

## A Literature Review on Multiple Risk Dimensions of Online Shopping

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### ABSTRACT

*In India, usage of Internet has tremendously increased over the past one and half decade. In the present scenario, internet has become an integral part of human life, where it is treated and counted along with basic necessities of life like food, cloth and shelter. Internet is widely helping everyone, including a common man, to connect and communicate with the globe. In this connection exposure and access to information has become very easy. However, this excessive dependency on internet is predominantly influencing the buying behaviour of the consumers. For any manufacturer, customer always stays as a king. In this highly competitive market scenario attracting, retaining and satisfying consumers is of utmost importance. Mere survival of any firm depends on keeping tab on the latest trend, understanding customers expectation, market research and developing the product accordingly, delivering value proposition to match customer expectation etc., Marketing research is widely conducted and carried out to enhance the profitability of any manufacturer or producer. The wider base of internet users is creating the platform for the manufacturers, producers, advertisers, marketers and mediators to communicate with the prospective consumers. The enhancement in internet usage creates a unified platform to sell the products and services through online in the market, which is commonly known as online shopping. The technological transformation and advancement is really benefiting the marketers to reach target consumers in the segmented market. Online shopping is widely used by consumers to avail and effectively utilize the virtual technology to select and use the particular product. However, online shopping is generally questioned for the reasons such as security, safety and confidentiality of personal information and identity. Several research studies have been initiated to study the behaviour of online shoppers with respect to perceived risk and benefits and its impact on the purchase decision. The result indicates that there is a significant association between the perceived risk factors such as, time risk, channel risk, privacy risk and product risk with comfort and benefits of online shopping and there is a significant relationship between perceived risk and benefits towards purchase decision of the consumers.*

**Keywords:** Buying decision, Convenience, Internet, Online shopping, Perceived risks.

### INTRODUCTION:

From past one and half decades, India has witnessed robust growth in e-commerce activities. Use of internet for shopping purpose is growing at an impressive rate. Rapid changes in customer life styles, technological progress, increase in customer income, raising disposable income of the population, education and awareness level, financial development etc have contributed for the growth of e-commerce in India. Customers in recent scenario are expecting more goods and services with several categories to consume and enjoy the life. Internet is helping those type of consumers who prefer variety of products with one single platform to purchase and consume without making physical visit to nearest shops. Increased use of mobile phone and internet has led to unprecedented growth in online shopping. The contact norm between sellers and customers has changed since the extensive adoption of internet. There are several online shopping websites, service providers, producers and some manufacturers possess their own online shopping platform to attract and retain the customers over a period of

time due to technological advancement and enhancement in the usage of internet. Internet has been adopted as an important medium, providing a wide range of goods with 24-hour availability and wide coverage of the region. Online shopping is being used as a platform to buy variety of goods and services, starting from their day-to-day necessities to various luxurious products. Online shopping offers more discounts, coupons and festive sales discounts, direct delivery to home and helps the customers to avoid the physical visit to store. Online shopping is slowly replacing the brick-and-mortar method for purchase of day-to-day necessities to luxuries products.

Despite the advantages of online shopping, negative factors associated with this method of shopping is also important. Online Shopping doesn't allow bargaining at all. Online shopping donot have the facility of 'direct talk'. Means, if customer has any problems with the order, they do not have any person to talk to or tell about the issues they are facing. Returning merchandise for a refund can also be costly. Most online retailers do not refund shipping costs - not the cost of return postage or the original shipping charge. Most of the electronic items are sold without international warranty. Since it's very easy to search & purchase different items very easily and quickly from online, many people ends up being a online shopaholic. This means that they buy too many things that they actually do not want. Pictures of items on online shopping portal are often deceptive in nature. Therefore, various types of risk associated with online shopping plays an integral role in consumer behaviour and provides a valuable contribution to understanding information-searching behaviour and decision-making on consumer purchases. For e-commerce to achieve its full potential, online retailers must be aware of the perceived threats that customers are most concerned about when shopping online. Customers' perceived risk is considered as a key concern of decision making in online shopping.

Parveen Kumar Garg (2016) constructed and found feasible conceptual model to understand the paradigm shift and change in online shopping scenario with the mediating role of perceived risks in India. The researcher explained the consumer intention framing process and the role of perceived risk in online shopping. The model explains that financial risk, personal identities risk, information technology risk, alternative risk, unknown vendor risk, channel risk, tangibility risk and psychological risk are inducing the purchase intention of the buyers with the mediating effect of consumer attitude among online shoppers. Further, the researcher concluded that, the marketers should initiate necessary steps to mitigate the various risks associated with online shopping to enhance the usage intention and satisfaction.

Jaganathan. A.T et.al(2016) have carried an exploratory study to explore the customer perception towards online shopping. The research was conducted with an objective of identifying the consumers' attitude towards benefits and risks associated with online shopping. The result explores that mode of payment, place of residence and preferred website are predominantly considered by the online shoppers to make their purchase decision. To conclude, the marketers are suggested to focus youngsters who primarily use e-commerce mode to purchase their products and services and mode of payment should be more flexible to attract more youngsters towards online shopping.

Due to rapid growth of technology, business organizations have switched over from the traditional method of selling goods to electronic method of selling goods. Business organizations use internet as a main vehicle to conduct commercial transactions. Online stores do not have space constraints and wide variety of products can be displayed on websites. It helps the analytical buyers to purchase a product after a good search.

However, given the lack of ability to inspect merchandise before purchase, consumers are at higher risk of fraud on part of the merchant than in a physical store. Merchants also risk fraudulent purchases using stolen credit cards or fraudulent repudiation of the online purchase. With a warehouse instead of a retail storefront, merchants face less risk from physical theft. Identity theft is still a concern for consumers when hackers break into a merchant's web site and steal names, addresses and credit card numbers. Computer security has become a major concern for merchants and e-commerce service providers. Phishing is another danger, where consumers are fooled into thinking they are dealing with a reputable retailer, when they have actually been manipulated into feeding private information to a system operated by a malicious party. Many websites deliver orders without charging the shipping cost, but many of them do not do that.

A number of websites, as a part of a smart marketing gimmick, do not include the shipping cost while giving out the price of an item. It may be minutely mentioned at the end of the screen which many would not even notice. The valuable gets delivered the customers are asked to pay more than what customers are prepared for. The customers have no option but to oblige with it. Shipping costs in most cases raise the price of an article and you may end up buying it at a rate higher than the market price.

Therefore, ascertaining various types of risks associated with online shopping is vital to formulate measures to mitigate it.

**OBJECTIVES OF THE STUDY:**

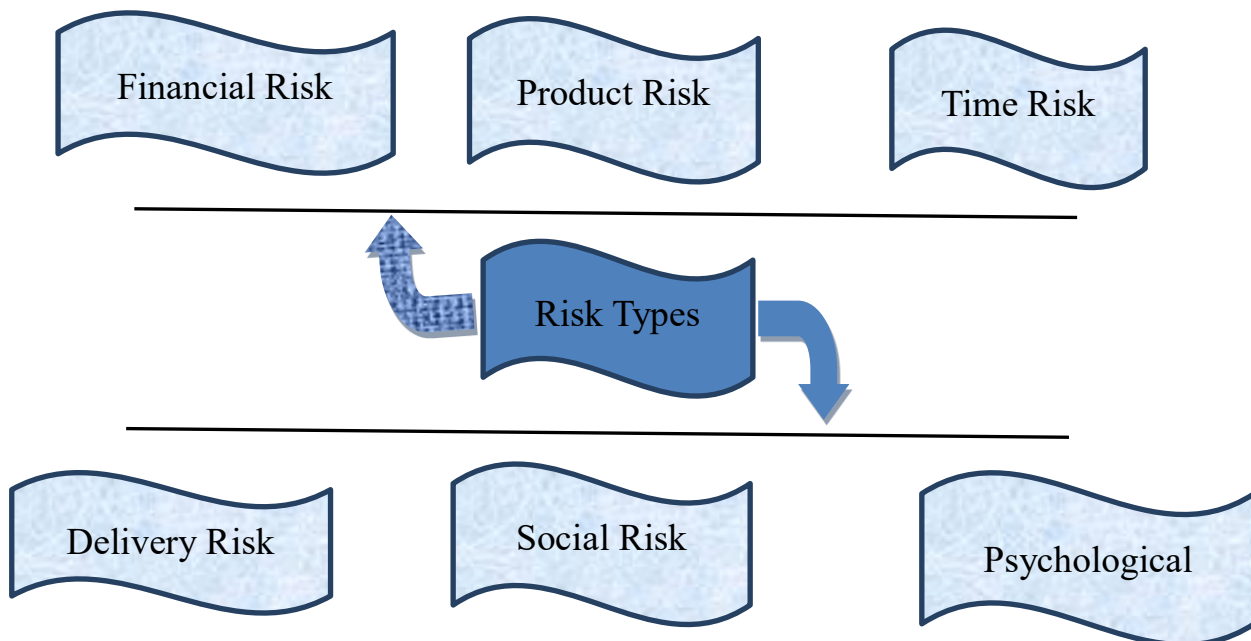
1. To ascertain the various types of risks associated with online shopping in general.
2. To know the financial, Product, Time, Delivery, Social, Psychological risks of online shopping in particular.
3. To explore the vital risks of online shopping affecting consumers perception and buying behavior.
4. To suggest measures to mitigate those risks to further strengthen online shopping mechanism.

**Type of Research:** It is a descriptive study

**Type of Data:** It is a desk report and has been prepared by referring various articles published in national and international journals, books and website.

There are several advantages in online shopping that one can take away instantly. It is quick, convenient, portable and cost-effective. Online stores can find better prices and compare items in a way that is unknown to traditional retail stores. While online shopping makes shopping simpler without even setting feet outside, carrying out their cheating antics is also much more convenient for criminals. With the aim of attracting people and getting their hands-on personal and confidential details, a large number of scammers and fraudsters lurk in the digital world. Cyber criminals now have several ways to steal money using different smart methods. This is particularly true during the festive season as the marketplace is overwhelmed with numerous online sales and discounts. Cyber criminals wait in the background to ambush them while consumers try to grab the best offers.

**A BIRD’S EYE VIEW OF DIFFERENT RISK DIMENSIONS OF ONLINE SHOPPING:**



**Financial Risk:**

Financial risk is the belief that a certain amount of money would be lost or needed to make a product work properly. Consumers, for instance, are worried that when it comes to using their credit cards and exchanging personal information, the Internet still has very little security.

Dr. Venkat raj (2020) explains through this research paper that, ‘on-line payment service has certainly enhanced and has offered tremendous benefits and convenience for on-line shoppers’. Professionals, however, agree that credit card payment is still limited to some degree, the development of online shopping; on the other hand, when the customer first opens they need a credit account to go to the bank on their own, which is really an obstacle to online banking deal arrangement.

NebojšaVasić (2018) stated in his research paper, Pricing is an important factor in customer satisfaction, given that customers often turn their attention to pricing when evaluating the value of the product and service. From the viewpoint of the user, price is what is abandoned or scarified in order to purchase a product. A number of studies have found that pricing is strongly related to the satisfaction of customers. Pricing has a significant effect on the understanding of the generated value and usability of the transaction and subsequently, on customer satisfaction.

Negative pricing expectations make consumers feel uncomfortable and disloyal.

Anam Bhatti (2018) mentioned in his paper, a possible net loss of money is a financial risk a purchasing word or tracking term. Playing at financial risk important position for online shoppers in decision-making since financial risk poses a challenge to the minds of customers, which contributes to Negative effect on the actions of consumers. The insecurity of credit is also a concern where credit cards which are a big obstacle to online shopping.

Ankita Popli (2015) in her research paper illustrates on aspects used in online purchasing of a product. This involves the probability of receiving a repaired product, damaged product, product delivery risk, secret maintenance etc., Consumers, for instance, are worried that there is still very little protection on the internet with regard to the use of their credit cards and the disclosure of personal Data.

Aishah Arshad (2015) states that, one of the most common risks is perceived financial risk related to the shopping experience online. The impression or potential thought of accumulated online fraud, identity theft, credit card information, manipulation, blackmailing or leakage of private data by the vendors and other cyber-criminal operations are. Why do most online clients just act as window shoppers and window shoppers? This risk is due to the assumption that customers are afraid that their credit card number will be stolen, their bank accounts will be compromised and their personal account will be stolen.

Hashim Shahzad (2015) claimed that, Fear of financial loss and safety issues about shopping on the internet. Research has shown that risk perception plays a critical role in building the relationship between risks hedonic motives and purchasing plans. In addition, the research concluded that perceived Risk has a negative effect on the purpose of the customer towards utilitarian motivation. Financial risk has a negative impact on consumer behaviour. Consumers are afraid of losing money by internet shopping. Additional Research has shown that high perceived risk has reduced the desire to buy online in the future.

Mohd. Shoki Md Ariff (2014) mentioned that, 'In terms of using their payment cards and credit cards, customers can be worried about online protection, revealing personal details. So while customers order items online, alternative payment types, such as cash on delivery, bank account transfers and Pay Pal, are favored. Consumers often worry in some cases that any e-commerce is not safe and need continuous reassurance. Previous studies have suggested that the most common issue when shopping online is credit card fraud.

Kumar & Dange (2014) conducted a recent study where the goal was to examine various dimensions of perceived risk that affect the online shopping behaviour of the customer. The study found that online shopping perceives risk in terms of Financial risk, Time risk, Social risk and Safety risk as they affect the mindset of more online customers towards online shopping. Two online shopping risk factors, are the financial risk and protection risk that non-online shoppers have been impacted by. In addition, two additional barriers to psychological risk and physical risk among non-buyers were found in the study.

According to Babar et al. (2014) published another recent study; they utilized a technology Model of acceptance to investigate the various factors influencing the intention of customers to shop online. This study examined the effects of utility, ease of use, financial risk and Attitude towards shopping online. The results suggest that financial risk has negative impact.

Lu et al., (2005) stated in this paper, financial risk is defined as the possibility of monetary loss connected with the purchase of a commodity. Financial risk as the possibility of losing money on unknown brand from the trial & the price paid is more and the same product is available in the open market at a much cheaper rate. It is likely that one's credit-card details will be improperly used.

Sandra M. Forsythe (2003) defined in his research that 'financial risk is defined as a net loss of money to a consumer and it's possible misuse. Thus, a sense of uncertainty about the use of online credit cards stems from financial risk concern. For consumers 'unwillingness to provide details of their credit card over the web has been cited as a significant online barrier and customer always think that it is too easy to get a credit card details stolen online.

### **Product risk:**

Internet makes it difficult to inspect physical items, like any sort of non-store shopping; consumers need to rely on very restricted data and images shown on the computer screen. Product risk is the belief that the purchased product could not work as originally intended. Loss incurred when the brand or service does not perform as expected is mainly due to the inability of shoppers to accurately evaluate the quality of online product.

Milorad Kilibarda (2018) found that, in online shopping, the quality of goods and services has a positive effect on consumer satisfaction. The perceived product quality is defined as the judgment of the consumer regarding the overall excellence or superiority of a product. The report suggested that minimizing the cost of the product and optimizing the quality of the product should be considered as key factor in e-commerce performance. Noted that

the perceived performance of the product is the most important satisfaction-related determinant. A number of studies on online shopping, argue that the standard of service has a positive effect on consumer satisfaction.

Tanja Kaurin (2018) mentioned that, online retailers who offer excellent service quality comply with the expectations of their customers and increase their satisfaction. Quality of service is interpreted in & as the degree of assistance provided by online retailers for the purchase, delivery and distribution of products and services in an efficient and effective manner. By presenting and uploading information either through formal or informal platforms, online vendors lift their customers' standards and add value to their offerings. It is therefore very necessary to monitor quality in the industry in order to guarantee the highest quality of service for customers. The quality of service is the ability, first to anticipate and secondly, to fulfill customer requirements.

Ankita Popli (2015) through her research feels that, there is marginal possibility of reviewing or checking the service costs when making a purchase online. The Privacy of customers at risk need to rely on the minimal details supplied on the website about the product. Most of the time, consumer personal details are disclosed without the permission of the consumer.

Chan Cheng Yee (2014) states that, another means of cognitive signal warranty is where it is a means of demonstrating it as a commitment to fulfill what consumer wants. Warranty is a treaty that covers the future contingency solution for failure, or some issue with the goods that they have acquired.

Charlene Gerber (2014) expressed in this paper, 'Functional risk', which is also referred as the risk of success is characterized as ambiguity and uncertainty. As a consequence of a commodity not working in any degree predicted. Risk of product performance can result from a bad choice of product due to the weakness of the shopper to judge the quality of the product accurately. Physical risk refers to the possibility that purchased products can lead to personal injury & describe the concept of physical risk to oneself and others as the risk that the brand should pose. Physical risk has been identified as well, as a possible threat to the protection of a person Well-being, and physical health.

Masoud (2013) a research on Jordan's online customers was conducted by this author & the purpose of this study was to analyze the perceived risk (financial, product, time, delivery and information security). The research conducted a survey of 395 buyers online and clients to explore the study hypothesis. He chose the customers who had previous online shopping experience and the study selected the most popular online stores in Jordan. The outcome of the study showed that four perceived risks (financial, product, distribution and delivery) had a negative impact on online shopping activity. Furthermore the review it was noted that there was no substantial impact between time and social risk on online transactions Consumers of Jordan.

Emad Y. Masoud (2013) research results clearly mention that, the Internet makes it difficult to inspect physical items, just like any form of non-store shopping; customers access of details and images displayed on the computer screen are somewhat limited. Product risk is the belief that a purchased product does not perform as originally anticipated & and the damage sustained when a brand or commodity does not perform as expected is primarily due to the loss & inability of shoppers to reliably determine the quality of the product online purchasing.

Zhao Hong (2012) conducted research and found that, the mattress of the false products is the undistinguished identification of both sides. Other frequenters the so-called cheap brand products are said to be attributed not to the low cost but to the false rampancy. Besides that, we may compensate for the lack of diversity in commodities and even broaden the second-hand market, but many times, without knowledge, people would get robbed well. Product risks including: 1) shopping online can result in buying fake goods, 2) the quality of the product maybe not as described, advertised 3) Products purchased online may not satisfy the needs and expectations, and 4) shopping online cannot get good reviews even for the good quality product.

Mohd. Shoki & Md Ariff (2007) state that, non-store shopping is online buying, so it is difficult for customers to examine quality of physical products because they can rely only on limited data, drawings, graphics and visuals images that are seen on the computer screen. As a result, the goods purchased could not work as it is said that they are. Product risk is typically about a product purchased that does not work as planned initially.

Kamarudin Mat Ali (2007): said in his research, that several studies have shown the substance or product, the probability of performance or the fear of the product not working or performing as planned is raising the online climate. In short, the inability to touch, feel, evaluate or try are the primary issues when shopping online are goods before they are bought and those concerns will increase the perceived product or performance risk.

#### **Time risk:**

Time risk is the idea that when a product bought is repaired or replaced, time, comfort, or effort may be lost. The time risk involves the inconvenience of online purchases, frequently triggered by difficulties accessing and/or sending orders, or delays in obtaining items. Time risk including:- Too long to search the information, Private

risk, Private information lost, Uncertainty of the delivery time Be traced of the buying habit, Trivial payment procedure Unpermitted contact & Over long withdraw time.

Milorad Kilibarda (2018) one of the most influential factors in online shopping is saving time. Time is the primary resource expected by customers whether they buy online or in conventional shops. Compared to conventional shopping, browsing the online catalogue during online shopping saves time and reduces tension. One of the possible reasons why shopping online saves time and remove the travel needed to go to the shop. On the other hand, present a driving factor for customers to shop online is it is time saving however it also takes some time for goods to be shipped.

Tanja Kaurin (2018) The benefit of online commerce, according to consumer experience, is related to buying convenience and the reduction of time spent on shopping. The perceived time constraints are one of the most important issues people normally struggle with. Time constraints present the degree to which one knows that there is little time left in relation to everyday responsibilities and tasks. This greatly simplifies the lives of its users because online trading can be done anywhere and at any time; by shopping online, customers escape traffic queues, they do not have to look for a parking lot or be a part of the crowd in the store.

Shu-Hung Hsu (2017) Risks related to the time taken to get the object. In addition, this risk is likely to be related to the time and effort lost in returning or exchanging goods. Risks related to any technological difficulties that exist, such as sluggish web servers. Any difficulty experienced in browsing can be associated with this risk. All the lost time can be included in this form of risk, such as travel time and waiting time. Risks of time calculated by four components in online shopping and developed by Zhang et al including: 1) if the product has a problem, it takes time to exchange with the seller and the service, 2) if the seller does not deliver as expected and 3) the quality of different delivery service, delivery will take more time 4) the return product through several stages.

Dr. Smita Mishra (2015) It is the perception that if it has to be replaced or the scenario of an online purchasing environment, the time spent on perceived risk factors that influence customer behaviour in online shopping can be lost. This applies to the inconvenience experienced due to delays in orders or difficulties accessing the correct products.

Shaista Kamal Khan (2015) this risk is related to how the customer perceives the delay in delivery time, the quality provided, the after-sale services and the online vendor relationship. This depends largely on the efficiency of the online service or e-service offered.

Shannon Ward (2014) Time risk occurs when a time passage decreases the product's ability to fulfil desires, such as when a product becomes redundant quickly. Time risk also refers to the possibility that a transaction results in a loss of time to purchase or maintain the item. Time risk applies, in more basic terms, to the probability that a purchase will take too long or waste too much time. In addition, time risk relates to the time and effort lost in returning or exchanging the product and any technical issues such as a slow website server and this time risk was defined as the time, ease and effort wasted in modifying, fixing or replacing a product.

### **Delivery Risk:**

Potential loss of delivery due to lost merchandise, faulty items and delivered to the wrong place after shopping. Consumers worry that delivery will be postponed for various reasons; the delivery company may not deliver within the time period agreed with consumers or the consumer worries that the products may be faulty when packaged and delivered or that there will be no adequate packaging and handling during transport.

Tanja Kaurin (2018) Delivery is a link in the supply chain that affects the customer directly and gives satisfaction. In any method, and particularly in online shopping, delivery represents a key activity. Service delivery is a requirement for the satisfaction of the customer. It implies that the ordered product, which is well packaged and whose quantity, quality and specification are in compliance with the order, as well as the delivery time and place fixed, will be received by the customer. The customer expects the delivery of the promised product in a trustworthy and reasonable manner from the retailer. According to the promised terms, the customer assumes that he is entitled to receive the concrete product within the set time.

Nebojša Vasić (2018) has stressed that the delivery service presents the most important factor in meeting the standards and satisfaction of the e-customer. In online shopping, the fundamental and important target for online customers is secure, healthy and timely delivery. Consumers are inclined to purchase a product from their homes and thus expect a safe secure and quick shipment to their destination of the desired product. Timely and accurate delivery plays a key role in meeting the needs of customers and generating their happiness in the online world. The delayed delivery would make the client feel unhappy. New online purchases are encouraged by timely and efficient product delivery.

Milorad Kilibarda (2018) stated in his paper, the efficiency of the delivery service also affects the confidence in

online shopping. With one click, customers can easily migrate from one website to another if they are unhappy with delayed and unsecured deliveries. It is therefore necessary for the distribution to be carried out in compliance with the requirements of the customers.

Pham Minh Luan (2017) mentioned in his paper, that delivery risks are calculated by three elements, including: 1) service delivery can make it possible to lose goods 2) service delivery can make products perishable and 3) service delivery contributes to the wrong address delivery.

Hong (2015) indicated that if consumers purchased the product from a reputable online merchant, the product delivery risk has a positive impact, so customers find ways to approach trustworthy online sellers to minimize the risk of delivery of the product. The customer feels comfortable and protected from undesired product delivery issues when buying from reputable online merchants.

Hashim Shahzad (2015) found that, because of the presence of the distribution risk, many clients had less intention of shopping online. The outcome of the study showed that people who buy online once a week or make multiple online transactions in a month unlike those who shop online less than once a month - they had a positive impact on product delivery.

Dr. Smita Mishra (2015) said that, the possible loss incurred is involved in this form of risk. The Anticipated Action Theory. Maybe during the transit of goods to the Organizational Behavior and Human Point of Purchase from the point of sale. The fear of delays in distribution, disruption to decision processes, inappropriate packaging during transit. Some of the validation methods for evaluating main factors used in this category of risk is the production and mismanagement in the handling of goods.

Adnan (2014) stated that the delivery of the product had a detrimental effect on the purchase behaviour of the customer and proposed that if an item is not shipped to the consumer on time, online retailers could offer insurance coverage to online buyers. Consumers are fearful of not delivering goods in time or delaying delivery, which contributes to a high risk of delivery of products.

Emad (2013) Potential loss of delivery due to missing merchandise, damaged goods and sent to the wrong location. Because of different reasons, consumers fear that delivery may be delayed; the delivery company may not deliver within the time period or customers fear that the goods will be defective when treated and shipped or no adequate packaging and handling during transport.

Moshref et al. (2012) conducted a study on "An analysis of variables affecting consumer online shopping behavior" from an Iranian perspective and assessed the effect on online shopping behaviour of various perceived risk factors (financial risk, product risk, convenience risk and non-delivery risk). Their study concluded that two perceived risks (financial and non-delivery) had a negative impact on Iranian consumers' online shopping conduct, while other perceived risks (domain-specific, creative and subjective standards) had a positive influence on Iranian consumers' online shopping behaviour.

Norhayati Zakuan (2007) stated that, the risk of non-delivery is one of the main worries when consumers decide to purchase goods online. Author described non-delivery risk caused by missing goods, defective goods and sent to the wrong place after confirmation of online order. Consumers are worried about the distribution process for example: the product could be damaged during transport, shipped to the wrong address or in some cases, delayed. Consumers believe that delivery will be postponed due to a number of reasons, such as the delivery company will not produce the ordered goods within the timeline negotiated with consumers. Feeling that the goods could be harmed during handling and transport to customers is also part of the risk of non-delivery.

### **Social Risk:**

Social risk refers to the assumption that rejection by family or friends may result from the purchase of the product. It also refers to the potential loss of standing in the social network of consumers due to either the impropriety of the product or the unwillingness to use the internet as a shopping platform. Usually, in order to reduce social damage, customers are seeking guidance or approval from others in their social groups.

Ankita Popli (2015) said that, this form of risk includes the fear of rejection of the family and friends. This involves the loss of status in perceived risk, the internet shopping of the social group due to the impropriety of the product or experience and online buying behaviour: the use of the internet as a means of purchase.

Leila Goedhals-Gerber (2014) mentioned in this paper that Social risk represents the individual's dissatisfaction with friends and family in the event of a bad choice of product or service. Social risk is also characterized as the possibility of purchasing, resulting in others thinking less favorably about the customer. It is important to note the concept of social risk, as both relate to the impact of risk on the ego. The ego is an internal self-image state and trying to control that ego is a psychological risk and has been agreed for the intent of this report.

Emad Y. Masoud (2013) Social risk refers to the belief that rejection by family or friends may result from a

purchased product. It also applies to the possible loss of standing in the social community of customers due to either the product's inappropriateness or the rejection of using the internet as a shopping platform. Typically, in order to minimize social harm, consumers attempt to seek advice or approval from others in their social community.

### **Psychological Risk:**

Psychological risk is the disappointment of an individual in the event of a poor choice of products or services. Psychological risk is often defined as the possibility of a specific transaction being inconsistent with the personal or self-image of the customer. Psychological risk as the probability that the consumer's ego would be harmed by the option of a bad product. It can also be concluded that the psychological risk refers to the internal and personal assessment of the customer's dissatisfaction.

Tanja Kaurin (2018) shoppers expect all appropriate and correct product details to be offered by online retailers. Since online shoppers seldom have the opportunity to touch and feel the items before making a purchasing decision, online retailers need to provide that information. Consumers trust data that will satisfy their demands. A number of scholars agree that knowledge quantity and credibility are key elements in ensuring service quality in e-shopping. The quantity of information refers to the capacity of accessing the adequate information during online shopping (e.g., price comparison), while the credibility refers to the degree of consumers' trust in information provided by online vendors.

Shahrin Saad (2018) Internet shopping is a risky and challenging way to shop because when customers purchase a product they think the seller is absent from the shop, so this is very risky and challenging for customers in the absence of the seller to buy. Confidence is a key factor in the success of the online company and the buyer's behaviour is a good expectation. There are several variables that influence the behaviour of online shopping and one of the key factors that hinders online shopping is the lack of trust of consumers in internet shopping.

Milorad Kilibarda (2018) Security is described as a website's ability to protect the personal data of consumers from unauthorized disclosure of information during electronic transactions. Protection is considered to be a significant factor seriously viewed by buyers of online purchases. This is due to the fact that protection and privacy concerns play a crucial role in building trust during online transaction. Since online shopping typically involves payment by debit or credit card, consumers often turn their attention to retailer information. Consumers' willingness to visit and shop online retailers is directly linked to consumers' confidence in the provision of personal information and credit card payments. Consumers prefer to purchase a product from a supplier they trust or from a brand they are familiar with.

Shahrin Saad (2018) studies show that there is a substantial negative effect of the risk of convenience on online transactions & on the other hand, some studies suggest that the risk of convenience has an insignificant effect on online shopping.

Nebojša Vasić (2018) Providing sufficient details will help online retailers dispel customers' concerns and concerns about a specific product or online shopping. Consumers want to access all information instead of byte sounds, which will allow them to make an informed decision about a product, service or supply. Interactive online product and service comparison platforms are seen as the key means of accessing information that will promote the online shopping decision-making process, making customers more satisfied. Product knowledge is defined in terms of abundance and consistency as components of e-satisfaction.

Salimon Maruf G badebo (2018) Convenience risk is correlated with customers' belief that they will experience problems at the place of order or that they will not be able to cancel one place of order or that there will be delays in obtaining or returning goods. Potential loss of time when a consumer searches for a product on the internet and compares the product of a business to another product is frustrating to consumers because most people do not know how to work and how to search for the correct items; therefore, buying products takes a long time before using them.

Amit Saha (2017) Esteem is an important factor and has a broad impact on online because of online ads and online site shopping attitude, it takes time to download web pages relevant to customer concern about online security that may steal personal information.

Dr. Gagandeep Nagra (2016) Psychological factors such as the confidence in the extent of protection provided by a website and safeguard customers' personal information are reported by the researcher. He also stated that trust and security had a significant and positive effect on consumer behaviour in online shopping. The major barriers to consumers' failure to buy online were the online retail environment, confidence and safety factors. In particular, Turkish consumers are socialised, go to bazars and spend hours in shopping malls and they preferred to shop through the markets for their goods through physical inspections.



Dr. R Gopal (2016) The researcher argued that the safety factor indicates the confidence of the consumer in online shopping as well as the protection of the financial details of the consumer that should not be breached or exchanged with a third party in the sense of online shopping and believed that trust and security are key obstacles for consumers not to shop online.

Aishah Arshad (2015) A variety of factors, including user demographics, internet experience, product characteristics and website attributes, among others, can influence or moderate the perceived risk. The perceived product risk varies with consumers' age and Internet experience. Age, gender, work-orientation have some effects on online shoppers. Internet is used mainly by job-oriented individuals for work purposes and older individuals for contacting their relatives abroad. In the quest for a cooking recipe most women are observed using the internet or for comparison with fashion brands. For their research or entertainment purposes, teenagers and young adults are found to use the internet. This disparity in understanding of the internet also has a significant influence on online shopping conduct.

Shaista Kamal Khan (2015) Even if we talk about today's time, we can see younger people, particularly teens, who are active consumers of online goods, especially products that are advertised on social media sites such as Facebook. It was found that a number of teenagers were actively interested in the online purchasing of tablet covers, animated shoes and t-shirts, toys, music, books and other items that are not accessible in their local markets.

Charlene Gerber (2014) Psychological risk represents the dissatisfaction of a person in the event of a bad choice of goods or services. Psychological risk is also characterized as the probability of a particular transaction being inconsistent with the consumer's personal or self-image. Psychological risk as the possibility that the consumer's ego will be bruised by a bad product choice. Therefore it can be inferred that psychological risk applies to the internal and personal evaluation of dis-satisfaction by the customer.

Monsuwe et al. (2004) claimed that the breach of the trust of customers contributes to a negative attitude towards online shopping. Holding the personal information of customers safe and stable, on the other hand, leads to a more positive attitude towards online shopping. Thus, confidence was a significant psychological factor that influenced customer intentions to shop online.

Grabner-Kraeuter (2002) defined two dimensions of trust-related problems: 'system-dependent uncertainty and transaction-specific uncertainty' in the online shopping world, the study used the trust economic model and concluded that trust is more important and fundamental to the reduction of financial transactions and relationship uncertainty and complexity.

## **SUGGESTIONS TO MITIGATE ONLINE SHOPPING RISKS:**

- Buying electronic goods online has become the new trend because products are cheaper online and more trustworthy. It is advisable to the electronic goods companies to make their presence online and facilitate the purchase of their goods without hassles.
- Respondents said they always compare prices and brands before purchase of apparel. It is suggested that to have a good sales turnover the branded apparel companies must come up with innovative strategies of attracting the customers.
- Marketers should provide a wide assortment of products for online store. In keeping with the recent trends happening in the world around us, time has become a very important commodity. To save time and also because of convenience, food and groceries are bought online. Therefore, measures must be reinforced to protect the interest of customers.
- Security of the website is an important risk to the shoppers. Online websites should be compelled to spell their conflict resolution policy so customers feel more confident about shopping online.
- There should be an official website by the government which displays the information list of all trusted retailers. Affordable high speed internet to be made available.
- A well designed website reduces a consumer's effort, cost of searching and time required for information processing.
- Speed in quick opening of sites and download time should be given due importance as the customer lacks patience if it is slow.
- Website design must be given due importance. Since many owns email and check it on daily basis, provides an opportunity for marketers to send in promotions and advertisements through email. Emails are known as a strong medium for higher sales, it also remains one of the highly used mediums for spamming. It not only affects website's security, but it also damages the website speed too. Phishing is a common security threat of

ecommerce where hackers masquerade as legitimate businesses and send emails the clients to trick them into revealing their sensitive information by simply presenting them with a fake copy of legitimate website or anything that allows the customer to believe the request is coming from the business. Therefore cyber police must come out with proper legislative norms to safeguard the interest of the people.

- There must be some standard amicable norm for return and refund policy to safeguard the interest of both sellers and purchasers.

## CONCLUSION:

Increased use of mobile phone and internet has led to unprecedented growth in online shopping. The contact norm between sellers and customers has changed since the extensive adoption of internet. The ability to measure different dimensions of online shopping would take Indian e-tailers to a great height in maximizing both customer satisfaction and profits. Despite the advantages of online shopping over indoor shopping and positive expectations for potential growth of online shopping, negative factors associated with this method of shopping are also becoming important. Risk plays an integral role in consumer behaviour and provides a valuable contribution to understanding information-searching behaviour and decision-making on consumer purchases. For online Consumers' perceived risk is considered as a fundamental concern of decision making process during online shopping as it deals with degree to which a person expresses uncertainty about a service or good. In an online shopping environment, as compared to a physical one, greater risk and less trust are expected because of the fact that there is huge difficulty in evaluating a product as there are no visual or tangible indications related to the quality of the product nor face-to-face interaction with sales personnel and the purchase is affected by security and privacy issues. For e-commerce to achieve its full potential, online retailers should gain an awareness of the perceived threats that customers are most concerned about when shopping online. Most companies have no choice today but to offer their products online if they have to be in the competition. This is also with the aim of cutting marketing costs and reducing the price of their products and services in the markets. Various risk perceptions associated with online shopping are playing a significant role in inducing consumers buying behavior. When a business creates a high quality in service, it will easily meet the customer expectation and their need which can create loyalty towards the customer once they satisfy with the purchased product or services. A successful business must not only do well on satisfy customer needs yet it also needs to give them surprise and delight them. From this point of view, delighting customer is a way to exceed the customer expectations. Mitigating different risks associated with online shopping is a sure way of enhancing customer satisfaction.

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