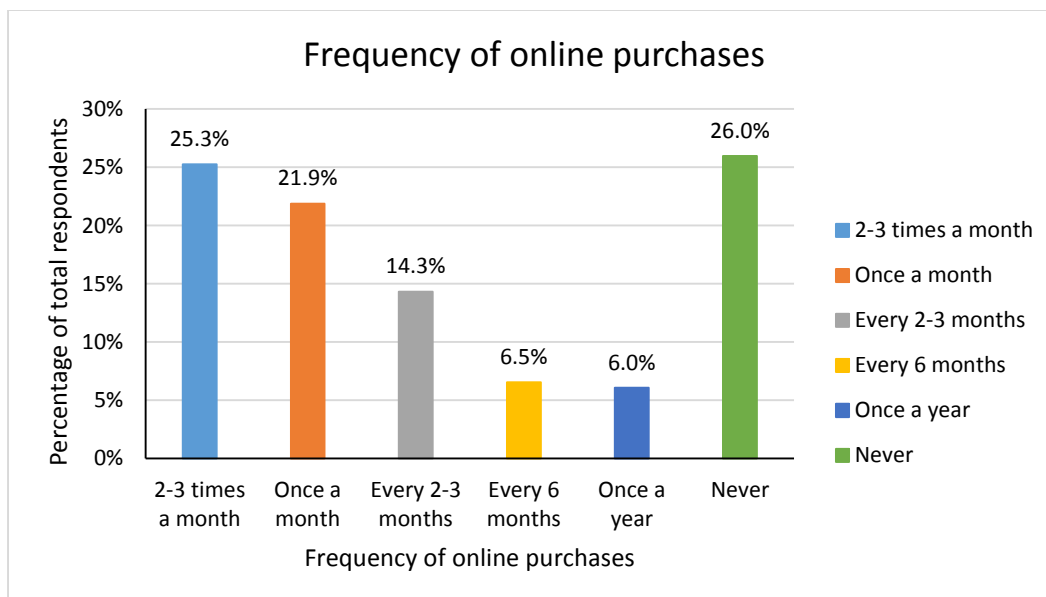


Figure 4.7: Frequency of respondents shopping online

Figure 4.7 indicates that 21.9% of respondent's shop online once a month, 25.3% shop online 2-3 times a month, 14.3% shop online every 2-3 times a month, 6.5% shop online every 6 months, 6.0% shop online once a year and 26.0% have never shopped online.

Respondents who never shopped online were the majority in this study by 26.0%. This has revealed that majority of people in Durban are aware of online shopping but they do not shop online due to certain reasons. South African studies conducted by Lee and Barnes (2016: 38), Rajesh and Purushothaman (2013: 37) and Moloney (2014: 8) divulge that people in South Africa are very much aware of online shopping but they do not participate. Thus, resulting in the South African retailing industry to lag behind. Bashir (2013: 19) further divulge that online shopping is based on individual's perception due to culture, personal, social and psychological behaviour which affects their behaviour in online shopping.

Table 4.6: Demographics frequency of respondents

		2-3 times a month	Once a month	Every 2-3 months	Every 6 months	Once a year	Never
<i>Gender</i>	Female	1124 (25.8%)	973 (22.3%)	638 (14.6%)	289 (6.6%)	256 (5.9%)	1077 (24.7%)
	Male	97 (20.3%)	84 (17.6%)	54 (11.3%)	27 (5.7%)	37 (7.8%)	178 (37.3%)
<i>Race</i>	Asian	20 (29.9%)	20 (29.9%)	7 (10.4%)	4 (6%)	3 (4.5%)	13 (19.4%)
	Black	431 (20.4%)	370 (17.5%)	235 (11.1%)	124 (5.9%)	145 (6.9%)	805 (38.2%)
	Coloured	308 (27.5%)	290 (25.8%)	174 (15.5%)	74 (6.6%)	59 (5.3%)	217 (19.3%)
	Indian	173 (34.6%)	126 (25.2%)	75 (15%)	33 (6.6%)	23 (4.6%)	70 (14%)
	White	289 (27.9%)	251 (24.3%)	201 (19.4%)	81 (7.8%)	63 (6.1%)	150 (14.5%)
<i>Age</i>	Under 18	20.4%	20.4%	7.5%	7.5%	5.4%	38.7%
	18-23	19.8%	18.2%	12.8%	7.0%	8.9%	33.3%
	24-29	26.4%	24.4%	15.9%	5.8%	5.0%	22.6%
	30-35	30.2%	24.6%	15.1%	6.1%	4.0%	20.0%
	36-41	32.4%	21.7%	15.5%	5.1%	3.6%	21.7%
	Over 41	22.7%	18.5%	11.9%	10.6%	7.9%	28.5%
<i>Employment</i>	Student	220 (18.5%)	189 (15.9%)	145 (12.2%)	73 (6.1%)	117 (9.8%)	448 (37.6%)
	Employed	886 (29%)	749 (24.6%)	489 (16%)	203 (6.7%)	132 (4.3%)	591 (19.4%)
	Self-employed	74 (25.1%)	71 (24.1%)	32 (10.8%)	22 (7.5%)	25 (8.5%)	71 (24.1%)
	Unemployed	39 (14.5%)	45 (16.7%)	22 (8.2%)	14 (5.2%)	16 (5.9%)	133 (49.4%)
	Retired	2 (7.1%)	3 (10.7%)	4 (14.3%)	4 (14.3%)	3 (10.7%)	12 (42.9%)
<i>Income</i>	0-R5 0000	359 (17.5%)	357 (17.4%)	227 (11.1%)	118 (5.8%)	169 (8.3%)	818 (39.9%)
	R5 001-R10 000	315 (26.6%)	304 (25.7%)	189 (15.9%)	85 (7.2%)	55 (4.6%)	237 (20%)
	R10 001-R15	226 (29.7%)	195 (25.6%)	147 (19.3%)	57 (7.5%)	28 (3.7%)	109 (14.3%)

	000						
	R15 001-R20 000	170 (39.2%)	90 (20.7%)	66 (15.2%)	32 (7.4%)	24 (5.5%)	52 (12%)
	R20 001 and above	151 (37.3%)	111 (27.4%)	63 (15.6%)	24 (5.9%)	17 (4.2%)	39 (9.6%)
<i>Education</i>	Below matric	57 (19%)	48 (16%)	32 (10.7%)	19 (6.3%)	21 (7%)	123 (41%)
	Matriculated	573 (22.5%)	548 (21.5%)	349 (13.7%)	165 (6.5%)	168 (6.6%)	744 (29.2%)
	Graduate	414 (28.8%)	333 (23.2%)	235 (16.3%)	95 (6.6%)	87 (6.1%)	274 (19.1%)
	Postgraduate	177 (32.2%)	128 (23.3%)	76 (13.8%)	37 (6.7%)	17 (3.1%)	114 (20.8%)

Table 4.6 reveal the demographics frequency of respondents shopping online in Durban KwaZulu-Natal. Both females (25.8%) and males (20.3%) frequently shop online 2-3 times a month, 20.4% frequent online shoppers are black between the ages of 24-29. 29% of respondents are employed, earning R15 001-R20 000 and 32.02% are postgraduates.

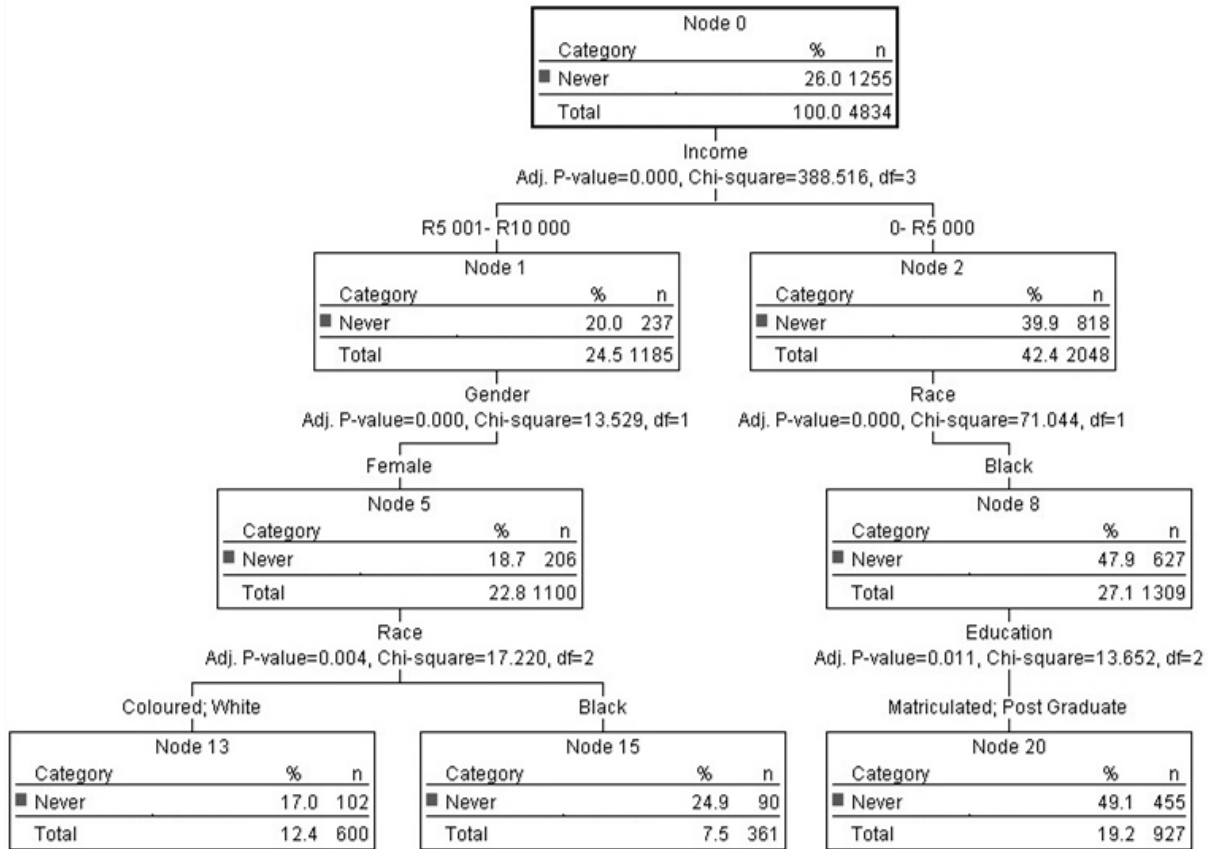
CHAID ANALYSIS (Chi-square Automatic Interaction Detector)

Frequency of online shopping was grouped as follows: 'Never', 'At least once per month', and 'Less than once per month'. CHAID is used to discover relationships between a categorical response variable (Frequency of online shopping) and other categorical predictor variables. The analysis is done in 3 stages and considers how demographic predictors associate with frequency of online shopping, what would motivate respondents to shop online, and how online shoppers experience online shopping.

Results

- 1) The factor with the strongest association to the 'Frequency' of online shopping was 'Income' (p-value < 0.001). 42.4% (2048) of the respondents fall in the income group 0-R5 000. Of those respondents in the income group 0-R5 000, 39.9% (818) do not shop online. For the 0-R5 000 income group, the factor that is second most associated with 'Frequency' is 'Race' (p-value < 0.001). 27.1% (1309) of the respondents earn 0-R5 000 and are Black. Of these respondents, 47.9% (627) do not shop online. The last significantly associated factor is 'Education' (p-value = 0.011). 19.2% (927) of the respondents earn 0-R5 000, are Black, and have either Matric or a Post-graduate qualification. Of these respondents, 49.1% (455) never shop online. We may thus conclude that the respondents with the greatest impact on 'Never' shop online earn 0-R5 000, are Black, and have either Matric or a Post-graduate qualification. The respondents with the second greatest impact on 'Never' shop online earn R5 001-R10 000 (237), of which 206 are female, and of which 102 are either Coloured or White. Finally, of the 206 females, 90 are Black. Using the Exhaustive CHAID classification method the respondents who never shop online can be predicted with 52.4% accuracy. The following tree diagram graphically displays the above mentioned results.

Diagram 4.1: Demographic results

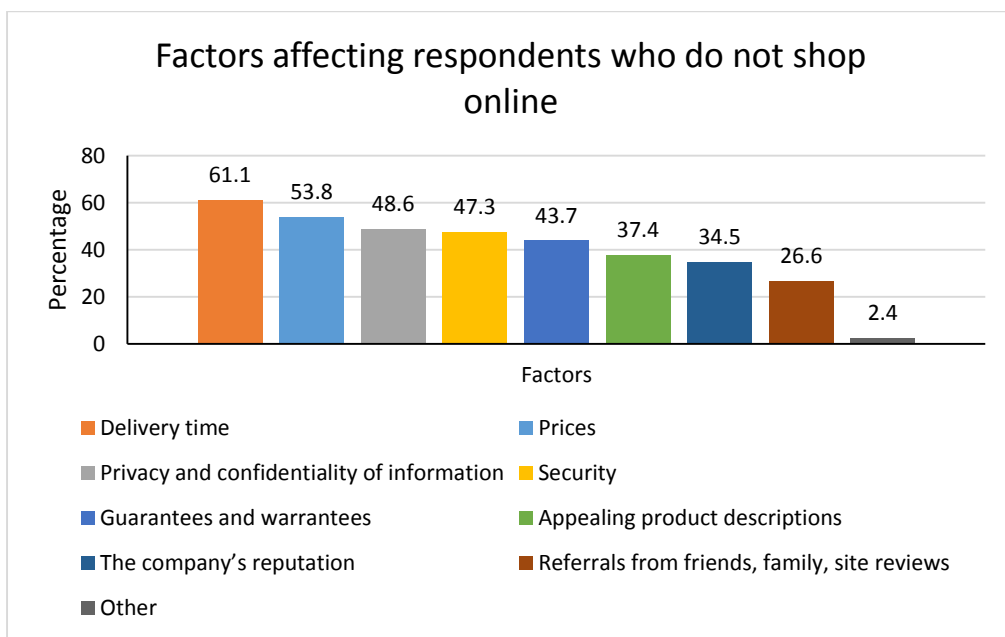


4.4.8 Factors affecting respondents who do not shop online

Next, we consider the 455 respondents that earn 0-R5000, are Black, and have either Matric or a Post-graduate qualification. The following chart indicates the factors selected by the aforementioned group of 455 respondents. 'Delivery time' (61.1%) and 'Prices' (53.8%) were identified as the two main factors that would motivate these respondents to shop online. These two factors are followed closely by 'Privacy and confidentiality of information' (48.6%) and 'Security' (47.3%).

Figure 4.8 below illustrates factors affecting respondents who do not shop online expressed in percentages.

Figure 4.8: Factors affecting respondents who do not shop online



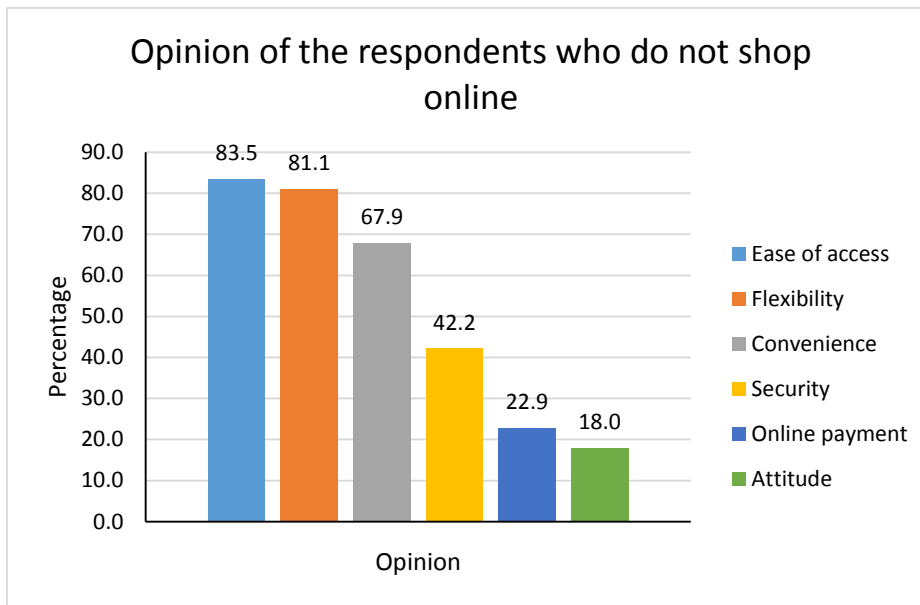
4.4.9 Opinion of the respondents who do not shop online

Next, for the same 455 respondents we consider their opinions regarding online shopping. The majority believe that online shopping is easily accessible (83.5%), flexible (81.1%), and convenient (67.9%). However, less are of the opinion that online shopping is secure (42.2%), and even fewer are prepared to make online

payments (22.9%). Finally, only 18% have a positive attitude toward online shopping.

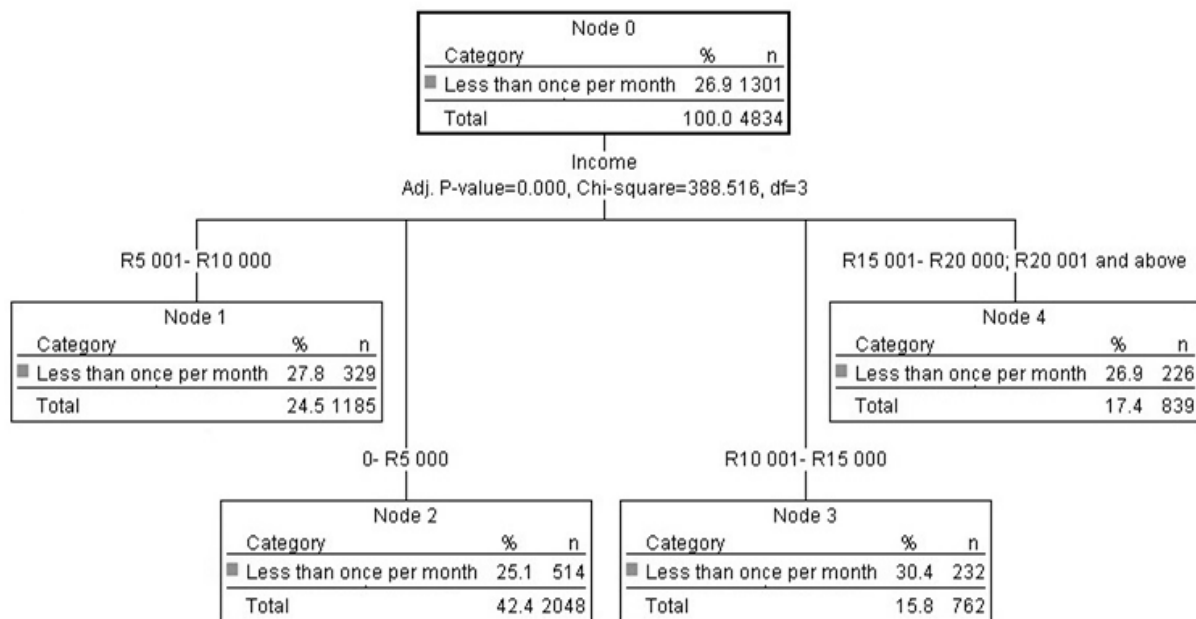
Figure 4.9 below illustrates the opinion of respondents who do not shop online expressed in percentages.

Figure 4.9: Opinion of the respondents who do not shop online



Next, we consider the respondents who shop online less than once a month (i.e., once every 2-3 months or once every six months or once a year). The factor with the strongest association to 'Frequency' of online shopping was 'Income' (p-value < 0.001). From the tree diagram below it can be seen that there is no level of 'Income' that has the greatest effect on shopping 'Less than once per month', since the response rates range from 25.1% to 30.4%. Using the CHAID classification the prediction accuracy for 'Less than once per month' is a mere 2.5%.

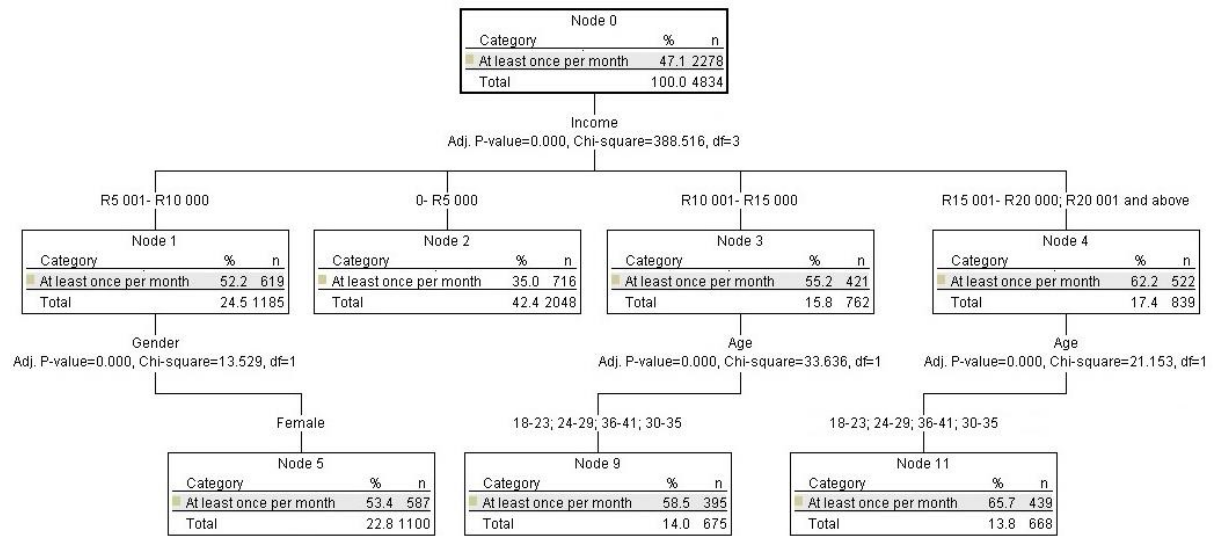
Diagram 4.2: opinion of the respondents who do not shop online



The 'Income' group 0-R5 000 constitutes the highest single proportion of respondents (42.4% of the total sample), however only 35% of these respondents claim to shop online. Thus, this 'Income' group has the lowest impact. Subdividing this income group further according to the remaining demographics results in impact levels less than the average of 47.1%. The 'Income' levels with the highest impact are (in descending magnitude): R5 001-R10 000 (52.2% of 1185), over R15 000 (62.2% of 839), and R10 001-R15 000 (55.2% of 762). 'Gender' was most significantly associated with the 'Income' level R5 001-R10 000 (p-value < 0.001) of which females had the highest response rate (53.4% of 1100). The next most significantly associated factor was 'Race' (p-value = 0.004). Although Asian/Indian females earning 0-R5 000 per month make up only 2.9% of the sample they have a response rate of 63.3%, which is significantly higher than the average of 47.1%. The 'Income' group over R15 001 make up 17.4% of the sample and have a response rate of 62.2%. The factor 'Age' is significantly associated with this income group (p-value < 0.001). The respondents earning more than R15 000 per month in the age group 18-41 make up 13.8% of the sample and have a response rate of 65.7%, which is significantly higher than the average of 47.1%. The 'Income' group R10 001-R15 000 make up 15.8% of the sample and have a response rate of 55.2%. 'Age' has the most significant association with this income group (p-value < 0.001).

Respondents earning R10,001-R15,000 and are between 18 and 41 years old make up 14% of the sample and have a response rate of 58.5%, which is above the average of 47.1%. Using the derived classification method, the respondents who shop online ‘At least once per month’ can be predicted with 80.2% accuracy.

Diagram 4.3: income group



Next, we consider each of the 4 response groups and determine what motivates them to do online shopping and how they perceive online shopping. For the ‘Income’ group over R15 000 we have ‘Prices’ (83.1%) and ‘Delivery time’ (82.2%) as the main highest motivating factors for online shopping.

Table 4.7 Respondents motivating factors to shop online

Motivating factors of respondents to shop online	Income group of R0- R5 000	Income group of R5 000-R10 000, Female	Income group of R10 000-R15 000, Age 18-41	Income group over R15 000, Age 18-41
Prices	71.2	81.1	82.0	83.1
Delivery time	70.0	79.0	81.5	82.2
The company reputation	51.7	50.6	57.7	57.8
Privacy and confidentiality of information	51.5	54.3	53.7	57.3
Security	51.1	49.4	50.9	53.2
Appealing, product description	45.7	52.8	53.9	54.1
Guarantees and warranties	44.7	45.3	48.1	50.5
Referrals from friends, family or site reviews	27.8	26.7	22.3	23.1
Other	5.9	4.6	6.1	9.4

The table above reveal that prices and delivery time are the main motivating factors for respondents to shop online for both adopters and non-adopters. The least motivators (Highlighted in red) were guarantees and warranties and referrals from friends, family or site reviews.

Table 4.8: Perception of respondents to shop online

Factors influencing respondents perception	Income group of R5 000- R10 000	Income group of R5 000-R10 000, Female. Age 18-41	Income group of R10 000-R15 000, Female, Age 18-41	Income group over R15 000, Age 18-41
Flexibility	89.7	94.0	94.7	92.2
Convenience	82.4	84.7	86.8	86.3
Ease of accessibility	79.1	79.6	82.0	74.0
Security	58.5	63.4	65.0	70.3
Attitude	38.1	40.9	49.4	51.6
Online payment	34.5	37.6	37.5	48.9

The table above illustrate that flexibility, convenience and ease of accessibility has a positive influence over respondent's perception while security, attitude and online payment have a negative influence. The influencing factors differ from one individual to another. Brick-and-Click retailers in Durban need to concentrate more on online payment and changing attitudes of customers to increase online purchases or profits.

4.5 CONCLUSION

This chapter has provided an analysis of data collected from the research study. Results from the study were presented through use of tables, pie charts, diagrams and bar graphs. Interpretation of findings has also been provided with conclusions mentioned. The next chapter contains the conclusions and recommendations of the study.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents conclusions on the findings of this study and gives a set of practical recommendations on how to promote a positive customer perception among Brick-and-Click retailers. A detailed analysis of results is considered necessary in this study. This chapter thoroughly discusses the findings of this survey in line with objectives set in chapter one. Recommendations provided are based on the research design and findings.

5.2 REVIEW OF THE THEORETICAL STUDY

The main aim of the study is to identify the factors that affect the customer perception on electronic retailing in Brick-and-Click retailers. The research design and chapter framework were entirely based on the research problem and other smaller problems that arose.

In chapter 2, only literature related to Brick-and-Click and customer perception was reviewed. The literature revealed the relationship between customer perception and customer buying behavior, importance of customer perception in electronic retailing, factors influencing customer perception towards electronic retailing, influence of customer perception on electronic retailing, customer acceptance of electronic retailing and strategies used to develop customer base.

5.3 EMPIRICAL STUDY

In chapter 4, research results were evaluated, translated and presented in various formats. This study was quantitative in nature 4 384 questionnaires were used to gather information from customers at Durban, KwaZulu-Natal. Based on the results of this study, it can be concluded that there are crucial aspects of attracting customers that Brick-and-Clicks retailers in Durban, KwaZulu-Natal have to apply to ensure a positive perception towards the electronic retailers.

5.4 AIM AND OBJECTIVES OF THE STUDY

The study had five objectives which are presented below:

5.4.1 Aim

The main aim of the study is to identify the factors that affect the customer perception on electronic retailing in Brick-and-Click retailers.

5.4.2 Objectives

- To study perceptions of customers towards online retailing;
- To examine the effect of customer perception on electronic retailing;
- To assess the relationship between customer perception and buying behaviour; and
- To provide strategies capable of promoting a positive customer perception among Brick-and-Click retailers.

5.5 FINDINGS FROM THE STUDY

5.5.1 Objective one

- To study the perceptions of customers towards online retailing.

The study on chapter four analysed customer perception towards electronic Brick-and-Click retailers in Durban, KwaZulu-Natal. The study revealed that there are different types of factors that affect customer perception and they can determine the shopping behavior towards the electronic retailer. This objective was achieved.

According to Cant and Van Heerden (2010: 54) understanding customer perception is crucial to every retailer. The way customers perceive may have a negative or positive impact. Consumers are exposed to different stimuli on a daily basis, thus why they make decisions and take actions based on what they perceive to be reality; hence it is important for retailers to understand the whole notion of perception in order to easily identify what influences customers to buy. Customer's perception

affect consumer purchasing behavior but this is not only determined by one factor but rather a number of factors.

The study revealed that majority of customers believe that online shopping is easily accessible (83.5%), flexible (81.1%), and convenient (67.9%). However, less are of the opinion that online shopping is secure (42.2%), and even fewer are prepared to make online payments (22.9%). Finally, only 18% have a positive attitude toward online shopping. In conclusion, customer perception is affected by various factors from individual to individual and these factors can have a negative influence towards online retailing.

5.5.2 Objective two

- To examine the influence of customer perception on electronic retailing.

Reviewed literature in chapter two revealed and examined the different influences of customer perception on electronic Brick-and-Click retailers; trust, payment systems, return policy and late deliveries. As a result, objective two was met.

The study revealed that customer perception is a very powerful factor that can determine the success or failure of the business. Each and every individual is influenced by one or two of the factors mentioned in chapter two. A negative customer's perception develops a bad reputation about the retailer, developing the loss of interest from the customer and automatically the customer switches off to another retailer (Jun, Yang and Kim 2010: 817). Renko and Popovic (2015: 23) assert that a negative perception from the customer is not good for the e-retailer as it is important for them to attract and retain customers. Renko and Popovic (2015: 23) additionally explain that being able to retain customers and influence their loyalty is seen as the key factor in winning market share. Vanishree (2012: 48) mentions that a positive perception results to positive word-of-mouth, decrease levels of risk perception and favourable return online purchases.

The study reveals what motivates or what would motivate customers to engage in online shopping and how they perceive online shopping. 'Prices' and 'Delivery time' are the main motivating factors for online shopping for both online shoppers and non- shoppers. The least motivators were 'referrals from friends, family, site

reviews', followed by 'company's reputation' for non-shoppers and 'guarantees and warranties' for online shoppers.

5.5.3 Objective three

- To assess the relationship between customer perception and buying behaviour.

The study in chapter two discovered that there is a link between customer perception and buying behaviour. The perception of the customer has influence over consumer buying behaviour. As a result, objective three was met.

Hjort, Lantz, Ericsson and Gattorna (2013: 853) mention that customer buying behavior is often influenced by customer perception, it is crucial for retailers to always observe their customers and implement solutions where it's possible. Ukbar and James (2012: 2) agree that customer purchasing decisions are influenced by perception as well.

5.5.4 Objective four

- To provide strategies capable of promoting a positive customer perception among Brick-and-Click retailers

Chapter two of this study provides strategies and chapter five of this study provides recommendations on how to improve a positive customer perception towards Brick-and-Click retailers in Durban, KwaZulu-Natal. Therefore, this objective was also achieved.

5.6 CONCLUSIONS

The conclusions derived from the findings are:

- Customer perception vary from one customer to another.
- Very few customers are prepared to make online payments.
- Security, Online payment and attitude have an effect on overall online buying decision.

- Online customer buying behaviour do not show consistency in online shopping, very few customers shop online regularly and more customer shop online once a year.
- Non-adopters are still higher then online adopters.

5.7 LIMITATIONS OF THE STUDY

The major limitation of the study was that the sample was restricted to Durban, KwaZulu-Natal only. Therefore, generalizing the study to other areas will not be ideal as customer perceptions towards electronic retailing may differ. Welman, Kruger and Mitchell (2012: 70) state that each and every time when determining the sample size, one should consider the size of the population. The smaller the population, the larger the sample size should be to reduce sampling error and to ensure satisfactory results.

5.8 GENERAL RECOMMENDATIONS

The study examines the influence of customer perception towards electronic retailing. Following the results of this research effort, it is recommended that Brick-and-Click retailers increase and develop strategic marketing and promotion tools that will improve the knowledge and attract more customers to electronic retailing (Brick-and-Click retailers). Lee and Barnes (2016: 48) suggest that Brick-and-Click retailers invest in Research and development (R&D) to discover various factors affecting the customers to buy electronically.

Electronic retailers are further advised to develop strategies pertaining how to retain customers especially strategies suitable for their target market as they all differ from one retailer to another. Research and development can assist in implementing the right strategies at the right time minimizing cost. Through research and development, the retailer can also determine the needs, wants and perception of customers. The study revealed that customer perception is influenced by various factors. Therefore, retailers must be aware of all the factors in order to provide ideal strategies.

Recommendations on how to use the important factors in online shopping could be aimed at developers of websites and owners of e-stores. They should change their marketing strategies giving priority to customer orientation and they should be particularly focused on the ease of use of online shopping services. E-stores should devote resources to better understand consumer behaviour, technologies of the future and their development (Baubonienė and Gulevičiūtė 2014: 81).

5.9 SPECIFIC RECOMMENDATIONS BASED ON FINDINGS

Listed below are specific recommendations based on the findings of the study:

5.9.1 Manage customer perceptions

The study revealed that customer perceptions are influenced by various factors and they differ from one customer to another. Safa and Solms (2016: 1) reveal that in order for the retailer to successfully accomplish the strategy implemented, each and every Brick-and-Click retailer must be aware and understand the different customer perception factors and also know how to implement excellent strategies to increase financial growth and be competitive in the business. Knowing customer perception is advantageous and is a long-term benefit to the business as a whole.

5.9.2 Invest more in marketing and promotions to attract and retain current customers

The results of the study reveal that non-adopters are still higher than online adopters and current customers do not shop frequently. A South African study conducted by De Swardt (2008: 29), Rajesh and Purushothaman (2013: 37) and Lee and Barnes (2016: 38) agreed that non-adopters are higher than adopters, this is due to various customer perception factors. Gupta *et al.* (2001: 45) suggest that Brick-and-Click retailers invest in marketing and implement creative, attractive and exciting promotion strategies that will attract more customers and also keep the current ones. Gupta *et al.* (2001: 45) further explains that promotion is one of the powerful tool a retailer can use to draw the attention of many customers. Quinn, Biondi and Penmetcha (2016: 7) add that if a retailer requires to reach new customers, it often

depends on a well-executed marketing promotion. The promotion may involve the different types of social networks depending to which is the most effective form of media as this can vary from market to market.

5.9.3 Create online loyalty programs

Safa and Solms (2016: 1) state that e-loyalty has been the key strategy of electronic commerce due to its benefits. E-loyal customers are valuable asserts and are known to bring long-term benefits for retailers. One of the key to success in electronic commerce is retaining loyal customers. The study revealed that most customers are still reluctant to online shopping. Majority of customers in Brick-and-Click shop online once a year or 2-3 times a month. Chipp and Ismail (2004: 205) support by stating that customers who like the brand or retailer but never spend money will not be loyal to that particular retailer for very long.

5.9.4 Implement advanced technology system

The creation of trust is a primary goal to achieve a greater development of e-commerce and create a loyalty customer. Technology has advanced in the past years and it's still growing creating the business industry or retailers with a challenge to ensure that they keep up or be abreast of customers. The study suggest that Brick-and-Click retailers introduce a new app that will track the customer goods once they have left the Manufacture or e-retailer to the customer. The app will give a customer a relief, building the trust, creating the chances of repeat purchases and positive word-of-mouth will be spread amongst family and friends.

5.9.5 Provide a secure and easy payment processing

The study discovered that most customers are not prepared to engage in online payments, this could be that customers do not trust the electronic retailing payment systems, customer does not have the credit card or they perceive online shopping as expensive. Quinn, Biondi and Penmetcha 2016: 7) assert that e-retailers should consider this factor as it is one of the major factor that discourages customer to

adopt online shopping and providing a strategic solution towards this factor urgently will be ideal before e-loyal customers switch to other retailers.

5.10 RECOMMENDATIONS FOR FURTHER RESEARCH

The study identified the factors that affect the customer perception towards electronic Brick-and-Click retailers in Durban, KwaZulu-Natal. The study also assessed the relationship between customer perception and consumer buying behaviour. It was concluded that customers are affected by different factors which have a direct impact on their buying behaviour. Further research could investigate if an online shopping experience have influence on the Brick-and-Click offline store.

A study conducted by Sunil (2013: 2) reveals that a customer can have two different perceptions about one Brick-and-Click retailer; offline and online shopping experience. Further research could investigate on how Brick-and-Click retailers should go about understanding the whole notion of online and offline customer perception, as customer experience and satisfaction differ from online to offline service.

Attaining and retaining of customers is one of the best strategies a retailer can use against the competitors (Quinn *et al.*, 2016: 7). Customers are well aware of electronic retailing yet still reluctant to shop online, it could mean retailers still need to implement more strategic ideas that will attract customers or discover how to implement the retention approach. Further research is recommended to be undertaken on how Brick-and-Click retailers can attract and retain customers, building a relationship and trust.

5.11 CONCLUSION

To enhance and attract online customer it is very important to know about their perception, behaviour, satisfaction and to understand what are their needs and wants. Since online shopping is the new medium of shopping with new demands of customers. All customers have their own desires and demands for products therefore, it is very crucial for all online retailers to identify and know about their online consumers (Hasslinger 2007: 18). This study has unearthed and revealed the perception of customers that are most times a mystery to the e-retailer. The conclusion that can be derived is that Brick-and-Click retailers in Durban, KwaZulu-Natal should engage in active research to remain relevant to the market and to remain in touch with customers.

The study has discussed the influence of customer perception towards Brick-and-Click retailer in Durban, KwaZulu-Natal. Aspects relevant to customer perception and Brick-and-Click retailers were explored. It can be drawn that perception has influence to the customers buying behaviour and factors of customer perception are the major factor to the success of Brick-and-Click retailers in satisfying customers and retaining them.

Current extremely competitive retail environment necessitates excellent, advantageous and unique loyalty programs to remain competitive. Ever-changing customer demands of today compel Brick-and-Click retailers to continuously review and restructure loyalty customer base strategies to meet and exceed these demands and remain successful.

Recommendations and conclusions provided in this chapter can be advantageous in determining approaches that can be pursued by Brick-and-Click retailers in Durban, KwaZulu-Natal to enhance a positive customer perception. However, other possible actions not mentioned in this study can be utilized in retaining customers. This research study will be important in perfecting the perception, attitude and improving the commitment of customers in Brick-and-Click retailers in Durban, KwaZulu-Natal.

2.12 REFERENCE LIST

Abdullah, N. J. and Othman, B. I. 2012. Influence of Customer Relationship Management on Online Shopping. *International Journal of Computer Science Issues* (Online), 9(6): 363-365. Available: <https://search.proquest.com/docview/1314916135?pq-origsite=summon> (Accessed 05 December 2016).

Abrantes, J. L., Seabra, C., Lages, C.R. and Jayawardhena, C. 2012. Drivers of in-group and out-of-group electronic word-of-mouth (eWOM). *European Journal of Marketing* (Online), 47(7): 1067-1088. Available: <http://dx.doi.org/10.1108/03090561311324219> (Accessed 25 November 2016).

Ahmad, N., Omar, A. and Ramayah, T. 2010. Consumer lifestyles and online shopping continuance intention. *Business Strategy Series* (online), 11(4): 227-247. <http://www.emeraldinsight.com/doi/full/10.1108/17515631011063767> (Accessed 10 June 2016).

Ahrens, J., Coyle, J. R. and Strahilevitz, M. A. 2013. Electronic word of mouth: The effects of incentives on e-referrals by senders and receivers. *European Journal of Marketing* (Online), 47(7): 1034-1051. Available: <http://dx.doi.org/10.1108/03090561311324192> (Accessed 25 November 2016).

Andreassen, T. W. and Streukens, S. 2013. Online complaining: Understanding the adoption process and the role of individual and situational characteristics. *Managing service quality* (Online), 23(1): 4-24. Available: <http://www.emeraldinsight.com/doi/pdfplus/10.1108/09604521311287632> (Accessed)

Aruna, S. and Williams, A. J. 2015. A study on consumer behaviour towards online shopping in coimbatore district. *International journal of research in business management* (Online), 3(7): 51-62. Available: <http://oaji.net/articles/2015/490-1438688196.pdf> (Accessed 03 November).

Ashwin, N. and Manjula, R. 2016. An empirical study on consumer's perception towards online shopping. *International Journal of Management and Commerce Innovations* (Online), 3(2): 1103-1110. Available: <http://www.researchpublish.com/> (Accessed 12 August 2016).

Aspfors, E. 2010. Customer perception of service, store image and product assortment-from an interior store perspective. *Scholarly journals* (Online). Vaasa University of applied sciences. Available:

http://www.theseus.fibitstreamhandle1002416719Aspfors_Emma.pdf (Accessed 19 July 2016).

Babbie, E. 2012. *The Practice of Social Research*. 13th ed. Belmont, CA: Cengage Learning.

Babin, B. J. and Harris, G. E. 2013. *Consumer behaviour*. 9th ed. United States of America: Cengage Learning.

Baranov, A. 2012. Building online customer relationship. *Scholarly journals* (online), 5 (1): 15-18. Available: <http://search.proquest.com/docview/1418210272?accountid=10612> (Accessed 23 May 2015).

Barnard, L. and Wesson, J. 2004. *A trust model for e-commerce in South Africa* (Online). Available: https://www.researchgate.net/publication/220102946_A_trust_model_for_E-commerce_in_South_Africa (Accessed).

Bashir, A. 2013. *Customer behavior towards online shopping of electronics in Pakistan* (online). Available: <https://www.theseus.fi/bitstream/handle/10024/53661/Thesis.pdf> (Accessed 06 June 2016).

Baubonienė, Z. and Gulevičiūtė, G. 2015. E-commerce factors influencing consumers' online shopping decision. *Social technologies* (Online), 5(1): 74-81. Available: <https://search.proquest.com/docview/1788913257?pq-origsite=summon> (Accessed 12 May 2017).

Beneke, J., Flynn, R., Greig, T., and Mukaiwa, M. 2013. The influence of perceived product quality, relative price and risk on customer value and willingness to buy: a study of private label merchandise, *Journal of Product & Brand Management* (online), 22(3): 218-228. <http://www.emeraldinsight.com/doi/full/10.1108/JPBM-02-2013-0262> (Accessed 03 June 2016).

Beneke, J., Mill, J., Naidoo, K. and Wickham, B. 2015. The impact of willingness to engage in negative electronic word-of-mouth on brand attitude: A study of airline

passengers in South Africa. *Journal of business and retail management research* (online), 9(2): 68-84. Available: <http://search.proquest.com/docview/1746598264?pq-origsite=summon> (Accessed 28 October 2016).

Blythe, J. 2013. *Consumer behaviour*. 2nd ed. London: Thomson learning.

Botha, J. and Bothma, C. 2015. *Managing e-commerce*. 3st ed. Lansdowne: Juta.

Botha, J., Bothma, C. and Geldenhuys, P. 2004. *Managing e-commerce*. 1st ed. Lansdowne: Juta.

Botha, J., Bothma, C. and Geldenhuys, P. 2008. *Managing e-commerce in business*. 2nd ed. Cape Town: Juta.

Brubaker, S. 2013. Exceed rising customer service expectations. *Trade journals* (online), 31(11): 20-21. Available: <http://search.proquest.com/docview/1448408024?accountid=10612> (Accessed 22 May 2016).

Burns, A. C. and Bush, R. F. 2010. *Marketing research*. 6th ed. London: Prentice Hall.

Burns, D. J. 2014. Succeeding at new businesses: a matrix to measure flexibility. *Journal of business strategy* (Online), 35(5): 23-30. Available: <https://doi.org/10.1108/JBS-03-2014-0028> (Accessed 9 August 2016).

Butt, I., Tabassam, S., Chaudhry, N. G. and Nusair, K. 2016. Using technology acceptance model to study adoption of online shopping in an emerging economy. *Journal of internet banking and commerce* (online), 21(2): 1-18. Available:

<https://search.proquest.com/docview/1826918139?pq-origsite=gscholar> (Accessed 12 January 2017).

Buttle, F. 2009. *Customer relationship management: concepts and technologies*. 2nd ed. New York: Routledge.

Cant, M. C. and Van Heerden, C. H. 2010. *Marketing management: A South African perspective*. 1st ed. Cape Town: Juta.

Cant, M. C., Brink, A. and Brijball, S. 2006. *Consumer behaviour*. 1st ed. Cape Town: Juta.

Celik, H. E. and Yilmaz, V. 2011. Extending the technology acceptance model for adoption of e-shopping by consumer's in Turkey. *Journal of electronic commerce research* (online), 12(2): 152-164. Available: <https://search.proquest.com/docview/872187200?pq-origsite=gscholar> (09 December 2016).

Chang, H. H., Wang, Y. H. and Yang, W. Y. 2009. The impact of e-service quality, customer satisfaction and loyalty on e-marketing: Moderating effect of perceived value. *Total Quality Management & Business Excellence* (Online), 20(4): 423-443. Available: <http://dx.doi.org/10.1080/14783360902781923> (Accessed 03 August 2017).

Changchit, C. 2006. Consumer perceptions of online shopping. *Journal of issues in information system* (online), 5(2): 177-181. Available: <http://iacis.org/iis/2006/Changchit.pdf> chuleeporn.changchit@tamucc.edu 08/12/16 (Accessed 08 December 2016).

Cheung, C. M. K., Lee, M. K. O. and Rabjohn, N. 2008. The impact of online opinions in online customer's communities. *European journal of marketing* (online), 18(3): 229-247. Available: <http://dx.doi.org/10.1108/10662240810883290> (Accessed 16 November 2016).

Chikweche, T. and Fletcher, R. 2013. Customer relationship management at the base of the pyramid: myth or reality. *The journal of consumer marketing* (online), 30(3): 295-309. <http://dx.doi.org/10.1108/07363761311328964> (Accessed 10 June 2016).

Chipp, K. and Ismail, Z. 2004. *E-commerce: a Southern African perspective*. 1st ed. Cape Town: New Africa Education.
company. Degree of Masters in Business Administration, Durban University of Technology.

Corbitt, B. J., Thasankit, T. and Yee, H. 2003. Trust and e-commerce: a study of consumer perceptions. *Journal of electronic commerce research and applications* (Online), 2(3): 203-215. Available:

Creswell, J. W. 2013. *Research design: Qualitative, Quantitative and mixed methods approaches*. 4th ed. London: SAGE.

Crow, G. and Wiles, R. 2008. The management of confidentiality and anonymity in social research. *International journal of social research methodology* (Online), 11(5): 417-428. Available: <http://www.tandfonline.com/doi/abs/10.1080/13645570701622231> (Accessed 4 July 2017).

De Swart, M. and Wagner, C. 2008. Factors influencing the choice to shop online: a psychological study in a South African context. *New voices in psychology* (Online), 4(2): 68-82. Available: <https://journals.co.za/content/unipsyc/4/2/EJC112567> (Accessed 19 July 2017).

Diamond, D. and Pintel, G. 2013. *Retail*. 9th ed. New York: Prentice hall.

Du Plessis, F. and Rousseau, D. 2007. *Buyer behaviour: understanding consumer psychology and marketing*. 4th ed. Cape Town: Mthunzi Nxawe.

Durmaz, Y. and Diyarbakirlioglu, I. 2011. A theoretical approach to the role of perception on the consumer buying decision process. *Journal of business*

management dynamics (Online), 1(3): 17-21. Available: <http://www.bmdynamics.com/> (Accessed 13 June 2017).
Egan, J. 2011. *Relationship management: Exploring relational strategies in marketing*. 4th ed. London: Pearson Education Ltd

Finn, A. 2011. Investigating the non-linear effects of e-service quality dimensions on customer satisfaction. *Journal of retailing and consumer services* (online), 18(Suppl.): 27-37. Available: <http://www.sciencedirect.com.dutlib.dut.ac.za/science/article/pii/S0969698910000858> (Accessed 22 May 2015).

Gentile, C., Spiller, N. and Noci, G. 2007. How to sustain the customer experience: an overview of experience components that co-create value with the customer. *European Management Journal* (Online), 25(5): 395-410. Available: <http://www.sciencedirect.com/science/article/pii/S0263237307000886> (Accessed 18 November 2016).

Goldstuck, A. 2013. The fastest growing categories of online sales in South Africa. Media future (blog). Available: <http://www.marklives.com/2013/07/media-future-the-fastest-growingcategories-of-online-sales-in-south-africa/> (Accessed 03 June 2016).

Gordon, I. H. 2013. *Managing the new customer relationship: strategies to engage the social customer and build lasting value*. 1st ed. Canada: Wiley and Sons.

Gray, E. D. 2009. *Doing research in the real world*. 3rd ed. London: Sage.

Ha, H. Y. 2004. Factors influencing consumer perceptions of brand trust online. *Journal of product and brand management* (online), 13(5): 329-342. Available: <http://dx.doi.org/10.1108/10610420410554412> (Accessed 06 December 2016).

Ha, S. and Stoel, L. 2009. Online apparel retailing: Roles of e-shopping quality and experiential e-shopping motives. *Journal of service management* (online), 23(2): 197-215. Available: <http://dx.doi.org/10.1108/09564231211226114> (Accessed 09 December).

Harris, E. K. 2010. *Customer service: A practical approach*. 5th ed. New Jersey: Pearson Prentice Hall.

Hashim, A., Ghani, E. K. and Said, J. 2009. *Does consumer's demographic profile influence online shopping: An examination using Fischbein's theory* (Online). Available: <https://search.proquest.com/info/openurl?docerror?accountid=10612> (Accessed 13 June 2017).

Hawkins, D. I. and Mothersbaugh, D. L. 2010. *Consumer behaviour: Building marketing strategy*. 11th ed. New York: McGraw-Hill.

Hertog, C. D. 2014. Better value chains: A matrix for competitive advantage. *Journal of business strategy* (Online), 35(5): 43-48. Available: <https://doi.org/10.1108/JBS-04-2014-0042> (Accessed 24 August 2017).

Hjort, K., Lantz, B., Ericsson, D. and Gattoma, J. 2013. Customer segmentation based on buying and returning behavior. *International journal of physical distribution and logistics management* (online). 43(10): 852-865. <http://www.emeraldinsight.com/doi/full/10.1108/IJPDLM-02-2013-0020> (Accessed 05 June 2016). <http://search.proquest.com/docview/1560185390?pq-origsite=summon> (Accessed 05 June 2016).

Hosseini, T., Hosseini, M. H. and Meymand, M. M. 2016. The effect of performance of electronic customer relationship management system on accepting electronic banking. *Journal of administrative management, education and training* (online), 12(3): 357-367. Available: <http://www.jamet-my.org/archive/2016/10078-03/357-367.pdf> (Accessed 12 January 2017).

Hung, Y. 2016. Website quality factors influencing online shopping: A South African perspective (Online). Master of commerce, University of South Africa. Available: <http://uir.unisa.ac.za/handle/10500/22252> (Accessed 29 April 2017).

Jain, N. K., Gajjar, B. J. and Sadh, A. 2016. E-fulfillment dimensions and its influence on customers in e-tailing: a critical review. *Asia Pacific Journal of Marketing and Logistics* (Online), 29(2): 347-369. Available: <http://www.emeraldinsight.com/doi/pdfplus/10.1108/APJML-11-2015-0167> (Accessed 03 August 2017).

Japanese products: A European customer's market perspective. *Journal of Romanian Economic and Business Review* (Online), 10(4): 187-198. Available: <https://search.proquest.com/docview/1792214714/abstract/37FF39639C24434FPQ/1?accountid=10612> (Accessed 2 September 2017).

Jun, M., Yang, Z. and Kim, D. 2010. Customer perception of online retailing service quality and their satisfaction. *International Journal of Quality and Reliability Management* (online), 21(8): 817-840. <http://dx.doi.org/10.1108/02656710410551728> (Accessed 10 June 2016).

Kalia, P. 2013. *E-servqual and electronic retailing* (online). Available: https://www.researchgate.net/profile/Prateek_Kalia/publication/288823992_E-SERVQUAL_and_Electronic_Retailing/links/5684036c08ae197583937638.pdf (Accessed 05 December 2016).

Kim, J. H. and Lennon, S. J. 2011. *Electronic Retailing and Service Quality* (Online). Available: https://link.springer.com/chapter/10.1007/978-1-4614-1554-1_7 (Accessed 12 May 2017).

Kloppers, S. R. 2014. Investigating factors influencing customer online buying satisfaction in Gauteng, South Africa. *International Business & Economics Research Journal* (online), 13(5): 1187-1198. <http://search.proquest.com/docview/1562445174?pq-origsite=gscholar> (Accessed 09 March 2015).

Klopping, I. M. and McKinney, E. 2004. Extending the technology acceptance model and the task-technology fit model to consumer e-commerce. *Information Technology, Learning and Performance Journal* (online), 22(1): 35-48. Available: <https://search.proquest.com/docview/219841782?pq-origsite=gscholar> (12 January 2017).

Kopalle, P. K., Lehmann, D. R. and Farley, J. U. 2010. Customer expectations and culture: The effect of belief in Karma in India. *Journal of Consumer Research*, 37(2): 251-263.

Kotler, P. and Keller, L. K. 2012. *Marketing management*. 14th Edition. London: Pearson.

Lapan, S. D. and Quartaroli, M. T. 2009. *Research essentials: An introduction to designs and practices*. 1st ed. San Francisco: Calif.

Laudon, K. C. and Traver, C. G. 2010. *E-commerce: Business, Technology, Society*. 6th ed. New York: Pearson. Lee, G. and Lin, H. 2005. Customer perceptions of e-service quality in online shopping. *International journal of retail and distribution management* (online), 33(2): 161-176. Available: <http://www.emeraldinsight.com/doi/full/10.1108/09590550510581485> (Accessed 21 May 2015).

Lee, G. J. and Barnes, T. 2016. Factors driving online apparel shopping in South Africa. *The journal of retail and marketing review* (online), 12(1): 33-35. Available: http://journals.co.za/docserver/fulltext/irmr1/12/1/irmr1_v12_n1_a4.pdf?expires=1476775094&id=id&accname=58140&checksum=5B40570F268C82BB7525DA1C72519DEC (Accessed 21 November 2016).

Lerthairakul, W. and Panjakajornsak, V. 2014. The impact of electronic word-of-mouth factors on consumers buying decision-making processes in the low cost carriers: A conceptual framework. *International journal of trade, economics and finance* (online), 5(2): 142-146. Available: <http://search.proquest.com/docview/1477577859?pq-origsite=summon> (Accessed 12 January 2017).

Levin, A. M., Levin, I. P. and Weller, J. A. 2005. A multi-attribute analysis of preferences for online and offline shopping: Differences across products, consumers, and shopping stages. *Journal of Electronic Commerce Research* (Online), 6(4): 281-290. Available: <https://search.proquest.com/docview/236687354?pq-origsite=summon> (Accessed 10 August 2017).

Liao, S., Chen, Y. and Lin, Y. 2011. Mining customer knowledge to implement online shopping and home delivery for hypermarkets. *Expert Systems with Applications* (online), 38(Suppl.): 3982-3991. Available: <http://www.sciencedirect.com.dutlib.dut.ac.za/science/article/pii/S095741741001016X> (Accessed 22 May 2015).

Lucas, R. W. 2012. *Customer service: Skills for success*. 5th ed. New York: McGraw Hill.

Malhotra, N. K. 2010. *Marketing research: An applied orientation*. 6th ed. New Jersey: Pearson.

Malviya, S. and Sawant, C. 2015. *Perception of youth towards online shopping* (online). Available: https://papers.ssrn.com/sol3/Papers.cfm?abstract_id=2497851 (Accessed 08 November 2016).

McLean, G. and Wilson, A. 2016. Evolving the online customer experience ... is there a role for online customer support. *Computers in human behavior* (Online), 60: 602-610. Available: http://ac.els-cdn.com/S0747563216301479/1-s2.0-S0747563216301479-main.pdf?_tid=8c759988-762c-11e7-93f1-00000aacb35f&acdnat=1501532117_5182e0ace190dc12257ed6d87178fcbe (Accessed 12 January 2017).

Moloney, D. J. 2015. *A review of critical success factors and challenges facing e-commerce in the clothing industry in South Africa* (online). Available: <http://scholar.sun.ac.za/handle/10019.1/97349> (Accessed 21 November 2016).

Moodley, P. 2008. *An evaluation of customer service quality at a selected Resin*

Mukherjee, A. and Nath, P. 2007. Role of electronic trust in online retailing: a re-examination of the- trust theory. *Europe journal of marketing* (online), 41(9): 11703-1202. Available: <http://www.emeraldinsight.com/doi/full/10.1108/03090560710773390> (Accessed 15 August 2017).

Mupamhanga, M. 2016. Customer experience with smartphones: A university student perspective (Online). Master of marketing, Durban University of Technology. Available: https://ir.dut.ac.za/bitstream/handle/10321/1569/MUPAMHANGA_2016.pdf?sequence=1&isAllowed=y (Accessed 10 January 2017).

Nagaraja, R. and Girish, S. 2015. Consumer buying decision process in Indian organized retail industry: Characterization of male and female respondents. *International review of management and marketing* (online), 6(4):200-204. Available: <http://search.proquest.com/docview/1796230150?pq-origsite=summon> (Accessed 12 January 2017).

Negricea, C. and Edu, T. 2015. Characteristics of the buying decision process for japanese products - a european customer's market perspective. *Scholarly journals* (Online), 10(4): 187-198. Available: <https://search.proquest.com/docview/1792214714/abstract/8128E66C78F342FAPQ/1?accountid=10612> (Accessed 11 August 2017).

Perreault, W. D. and McCarthy, E. J. 2005. Basic marketing: A global-managerial approach. New York: McGraw-Hill/Irwan.

Peter, J. P. and Olson, J. C. 2005. *Consumer behaviour and marketing strategy*. 7th ed. New York: McGraw-Hill.

Pratminingsih, S. A., Lipuringtyas, C. and Rimenta, T. 2013. Factors Influencing Customer Loyalty toward Online Shopping. *International Journal of Trade, Economics and Finance* (online), 4(3): 104-110. Available [www: http://search.proquest.com.dutlib.dut.ac.za/docview/1441445239?accountid=10612](http://search.proquest.com.dutlib.dut.ac.za/docview/1441445239?accountid=10612) (Accessed 30 March 2015).

Prinsloo, D. A. 2013. *Multi-channel retailing South Africa is far behind and will have to catch up* (Online). Available: <http://urbanstudies.co.za/wp-content/uploads/2016/07/1175-SACSC-Multi-Channel-Retailing-Report-Electronic-Repro.pdf> (Accessed 08 July 2017)

Quester, P., Pettigrew, S. and Hawkins, D. L. 2010. *Consumer behaviour: building marketing strategy*. 11th ed. New York: McGraw-Hill.

Quinn, T. F., Biondi, J. E. and Penmetcha, A. 2016. From bricks to clicks: Generating global growth through e-commerce expansion (Online). Available: http://www2.deloitte.com/content/dam/DeloitteZA/Documents/consumerbusinessza/generating_growth_through_ecommerce_24112014.pdf (Accessed 19 July 2016).

Raj, T. and Devgan, M. 2014. Service quality perception of customers for e-retailing and physical retailing. *International Journal of Retailing & Rural Business Perspectives* (Online), 3(1): 786-792. Available:

Rajesh, M and Purushothaman, G. 2013. Consumer perception towards online shopping in Kanchipuram. *International Interdisciplinary Research Journal* (online), 1(2): 36-44. http://www.google.co.za/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUK Ewiy4MSB_5zNAhUiKcAKHSJrDQUQFggaMAA&url=http%3A%2F%2Finternationaljournals.co.in%2Fpdf%2FGIIRJ%2F2013%2FDecember%2F4.pdf&usg=AFQjCNHzSp969amp0uuTwUcwAnMycvdaJQ&bvm=bv.124272578,bs.2,d.d2s (Accessed 19 May 2016).

Raman, P. 2014. Factors influencing women consumers buying behavior towards online shopping in India. *The journal contemporary management research* (online), 8(2): 23-56. Available: <https://search.proquest.com/docview/1728620144?pq-origsite=summon> (Accessed 08 December 2016).

Ramanathan, R. 2011. An empirical analysis on the influence of risk on relationships between handling of product returns and customer loyalty in E-commerce. *International journal of production economics* (online), 130(Suppl.): 255-261. Available: <http://www.sciencedirect.com.dutlib.dut.ac.za/science/article/pii/S092552731100020X> (Accessed 20 May 2015).

Rayport, J. F. and Jaworski, B. J. 2002. *Cases in e-commerce*. 1st ed. New York: McGraw-Hill.

Reddy, M, S. and Chalam, G, V. 2015. Online shopping and buyer's perception: a critical analysis. *International journal of business and management* (online), 3(5): 324-337. <http://search.proquest.com/docview/1781638616?accountid=10612> (Accessed 03 June 2016).

Renko, S. and Popovic, D. 2015. *Exploring the consumer's acceptance of electronic retailing using technology acceptance model* (online). Available: <https://search.proquest.com/docview/1756954408?pq-origsite=summon> (09 December 2016).

Retailing in South Africa market research. 2016. *Retailing in South Africa* (online). South Africa: Euromonitor international. Available: <http://www.euromonitor.com/retailing-in-south-africa/report> (Accessed 10 June 2016).

Rose, S., Clack, M., Samouel, P. and Hair, N. 2012. Online customer experience in e-retailing: An empirical model of antecedents and Outcomes. *Journal of retailing* (online), 88(2): 308-322. Available: <https://search.proquest.com/docview/1016517595?pq-origsite=summon> (Accessed 05 December 2016).

Saunders, M. Lewis, P. and Thornhill, A. 2007. *Research Methods for Business Students*. 4th Edition. Essex: Pearson Education Limited.

Saunders, M., Lewis, P. and Thornhill, A. 2007. *Research methods for business students*. 5th ed. England: Prentice hall.

Schiffman, L. G., Kanuk, L. L. and Wisenblit. 2010. *Consumer behaviour*. 10th ed. New Jersey: Pearson.

Schneider, G. P. 2006. *Electronic commerce*. 6th ed. London: Thomson.

Schneider, G. P. 2007. *Electronic commerce*. 7th ed. New York: Thomson.

Schneider, G. P. 2009. *E-business*. 8th ed. New York: Calhoun.

Sekaran, U. 2003. *Research methodology for business*. 4th ed. India: John Wiley & Sons.

Sekaran, U. and Bougie, R. 2010: *Research methods of business: A skill building approach*. 5th ed. Chichester. John Wiley and sons.

Shanti, R. and Kannaiah, D. 2015. Customers perception on online shopping. *Journal of marketing and consumer research* (Online), 13: 14-21. Available: <https://researchonline.jcu.edu.au/39753/1/Dr.%20Desti%20Consumers%20perception%20on%20Online%20Shopping.pdf> (Accessed 12 August 2016).

Shukla, R. K. 2016. Gender effect on customers' perception towards online shopping. *Journal of Management Research* (Online), 8(1): 25-30. Available: <https://search.proquest.com/docview/1789980072?pq-origsite=summon> (Accessed 10 July 2017).

Solomon, M. R. 2013. *Consumer behaviour: Buying, having, and being*. 10th ed. England: Pearson education.

Solomon, M., Bamossy, G., Askegaard, S. and Hogg, M.K. 2006. *Consumer behavior: A European perspective* (Online). Harlow, England: Prentice Hall Europe. Available: <http://www.books.mec.biz/tmp/books/NXHQRTHBQ2L87NIU6YVN.pdf> (Accessed 20 April 2017).

Gauteng provincial treasury. 2012. The retail industry on the rise in South Africa (Online). Available: <http://www.treasury.gpg.gov.za/Documents/QB1%20The%20Retail%20Industry%20on%20the%20Rise.pdf> (Accessed 29 July 2017).

Subramaniam, S., Mohre, R. and Kawde, D. 2014. Customers' perception: towards brand. *Journal of Indian Management* (Online), 11(2): 93-101. Available: <https://search.proquest.com/docview/1543741973/abstract/F44F158035534CCCPQ/1?accountid=10612> (Accessed 24 November 2016).

Sultan, M. U. and Uddin, M. D. N. 2011. *Consumer's attitude towards online shopping factors influencing Gotland consumers to shop online* (online). Available: <https://uu.diva-portal.org/smash/get/diva2:420724/FULLTEXT01.pdf> (Accessed 08 December 2016).

Thirumalai, S. and Sinha, K. K. 2011. Customization of the online purchase process in electronic retailing and customer satisfaction: An online field study. *Journal of operations management* (Online), 29(5): 477-487. Available: <http://www.sciencedirect.com/science/article/pii/S027269631000094X> (Accessed 24 January 2017).

Turban, E. and King, D. 2003. *Introduction to e-commerce*. New Jersey: Pearson education.

Tyagi, K. A. and Agarwal, P. K. 2012. A study on acceptance of e-retailing by Indian consumers. *International journal of management research and review* (online), 2(7): 1266-1279. Available: <https://search.proquest.com/docview/1417478001?pq-origsite=summon> (Accessed 20 October 2016).

Uzu, H. and Porturak, M. 2014. Factors affecting online shopping behavior of consumers. *European journal of social and human sciences* (Online), 3(3): 163-170. Available: <http://oaji.net/articles/2014/739-1411569933.pdf> (10 January 2017).

Vaghela, P.S. 2014. A study on consumer perception towards online shopping. *International Journal of Technology Marketing* (Online), 4(12): 199-210. Available: https://www.researchgate.net/publication/305751897_A_STUDY_ON_CONSUMER_PERCEPTION_TOWARDS_ONLINE_SHOPPING (Accessed 12 August 2016).

Vanishree. 2012. Customer perception towards online shopping. *Asia pacific journal of management and entrepreneurship research* (online), 1(2): 46-58. Available: <https://search.proquest.com/docview/1317617150?pq-origsite=summon> (Accessed 05 December 2016).

Wellman, J. C., Kruger, S. J. and Mitchell, B. 2007. *Research methodology*. 3rd ed. Cape Town: Southern Africa.

Wellman, J. C., Kruger, S. J. and Mitchell, B. 2005. *Research Methodology*. 3rd Edition. Cape Town: Oxford University press.

Wilson, Zeithamal, Bitner, Gremler 2008. *Service Marketing: Integrating Customer Focus Across the Firm*. Berkshire. McGraw-Hill Education

Wright, R. 2006. *Consumer behaviour*. 1st ed. America: Jennifer Pegg.

Yee, C. and Yazdarnifard, R. 2014. How Customer Perception Shape Buying Online Decision. *Global journal of management and business research* (Online), 14(2): 12-20. Available:

Yu, X., Nguyen, B., Han, S. H., Chen, C. H. S. and Li, F. 2014. *Electronic CRM and perceptions of unfairness* (online). Available: <https://link.springer.com/article/10.1007/s10799-014-0210-4> (Accessed 20 October 2016).

Zeithamal, V. A., Bitner, M. J. And Gremler, D. D. 2009. *Service marketing: Integrating customer focus across the firm*. 5th ed. New York: McGraw Hill.

APPENDIX A: QUESTIONNAIRE

*1. How often do you shop online?(*Required)

Select one.

<input type="radio"/>	Once a month
<input type="radio"/>	2-3 times a month
<input type="radio"/>	Every 2-3 months
<input type="radio"/>	Every 6 months
<input type="radio"/>	Once a year
<input type="radio"/>	Never

*2. Online payment To what extent do you agree or disagree with the following statements:(*Required)

Select one per row.

	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly agree</i>
*Shopping online is risky	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*I could afford to pay monthly fees to an internet service provider in order to shop online	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***3. Flexibility** To what extent do you agree or disagree with the following statements: (*Required)

Select one per row.

	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly agree</i>
*I think shopping online saves time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*I think online shopping is more cost-effective than traditional shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***4. Convenience** To what extent do you agree or disagree with the following statements: (*Required)

Select one per row.

	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly agree</i>
*Online shopping is as secure as traditional shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*Shopping online would allow me to get better prices when shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*Shopping online would give me greater control when shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***5. Attitude** To what extent do you agree or disagree with the following statements: (*Required)

Select one per row.

	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly agree</i>
*People who shop online are cooler than people who don't	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*While shopping online, I hesitate to give my credit card number	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*I prefer traditional or conventional shopping to online shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*Shopping online allows me better item selection when shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***6. Easy of accessibility** To what extent do you agree or disagree with the following statements: (*Required)

Select one per row.

	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly agree</i>
*It is great to be able to shop at any time of the day on the internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
*The fact that only those with a credit card or bank card can shop online is a drawback	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*7. What helps you decide to shop online, or would get you interested in shopping online? Select all that apply. (*Required)

Select all that apply.

<input type="checkbox"/>	Delivery time
<input type="checkbox"/>	The company's reputation
<input type="checkbox"/>	Guarantees and warranties
<input type="checkbox"/>	Privacy and confidentiality of information
<input type="checkbox"/>	Appealing product descriptions
<input type="checkbox"/>	Security
<input type="checkbox"/>	Prices
<input type="checkbox"/>	Referrals from friends, family, site reviews
<input type="checkbox"/>	Other: <input type="text"/>

Almost done!

*8. Are you... (*Required)

Select one.

<input type="radio"/>	Female
<input type="radio"/>	Male

*9. Are you...(*Required)

Select one.

<input type="radio"/>	Asian
<input type="radio"/>	Black
<input type="radio"/>	Coloured
<input type="radio"/>	Indian
<input type="radio"/>	White
<input type="radio"/>	Prefer not to say

*10. What age group are you in?(*Required)

Select one.

<input type="radio"/>	Under 18
<input type="radio"/>	18-23
<input type="radio"/>	24-29
<input type="radio"/>	30-35
<input type="radio"/>	36-41
<input type="radio"/>	Over 41
<input type="radio"/>	Prefer not to say

*11. Are you...(*Required)

Select one.

<input type="radio"/>	Self-employed
<input type="radio"/>	Employed
<input type="radio"/>	Unemployed
<input type="radio"/>	A student
<input type="radio"/>	Retired

*12. What is your estimated monthly income?(*Required)

Select one.

<input type="radio"/>	0- R5 000
<input type="radio"/>	R5 001- R10 000
<input type="radio"/>	R10 001- R15 000
<input type="radio"/>	R15 001- R20 000
<input type="radio"/>	R20 001 and above
<input type="radio"/>	Prefer not to say

*13. What is your highest educational qualification obtained currently?(*Required)

Select one.

<input type="radio"/>	Below matric
<input type="radio"/>	Matriculated
<input type="radio"/>	Graduate
<input type="radio"/>	Post Graduate

All fields with an asterisk () are required.*

APPENDIX B: LETTER OF INFORMATION AND CONSENT



Faculty of Management Sciences

Department of Retail and Marketing

Date: 12 October 2016

Dear Participant

I invite you to participate in a research study entitled: **The effect of customer perceptions on electronic retailing: A case of Brick-and-Click retailer based in Durban, KwaZulu-Natal**. I am currently a student at Durban University of Technology, and am in the process of writing my Master's Thesis. The purpose of the research is to determine customer perception towards online shopping.

The enclosed questionnaire has been designed to collect information on perception of customers.

Your participation in this research project is completely voluntary. You may decline altogether, or leave blank any questions you don't wish to answer. There are no known risks to participation beyond those encountered in everyday life. Your responses will remain confidential and anonymous. Data from this research will be kept under lock and key and reported only as a collective combined total. No one other than the researchers will know your individual answers to this questionnaire.

If you agree to participate in this project, please answer the questions on the questionnaire as best you can. It should take approximately 3 minutes to complete.

Thank you for your assistance in this important endeavor.

Sincerely yours,

Student

Contact Details: pollybuthelezi@gmail.com

0744085784

Supervisor / Promoter

Contact Details: PadhmaM@dut.ac.za

0313736870



A Division of Mr Price Group Limited

A: Upper Level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, 4001
T: +27 31 310 8638 F: +27 31 304 3358 P: Private Bag X04, Snell Parade, 4074, South Africa W: mrp.com
Registration Number 1933/004418/06 • Incorporated in the Republic of South Africa

DEPARTMENT OF MARKETING AND RETAIL MANAGEMENT

FACULTY OF MANAGEMENT SCIENCES

DURBAN UNIVERSITY OF TECHNOLOGY

Dear Ms Buthelezi,

RE: Permission granted to conduct your Masters study with MRP Apparel

This letter hereby indicates that you will be designing the questionnaire yourself which will then be signed off by Dr. P. Moodley and ourselves to make sure we are happy with the type of questions being asked to our database. You will also be analysing the data that we send through to you, we would just need to know from you how you would like the data filtered. We are happy to work closely with you along the way.

We, as MRP, will be uploading your questionnaire onto our survey platform and will be sending out the link to the survey via a newsletter emailed to our database. We will also be designing the artwork that will accompany the newsletter and survey which will give it a feel for our brand personality.

We will need to see the questionnaire before we can brief our design studio to do the newsletter and survey images. This normally takes them two weeks from briefing. In which time I will feedback on the questionnaire and will then upload it to our survey programme when it is finalised. So please bear in mind a lead time of 2-3 weeks once we have received the questionnaire.

Permission is granted until July 2017, while the actual survey will be run for no longer than 2 weeks.

We look forward to working with you on your study and receiving results from you at the end. This may be presented to us or emailed through.

Sincerely,

Erica Fouché

Market Research Analyst

19.07.16



Divisional Directors: N A Lyne (Managing), D Baney; P D H Botha, K A Els, J Frédéric, M A Hill, K J Jones, J Morse, A C Roberts, and K Smit

Honorary Chairman: S B Cohen **Independent Non-Executive Chairman:** N G Payne

Executive Directors: S I Bird (Chief Executive Officer), M M Blair (Chief Financial Officer)

Non-Executive Directors: K Getz, M R Johnston, R M Motanyane-Welch, D Naidoo, M J D Ruck, W J Swain

Alternate Directors: N Abrams, S A Ellis **Company Secretary:** H E Grosvenor

Mr Price Group Limited is an authorised Financial services and Credit provider: FSP31450 and NCRCP46