

## SHOPPING ON THE INTERNET FROM THE POINT OF VIEW OF CUSTOMERS

Róbert Štefko, Peter Dorčák, František Pollák\*

**Abstract:** Modern forms of business and continuous use of innovations in marketing encourage many customers to make more use of what is modern what is "in". However, it is very important to realize that not all customers are able to give up traditional way of shopping or a traditional perception of products and services. The aim of this paper is to analyze customer preferences in relation to traditional forms of shopping and to analyze the preferences of the same customers for new forms of shopping through e-commerce applications.

**Keywords:** e-shop, Internet, e-commerce

### Introduction

We are currently witnessing many changes in the business and customer environment. New forms of marketing and trading become increasingly highlighted and common traditional methods are becoming less significant. However, not all traditional methods lose their value. Many of them are undergoing transformation and with continual technical advancement they start using innovative methods, which are popular and convenient for customers and operators themselves. New means of communication allow us to quickly, conveniently, clearly and consciously transform our thoughts, attitudes and needs automatically with immediate feedback and these ideas can also be shared with many people on both private and business levels. The aim of this paper is to analyze customer preferences in relation to traditional forms of shopping and to analyze the preferences of the same customers for new forms of shopping through e-commerce applications.

### Formulation of the issue- Internet marketing

"Internet can manage without marketing – modern marketing can not manage without the Internet" [1]. For several years, people have been fascinated by the possibilities of the Internet as a marketing tool, which can be used to address thousands of people of the required target group. It is a current global phenomenon, which significantly affects human community. It is a new communication medium, which - metaphorically speaking - shortened the distances on our planet [2]. Advertising, marketing and online business belongs to the most recent topics around the world. In most countries the Internet works entirely on a commercial basis. More than half of all users use the Internet for business purposes.

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\* **Prof. Ing. Dr. Róbert Štefko PhD., PhDr. Peter Dorčák PhD., František Pollák MSc,** Faculty of Management, Department of Marketing and International trade, University of Presov in Presov, Slovakia

✉ corresponding author: stefkor@unipo.sk

Companies' marketers are the main users of Internet data. Traditional 4P has now been substituted by the new – 5P: product, promotion, place, price and presence on the Internet – presentation on the Internet [3, p. 85]. Internet marketing constitutes of usage of services that are inherent to the internet, for implementation and support marketing activities. The most distinct marketing activities on the Internet include: promoting company image, marketing research, stripe advertising, public relations, online distribution [4, p. 311].

Benefits of Internet Marketing best describe the following characteristics:

- self-selection – users themselves choose what they want,
- interactivity – dialogue is created between marketers and customers,
- integration – the whole marketing process is a part of web session – web meeting,
- one-to-one marketing – learning consumer preferences,
- global reach – the ubiquitous reach of customers [3, p. 91].

#### **Formulation of the issue- E-business**

E-business is trading managed via the Internet, not only buying and selling, but also providing customer service and collaboration with business partners.

E-commerce is a part of e-business. E-business represents a wide range of business activities, while e-commerce is focused on operations related to trading - buying, selling and sales promotion [5].

E-business provides many benefits, such as the possibility of contact with customers 24 hours a day, reaching a large number of potential customers, convenience of communication, connection speed, rising awareness of the company, lower costs in comparison to other forms of communication [6, p. 113].

#### **E-commerce**

The Internet offers the possibility of immediate sell of products to customers in customer market and on the market of goods and services. This direct method of selling products and services is called e-commerce [7, p. 494].

E-commerce is electronic trading, which allows customers to purchase products and services without having to commute.

Electronic communication is a modern means of communication that requires the use of a technical apparatus. It enables data transfer at any time, from anywhere and to anywhere, if the receiving and transmitting parties are equipped with the necessary means [5, p. 65-66].

Types of e-commerce:

- B2B – Business-to-business – trade with materials, goods, intermediates,
- B2C – Business-to-customer – sale of products to ultimate consumers,
- C2C – Customer-to-customer – consumer is selling goods to another consumer [1, p. 19].

Other types of e-commerce:

- non-business – service improvement of non-profit non-commercial organizations,
- intra-business – internal activities of an organisation [5, p. 85].

E-commerce affects company's activities in the following fields: product promotion, new sales channels, direct savings, reduction in circulatory time, customer service, company image, advertising and customization [3, p. 19-20].

### **Marketing mix of an online shop**

The advent of Internet and wireless communication technologies offers a different view at 4P. It is therefore necessary to recognize the emerging differences within the various tools in comparison to traditional notion of the marketing mix.

#### Product

Customers have the option of online contact and collaboration with businesses, which means interaction between the two parties in defining the parameters of a product, its design, specification of services etc.

#### Price

Unlike the traditional method of selling, products sold via the Internet have lower prices due to reduction in costs associated with selling space, personnel, traditional promotion, etc.

#### Distribution

There is no restriction to location on the Internet. Online shop takes on the role of brick and mortar shop with much lower margins. It is interesting to focus on this form of creation and expansion of supplier-customer relations.

#### Promotion

Internet advertising is far more efficient owing primarily to targeting potential customers, speed of information dissemination and measurability of its effectiveness [8, p. 124-125].

### **Research project- Aim of the research**

The aim of the research is to analyze customer preferences in relation to traditional forms of shopping and to analyze the preferences of the same customers for new forms of shopping through e-commerce applications.

#### Research methodology

For the purpose of this research, analysis of primary data collected through a questionnaire was chosen as the research method.

The questionnaire was to determine which form of products purchase (goods or services) is currently most used. The questionnaire entitled "New trends in marketing vs. traditional marketing" was anonymous and consisted of 25 closed questions.

#### Research sample

The questionnaire was designed for all population groups regardless of gender, age and education level.

It was not designed for the following:

- children under 15 years of age,
- potential customers, who do not shop in online shops.

Types of selection of a research sample:

- random selection.

Research sample size:

- 400 respondents.

#### Research organization and schedule

The questionnaire was created and spread among respondents using a web application for the creation of electronic questionnaires.

The responses obtained using the questionnaire were processed, checked, evaluated and interpreted within three weeks (from 09/03/2011 to 25/03/2011).

#### **Results and discussion- Participation of respondents in the research**

The questionnaire "New trends in marketing vs. traditional marketing" was electronically sent to 400 randomly selected respondents - potential customers (hereinafter referred to as customers) who buy in normal stores and in online shops.

325 respondents returned the questionnaire which is 81.25%. 75 respondents did not send the questionnaire back, which is 18.75%. Participation of respondents is shown in the following table and graph.

<b>Participation of respondents in the research</b>	<b>Number of answers</b>	<b>Answers in %</b>
Respondents, who answered	325	81.25
Respondents, who did not answer	75	18.75
Total number of respondents:	400	100

**Table 1. Participation of respondents in the research**

*Source: Our own processing*

#### Form through which purchase is realised

The question "What kind of shops do you prefer when buying products (except products of everyday consumption - food, cosmetics)" was to establish whether respondents use traditional forms of buying products or whether they prefer new trends in shopping - online shopping. Purchase of commodities (food, cosmetics), were not included among such purchases. The question was about purchasing durable goods (clothing, electronics, etc.).

Personal sale - shopping in an ordinary - brick and mortar shop, is prevalingly used by customers - more than 80.5% use this option. 16% of respondents shop online. 3% of respondents shop on the basis of mail order catalogues and only 0.5% of respondents buy products through teleshopping. Based on the above it follows that most customers still prefer traditional forms of shopping. A new trend in marketing – online shopping, is not used as much by the customers to catch up with or exceeded the preferred traditional form of shopping.

What kind of shops do you prefer when buying products:	Number of answers	Answers in %
Personal sale (purchase in a normal store)	262	80.6
Online shop	52	16
Teleshopping	1	0.3
Mail order catalogue	10	3.1
Other	0	0

**Table 2. Form through which purchase is realised**

Source: Our own processing

#### Advantages of buying in traditional shops

The question "Which of the advantages of shopping in traditional shops do you consider to be the biggest?" offered respondents to choose up to 3 advantages. 24% of respondents considered the possibility of physically trying the product to be the biggest advantage of shopping in a traditional shop. According to almost 16% of customers the second most preferred advantage is filing complaints about products or claiming a refund. 12% of customers determined testing of products or services the third top advantage of shopping in traditional shops. The other, quite significant advantages of traditional shopping include: availability of products - almost 10%, direct contact between sellers and buyers - almost 9%, sufficient information about products and methods of payment - both advantages achieved 7%. The least impressive advantages are: price of products - 6%, method of payment for products - 5% and after-sales service and customer benefits - almost 4%.

It follows that shopping in traditional shops differs from shopping online mainly in physical contact between sellers and buyers, or in direct physical contact with products, is the biggest advantage of personal sale.

Which of the advantages of shopping in traditional shops do you consider to be the biggest? (state up to 3 possibilities)	Number of answers	Answers in %
Availability of products	89	9.5
Price of products	56	6
Product range	67	7.2
Sufficient information about products	67	7.2
Method of payment for products	50	5.4
Testing of products	112	12

Possibility to physically try products	226	24.3
File complaints about products or claim refunds	149	15.9
Direct contact between sellers and buyers	80	8.6
After-sales service and customer benefits	36	3.9

**Table 3. Advantages of shopping in traditional shops***Source: Our own processing*Frequency of online shopping

Almost 43% of respondents shop online only once a year. 36% of respondents purchase products via an online shop on average 2 to 5 times per year. 21% of respondents shop online more than 5 times per year. Shopping in traditional shops is more frequent than online shopping.

How often do you shop online?	Number of answers	Answers in %
Once per year	138	42.5
2 to 5 times per year	118	36.3
More often than 5 times per year	69	21.2

**Table 4. Frequency of online shopping***Source: Our own processing*Advantages of shopping in online shops

The question "Which of the advantages of shopping online do you consider to be the biggest?" offered respondents to choose up to 3 advantages. Respondents consider the following to be the biggest advantages of online shopping: saving time - almost 22%, price - 19%, comfort - almost 18%, time to decide, whether to purchase a product or not - 12%. According to respondents, the following are other key advantages of shopping online: methods of delivery - almost 6%, availability and range, sufficient information about products and order status control - all three at 5% and the least attractive advantages of shopping in online shops are entertainment - 4% and methods of payment for products or services - 4%.

In terms of time consumption and customer's comfort shopping in online shops is very attractive. It is also attractive in terms of prices for products available via online shops.

Which of the following advantages of online shopping do you consider to be the biggest? (state up to 3 possibilities)	Number of answers	Answers in %
Comfort	167	17.8
Saving time	204	21.7
Entertainment	38	4.1
Price of products	180	19.2
Availability and range of products	50	5.3
Sufficient information about products	51	5.4
Method of payment for products	33	3.5
Methods of delivery of products	53	5.7
Order status control (via e-mail, phone, SMS)	47	5.1
Time to decide, whether to purchase a product or not	114	12.2

**Table 5. Advantages of shopping in online shops**

*Source: Our own processing*

#### Motivations for more frequent future shopping in online shops

The question "What could motivate you to more frequent future shopping in online shops?" offered respondents to choose up to 3 options. The following motivated customers to more frequent shopping in online shops: free postage and packing - almost 24%, customer discounts and benefits - almost 22%, quality and originality of the products or services - 14%. Other potential motivators for shopping in online shops could be 3D applications, virtual walks and virtual viewing of products or services - 9%, after-sales service - almost 9%, the option of normal retail shops to offer purchase also through their own online shop - almost 8%, acceptance of international payment cards and purchase in foreign currency - 4%. The choice of another language on the website of an online shop and services connected with online shops - newsletters, e-mails, updates etc. are factors that would encourage more frequent purchases in the e-shop of only 3% of respondents. Motivation to purchase in online shops is very similar to the motivation that marketers also use in the personal purchase – in traditional shops. A detailed overview of motivations leading to more frequent purchases in online shops is shown in the table below.

What could motivate you to more frequent future shopping in online shops? (state up to 3 possibilities)	Number of answers	Answers in %
Discounts and benefits	194	21.8
Free postage or packing	213	23.9
After-sale service	78	8.8
Services connected with sale in online shops – newsletters, e-mails, updates etc.	29	3.3
Quality and originality of products or services	127	14.2
Option that traditional shops enable purchase via their own online shops	69	7.7
Possibility of choice of another language on the website of an online shop	29	3.2
Possibility of purchase in a foreign currency	39	4.4
Acceptance of international payment cards	32	3.6
3D applications, virtual walks and virtual viewing of products or services	81	9.1

**Table 6. Motivations for more frequent future shopping in online shops**

Source: Our own processing

### Summary

It follows from the research that shopping in traditional shops differs from shopping online mainly in physical contact between sellers and buyers, or in direct physical contact with products, is the biggest and most distinct advantage of personal sale. In terms of time consumption and customer's comfort shopping in online shops is very attractive. It is also attractive in terms of prices for products available via online shops. Motivation to purchase in online shops is very similar to the motivation that marketers also use in the personal purchase – in traditional shops. Finally, we can argue that increasing penetration of population on the internet has resulted in greater consumer interest in online shopping. Low prices and comfortable shopping seem to be the key elements of online business. Electronic shopping is on the rise with a projection of high growth in future years, this area is therefore a very interesting issue for further investigation.

Acknowledgements: This submission was elaborated as a part of internal grants of the Faculty of Management of the University of Prešov in Prešov: GAMA/10/10 Influence of Virtual Social Networks on Increase in Sales in Electronic Commerce and GAMA/10/9 Analysis of Advantages of Shopping in E-shops Compared with

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### ZAKUPY W INTERNECIE Z PUNKTU WIDZENIA KLIENTÓW

**Streszczenie:** Nowoczesne formy działalności i ciągłego stosowania innowacji w marketingu zachęcają klientów do większego wykorzystywania tego, co jest nowoczesne, co jest „w”. Bardzo ważne jest jednak uświadomienie sobie, że nie wszyscy klienci są w stanie zrezygnować z tradycyjnego sposobu zakupów lub tradycyjnego postrzegania produktów i usług. Celem niniejszego artykułu jest analiza preferencji klientów w stosunku do tradycyjnych form zakupów oraz analiza preferencji samych klientów do nowych form zakupów za pośrednictwem aplikacji e-commerce.

### 在互聯網上購物從客戶的角度看

在市場中的現代營銷模式以及不斷的創新使得更多的顧客使用什麼是“在”現代。

但是，

應該清楚地意識到，並不是所有的客戶都能夠放棄傳統的購物方式，或者對產品和服務的

傳統觀念。本文的目的是分析顧客的喜好與傳統購物形式的關係，並且通過分析相同顧客

的喜好以達到新購物形式的商業應用