

# Key Drivers of Purchase Intent by Indian Consumers in Omni-Channel Shopping

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## Abstract

10 years ago in India, any retail focused on making the products available in the stores and help customers buy the same when they walked in. Today, with the availability of the Internet, smart phones, and tablets, the patterns of customer buying have changed. There are numerous apps and websites available to help customers find the right product, recommendations, offers and discounts at the click of a button anywhere, anytime. The boundaries of retail channels are eroding - a customer could be standing in a retail store and accessing information and offers available on a website. In the current scenario, shoppers are not just shopping online, but are merging their online and offline shopping practices. There are multiple channels available to customers and they, at a time, access one channel while in the middle of another channel, like accessing a mobile app from a store. Brick and mortar (B&M) retailers also face a continuous challenge from e-commerce retailers, who work with lower overhead costs and provide the best deals to customers on every purchase. Considering the paucity of literature and lack of adequate research on omni-channel in the Indian context, and emergence of implementing a true omni - channel strategy as a tool for the full integration of the offline and the online customer shopping experience, this study was undertaken to analyze the factors which influenced the purchase intent of the customer in omni-channel buying. Both qualitative and quantitative research was carried out to arrive at the variables, and hypotheses and statistical packages such as Excel and SPSS were employed to test the hypotheses. From this study, it emerged that in an omni - channel approach to consumer purchase intent by an Indian consumer, for it to be impactful, it must be supported by systems that make the order status visible to customers. There is likely to be a better buyer response if the product codes of the product across channels are the same. Further location-based promotions positively impacted purchase intent. Companies would, therefore, benefit by adopting digital strategies that augment consistent product codes across channels, real time tracking of orders, and location based promotions based upon this research.

**Keywords :** Indian consumer, shopping behavior, digital marketing, omni-channel, multi channel, e-commerce, brick & mortar

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According to Cormode and Krishnamurthy (2008), Web 1.0 is a retronym referring to the first stage of the World Wide Web's evolution. Content creators were few and the Internet was used for very limited purposes, the emphasis used to be on providing information through overstuffing of web-pages consisting mainly of static pages hosted on ISP-run web servers or on free web hosting services. Web 2.0 was introduced in 2003 - 04 to encompass various novel phenomena on the World Wide Web or "Web as Platform," where software applications were built on the web as opposed to on the desktop and users generated content (in the form of ideas,

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text, videos, or pictures) that could be "harnessed" to create value (O'Reilly, 2005). Web 2.0 fuelled various social media, and the concept of e-commerce and e-businesses that evolved to become the source of income. This led to coining a new term called "E-Business". E-business/e-commerce as defined by Damanpour and Damanpour (2001) is any "net" business activity that transforms internal and external relationships to create value and exploit market opportunities driven by new rules of the connected economy. According to Singh (2008), the emergence of e-commerce as a business technology has fundamentally changed the structure and environment of business, offering businesses and customers a powerful channel and making it possible for these two parties to come together in more efficient ways by creating a new marketplace. Furthermore, by using monitoring software and customer relationship management techniques, e-service firms can track, analyze, and cater to specific customer needs. Companies around the world are realizing the benefits of e-commerce, and they are using e-commerce as a part of their business strategy. As a result, e-commerce has registered a very rapid growth across the globe as well as in the merging economies (Joshi, 2013). Joshi and Achuthan (2016) stated that the e-commerce market in India is set to grow the fastest within the Asia-Pacific region between 2012 and 2016. According to Forrester, the e-commerce market in India was set to grow the fastest within the Asia-Pacific Region at a CAGR of over 57% between 2012 - 2016 (E - Commerce in India, n.d.).

Just like any industry, e-commerce has also undergone evolution, and it has been changing the way it does its business and this eventually leads to the development of new business models. Seeing the attractiveness of e-commerce, many retailers are tempted to use this model as a secondary business to gather online presence along with offline presence. Click and mortar leads to synergy in business by offering cost savings, improved differentiation, enhanced trust, and market extension. Malviya, an Economic Times journalist, stated that the retail market in India will primarily be driven by omni-channels as brick-and-mortar retailers enter e-commerce to support their stores (Malviya, 2015).

10 years ago in India, retail focused on making products available in the stores, and help customers buy when they walked in. Today, with the availability of the Internet, smart phones, and tablets, the patterns of customer buying have changed. There are numerous apps and websites available to help customers find the right product, recommendations, offers and discounts at the click of a button anywhere, anytime. The boundaries of retail channels are eroding ; a customer could be standing in a retail store and accessing information and offers available on the website. In the current scenario, shoppers are not just shopping online, but are merging their online and offline shopping practices.

## Literature Survey

Today, there are multiple channels available to customers and they, at times, access one channel while in the middle of another channel, like accessing a mobile app from a store. Brick and Mortar (B&M) retailers also face a continuous challenge from e-commerce retailers, who work with lower overhead costs and provide best deals to customers on every purchase that has triggered a strong focus on the use of multichannel retailing (Bick & Abratt, 2008 ; Kruger & Fourie, 2003; Neslin & Shankar, 2009 ; Stone, Hobbs, & Khaleeli, 2002 ; van Birgelen, de Jong, de Ruyter, 2006).

Multichannel retailing was broadly defined by Stone et al. (2002) as a distribution strategy to serve customers using more than one selling channel or medium such as the Internet, television, and retail outlets and refined by Neslin, Grewal, Leghorn, Shankar, Teerling, Thomas, and Verhoef (2016) as multichannel customer management as the design, deployment, coordination, and evaluation of channels to enhance customer value through effective customer acquisition, retention, and development. Rigby (2011) stated that :

As it evolves, the digital retailing is quickly morphing into something so different that it requires a new name: Omni-channel retailing. The name reflects the fact that retailers will be able to interact with customers through countless channels - websites,

physical stores, kiosks, direct mail and catalogs, call centers, social media, mobile devices, gaming consoles, televisions, networked appliances, home services, and more. (p. 67)

He also observed that unless conventional merchants adopt an entirely new perspective - one that allows them to integrate disparate channels into a single seamless omni - channel experience - they are likely to be swept away. He went on to describe omni-channel retailing as an integrated sales experience that melds the advantages of physical stores with the information-rich experience of online shopping. Kamel and Kay (2011) added that a true omni-channel experience infers the desire to serve the customer however, whenever, and wherever they wish to purchase merchandise (and return it too). From these two definitions, it is clear that the omni-channel concept involves the integration of various channels in order to serve the customers in a customized fashion through their channel of choice. This is different from multichannel retailing in that some retailers, who make use of multichannels, still operate their channels in silos. A true omni-channel experience would mean that one transaction can span over more than one channel. A customer can, for example, purchase a product online (digital environment) and he or she can collect it at the supplier's retail outlet (offline). Therefore, implementing a true omni-channel strategy implies the full integration of the off-line and the online shopping experience (Rigby, 2011).

Neslin and Shankar (2009) conducted a research on the emerging issues and challenges faced by a firm in multi-channel customer management. This paper described a model customer-management based framework for guiding a firm's multi-channel decisions and used this framework to identify and review the key issues. This framework identified the steps managers must take in developing and implementing a multichannel strategy. Carroll and Guzmán (2015) used Accenture's Nonstop-Customer Experience Model to help the service providers' understanding of customer behavior. Panigrahi (2013) reviewed the available literature on multi-channel retailing and channel choice behavior of consumers and developed a research agenda on multi-channel retailing. The purchase transaction (ordering, payment, and fulfillment) stages and differences in cross-channel ordering and payment policies were analyzed by Chatterjee (2006) to determine the consequences for purchase outcomes. This paper discussed the managerial implications for pricing consistency, customer segmentation, and retail market structure. The paper depicted that retailer satisfaction, unplanned purchasing, and sizes of purchase orders were higher for cross-channel retailers, and the impact of simultaneous (pre - payment) and separable (no pre- payment) cross-channel ordering and payment policies showed that separable policies lead to greater satisfaction, unplanned purchases, and purchase order sizes. The author assumed that the cross-channel retailers maintain consistency in prices online and in their physical stores.

Wikstrom (2005), in his paper, proposed that the precondition of new channel is vital not only for the sake of knowledge per se, but also to enhance the ability of organizations and consumers to exploit the efficiency gains from the e-channel in the service production. Using two sets of different theories namely, theory of innovation adoption and theories of shopping, he analyzed the consumer adoption of the e-channel. The paper also described that when consumers are offered both the channels, they chose the optimal alternative solution based upon the situation.

Most of the above studies have been in the Western context. There has not been adequate research on omni-channel in the Indian context. From the available research, in the Indian context, Mittal (2014) described about the functional building blocks like in store mobility, personal management, and enterprise inventory visibility, and the technologies to be adapted to enable the seamless flow of information across all the channels for creating an omni-channel experience for customers. Das (2014) examined the affecting factors that influence Indian consumers' attitude toward retailers and purchase intention from the retailers. This research indicated that self-congruity, retailer awareness, retailer associations, and retailer perceived quality had a significant positive impact on consumers' attitude toward retailers. The results also indicated that consumers' attitude toward retailers positively influenced purchase intention. This paper was the first to explore linkages between the affecting factors that

influence consumers' attitude toward retailers and purchase intention in the Indian context. However, none of these research papers gave any pointers on the purchase intent of the Indian consumers.

## Research Gap and Hypotheses

Lack of adequate research, paucity of literature on omni-channel in the Indian context, and emergence of implementing a true omni-channel strategy as a tool for the full integration of the offline and the online customer shopping experience was the motivation for undertaking this research in the Indian context during 2014 - 2016. From our literature survey, we were able to strike a cord between our key take away from the review. Besides, literature survey, a focus group on qualitative analysis of netnography, blogs, and customer reviews was done. Focus group discussions were used for the exploratory research and quantitative research to arrive at the hypotheses.

**(1) Variables :** From the literature survey and focus group discussions, it emerged that the main attributes that drive the customer purchase intent in omni-channel are price, product codes, view of store inventory online, item availability, location-based promotions, product reviews, customer self-service, and order status visibility. These were taken as the independent variables that impact the purchase intent in omni - channels in India, the dependent variable being purchase intent and the following hypotheses were formulated :

↻ **Dependent Variable :** Purchase intent

↻ **Independent Variables :**

- ↻ Price,
- ↻ Product codes,
- ↻ View of store inventory online,
- ↻ Item availability,
- ↻ Location-based promotions,
- ↻ Product reviews,
- ↻ Customer self-service,
- ↻ Order status visibility.

## (2) Hypotheses

- ↻ **H<sub>1</sub> :** The uniform price of the product across channels impact the purchase intent of consumers.
- ↻ **H<sub>2</sub> :** The product codes of the product across channels impact the purchase intent of consumers.
- ↻ **H<sub>3</sub> :** The view of store inventory online impacts the purchase intent of consumers.
- ↻ **H<sub>4</sub> :** The product availability information across the channels with the retailer have an impact on the purchase intent.
- ↻ **H<sub>5</sub> :** Location based promotions have an impact on the purchase intent.
- ↻ **H<sub>6</sub> :** Product reviews have an impact on the purchase intent.
- ↻ **H<sub>7</sub> :** Customer self-service has an impact on the purchase intent.
- ↻ **H<sub>8</sub> :** Order status visibility has an impact on the purchase intent.

## Methodology

Focus group discussion was used for the exploratory research and quantitative research to arrive at and test the hypotheses.

One of the methods of conducting exploratory research is through focus groups for the purpose of gaining information relevant to the research problem (Greenbaum, 1988). In this study, focus group discussions were conducted, and in all the focus group discussions, the moderator acted as the objective leader to the pre-screened audience and conducted the entire meeting in an unstructured and natural fashion. Interaction among the participants was ensured at the best possible level so that key insights could be sifted from all focus group interviews. Quantitative research, sometimes referred to as “survey research,” is research involving structured questions where a large number of respondents are involved (Burns & Bush, 2009).

In this study, as a sequel to the qualitative research that led to the identification of the above parameters, a quantitative research was done to test certain hypotheses that would have implications for the trade and in strategizing policy making. A survey method was used with a questionnaire instrument to measure : price, product code, store inventory, item availability, location based promotions, product reviews, and customer self-service order status visibility.

Respondents from various demographics were administered the instrument on a Likert scale (1-5). The method followed for the quantitative analysis is survey because the study required the customers' opinion who shop in online/retail store on omni-channel shopping. The questionnaire was designed for all the variables by adopting the scaling technique (Selltiz, Wrightsman, Cook, Balch, Hofstetter, & Bickman, 1976) on a 5-point Likert scale where, 1= *strongly disagree*, 2 = *disagree*, 3 = *neither agree nor disagree*, 4 = *agree*, 5 = *strongly agree*.

A total of 164 responses were received from the respondents from an age group of 18-35 years of both the genders. The occupations of the respondents varied from students to employees in different organizations who had been online shoppers since the study was conducted on omni-channel shopping.

## Analysis and Results

**(1) Reliability Test :** To check whether the questions correctly measure the independent variable, we measure the Cronbach's alpha through the reliability analysis. This would show the authenticity of the questions that measure the independent variables.

For each of the variables, two questions had been designed and the Cronbach's alpha obtained is given below that signifies the internal consistency and the reliability. It can be seen from the Table 1 that the Cronbach's alpha values reported for all the variables is greater than the acceptable level of 0.6 except for the variable - store inventory online. Hence , store inventory online was not considered for further analysis.

**Table 1. Summary of Reliability Test : Cronbach's Alpha**

Variable Name	Cronbach's Alpha
Price	0.705
Product	0.911
Store View Inventory	0.553
Location Based Promotion	0.775
Product Review	0.768
Order Status Visibility	0.765
Purchase Intent	0.643

**Table 2. Kendal's Tau-b Correlation**

		Correlations							
		Price	Product Code	Store Inventory Online	Delighted when available both Online and Offline	Location Based Promotions	Product Reviews	Choosing the way of delivery of product	Order Status Visibility
Kendall's tau_b	<b>Price</b>	Correlation							
	Coefficient	1.000	.124	.160*	-.099	.110	.036	.045	.116
	Sig. (2-tailed)	.	.065	.018	.161	.101	.591	.528	.091
	N	164	164	164	164	164	164	164	164
	<b>Product Code</b>	Correlation							
	Coefficient	.124	1.000	.120	.106	.284**	.246**	.164*	.016
	Sig. (2-tailed)	.065	.	.078	.135	.000	.000	.022	.822
	N	164	164	164	164	164	164	164	164
	<b>Store Inventory Online</b>	Correlation							
	Coefficient	.160*	.120	1.000	.136	-.026	.051	.195**	.163*
	Sig. (2-tailed)	.018	.078	.	.055	.696	.451	.007	.018
	N	164	164	164	164	164	164	164	164
	<b>Delighted when Available both Online and Offline</b>	Correlation							
	Coefficient	-.099	.106	.136	1.000	.030	.043	.232**	.136
	Sig. (2-tailed)	.161	.135	.055	.	.669	.541	.002	.060
	N	164	164	164	164	164	164	164	164
	<b>Location Based Promotions</b>	Correlation							
	Coefficient	.110	.284**	-.026	.030	1.000	.198**	.104	-.053
	Sig. (2-tailed)	.101	.000	.696	.669	.	.003	.142	.440
	N	164	164	164	164	164	164	164	164
<b>Product Reviews</b>	Correlation								
Coefficient	.036	.246**	.051	.043	.198**	1.000	.266**	.238**	
Sig. (2-tailed)	.591	.000	.451	.541	.003	.	.000	.001	
N	164	164	164	164	164	164	164	164	
<b>Choosing the way of Delivery of Product</b>	Correlation								
Coefficient	.045	.164*	.195**	.232**	.104	.266**	1.000	.311**	
Sig. (2-tailed)	.528	.022	.007	.002	.142	.000	.	.000	
N	164	164	164	164	164	164	164	164	
<b>Order Status Visibility</b>	Correlation								
Coefficient	.116	.016	.163*	.136	-.053	.238**	.311**	1.000	
Sig. (2-tailed)	.091	.822	.018	.060	.440	.001	.000	.	
N	164	164	164	164	164	164	164	164	

\* Correlation is significant at the 0.05 level (2-tailed).

\*\* Correlation is significant at the 0.01 level (2-tailed).

To identify the existence of benefits from the purchase intent of the customers when a product is available in omni-channels, a correlation test “Kendal's Tau-b” was performed from the response rating. The correlation matrix helps us to understand the relationship between the variables. Observing the  $r$  values of all variables mentioned above, the existence of a positive relationship between some of the common attributes is found in this research. The Kendall rank coefficient (Abdi, 2007) is often used as a test statistic in a statistical hypothesis test to establish whether two variables may be regarded as statistically dependent. This test is non-parametric, as it does not rely on any assumptions on the distributions of  $X$  or  $Y$  or the distribution of  $(X, Y)$ . Kendall's tau-b ( $\tau b$ ) correlation coefficient (Kendall's tau-b, for short) is a nonparametric measure of the strength and direction of association that exists between two variables measured on at least an ordinal scale. It is considered a nonparametric alternative to the Pearson's product-moment correlation when your data has failed one or more of the assumptions of this test. It is also considered an alternative to the nonparametric Spearman rank-order correlation coefficient, especially when you have a small sample size with many tied ranks.

The Kendall  $\tau$  coefficient is defined as :

$$\tau = (\text{Number of concordant pairs}) - (\text{number of discordant pairs}) / [n(n-1)/2]$$

From the Table 2 of Kendal's Tau-b, it is observed that variables - price, store inventory online, location based promotion, product code, choosing way of delivery, delighted when product available online and offline, product review, and order status visibility have a significant relationship between them ; whereas, product availability, product reviews, and self service are not supported. Hence, to further identify the relationship between these variables and to identify the critical factors, a factor rotation test under Factor Analysis is performed upon these variables. It supports the fact that all the questions for a given construct are homogeneous and reflect the same underlying construct since we don't know whether each question contributes equally to its respective construct, and we perform factor analysis to find the factor loadings.

**(2) Factor Analysis :** The factor analysis test processes the samples and segregates the variables under different components to build a component matrix. The variables that have a higher factor loading (greater than 0.65) are grouped commonly as Factors that influence the purpose of the study. The results of the factor analysis test are provided in the Table 3.

The Table 4 explains the total variance of all the components. Upon using the criterion of selecting Eigen values greater than 1, we can see from the highlighted numbers from the Table 4 that the three components or factors have produced Eigenvalues greater than this value. Hence, we have three factors that explain 55.309 % of the variance in the data.

**Table 3. Communalities**

	Initial	Extraction
Price	1.000	.738
Store Inventory Online	1.000	.464
Product Code	1.000	.572
Location Based Promotions	1.000	.594
Product Reviews	1.000	.409
Choosing the way of Delivery of Product	1.000	.535
Order Status Visibility	1.000	.546
Delighted when Available both Online and Offline	1.000	.568

Extraction Method: Principal Component Analysis.

**Table 4. Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.000	25.001	25.001	2.000	25.001	25.001	1.644	20.548	20.548
2	1.286	16.079	41.081	1.286	16.079	41.081	1.598	19.979	40.527
3	<b>1.138</b>	<b>14.228</b>	<b>55.309</b>	1.138	14.228	55.309	1.183	14.782	55.309
4	.977	12.209	67.518						
5	.765	9.565	77.083						
6	.671	8.382	85.464						
7	.611	7.633	93.098						
8	.552	6.902	100.000						

Extraction Method: Principal Component Analysis.

**Table 5. Component Matrix<sup>a</sup>**

	Component Matrix <sup>a</sup>		
	1	2	3
Price			.683
Store Inventory Online			
Product Code			
Location Based Promotions			
Product Reviews			
Choosing the way of Delivery of Product	.653		
Order Status Visibility			
Delighted when Available both Online and Offline			

Extraction Method: Principal Component Analysis. <sup>a</sup> 3 components extracted.

**Table 6. Rotated Component Matrix<sup>a</sup>**

	Component		
	1	2	3
Price			
Store Inventory Online			
Product Code		.742	
Location Based Promotions		.756	
Product Reviews			
Choosing the way of Delivery of Product			
Order Status Visibility	.735		
Delighted when Available both Online and Offline			.672

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. <sup>a</sup> Rotation converged in 6 iterations.



**Table 7. Component Transformation Matrix**

Component	1	2	3
1	.730	.682	.048
2	-.558	.635	-.535
3	.395	-.364	-.844

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

The variables grouped under different factors (based on rotated component matrix) are :

**Factor 1:** Order Status Visibility.

**Factor 2:** Product Code and Location Based Promotions.

**Factor 3:** Delighted when Available both Online and Offline.

The results from the component matrix, rotated component matrix, and component transformation matrix (Tables 5, 6, & 7) indicate that the variables identified have been segregated into three factors or components wherein, the first component consists of Order Status Visibility, the second one Product Code and Location Based Promotion, and the third Delighted when Available both Online and Offline. Thus, price, store inventory view, product review, and choosing the way the product is delivered do not seem to emerge as significant independent variables.

Therefore, three components - Order Status Visibility, Product Code and Location Based Promotions, and Delighted when Available both Online and Offline were considered as independent variables and tested for their significance in relationship with purchase intent of the consumers by carrying out regression analysis.

**(3) Regression Statistics :** The Model summary in Table 8 indicates a *R* square of 29.2%, which implies that when other variables remain constant, 29.2% of the variance is explained by this model, that is, Order Status Visibility, Product Code and Location Based Promotions, & Delighted when Available both Online and Offline.

**Table 8. Model Summary**

Model	<i>R</i>	<i>R</i> Square	Adjusted <i>R</i> Square	Std. Error of the Estimate
1	.553 <sup>a</sup>	.305	.292	.49151

<sup>a</sup> Predictors: (Constant), REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

**Table 9. ANOVA<sup>a</sup>**

ANOVA <sup>a</sup>						
Model		Sum of Squares	<i>df</i>	Mean Square	<i>F</i>	Sig.
1	Regression	16.988	3	5.663	23.440	.000 <sup>b</sup>
	Residual	38.653	160	.242		
	Total	55.640	163			

<sup>a</sup> Dependent Variable: Purchase Intent

<sup>b</sup> Predictors: (Constant), REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

**Table 10. Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.311	.038		112.323	.000
	REGR factor score 1 for analysis 1	.277	.038	.474	7.197	.000
	REGR factor score 2 for analysis 1	.157	.038	.269	4.089	.000
	REGR factor score 3 for analysis 1	.052	.038	.088	1.343	.181

<sup>a</sup>. Dependent Variable: Purchase Intent

**Table 11. Variables Identified**

Factors	Variables identified
Factor 1	Order Status Visibility
Factor 2	Product Code Location Based Promotions

**Table 12. Coefficients<sup>a</sup>**

Model		Coefficients <sup>a</sup>			T	Sig.	Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients			Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	4.311	.038		112.323	.000		
	REGR factor score 1 for analysis 1	.277	.038	.474	7.197	.000	1.000	1.000
	REGR factor score 2 for analysis 1	.157	.038	.269	4.089	.000	1.000	1.000
	REGR factor score 3 for analysis 1	.052	.038	.088	1.343	.181	1.000	1.000

<sup>a</sup>. Dependent Variable: Purchase Intent\*

**Table 13. Hypotheses Supported Summary**

Hypothesis	Hypothesis Statement	Factor	Significance Value	R square	Result
H <sub>8</sub>	Order status visibility has an impact on the purchase intent.	1	<b>0.000</b>	0.292	Supported
H <sub>2</sub>	The Product codes of the product across channels impact the purchase intent of consumers.	2	<b>0.000</b>		Supported
H <sub>5</sub>	Location based promotions have an impact on the purchase intent.	2	<b>0.000</b>		Supported
H <sub>4</sub>	The product availability information across the channels with the retailer has an impact on the purchase intent.	3	<b>0.181</b>		Not Supported
H <sub>1</sub>	Uniform Price across channels.			Not extracted in Factor Analysis	Not Supported
H <sub>3</sub>	View of store inventory online.			Not extracted in Factor Analysis	Not Supported
H <sub>6</sub>	Product review.			Not extracted in Factor Analysis	Not Supported
H <sub>7</sub>	Customer self service.			Not extracted in Factor Analysis	Not Supported

Addressing the *R* Square value, further analysis of variance shows that the variables used in the model are indeed significant as predicted by the ANOVA in Table 9.

The resultant variables obtained through the rotated component matrix of the factor analysis were further utilized by creating a "Factor Score" through SPSS for performing a regression statistic to identify whether these variables are significant or not. The regression statistic and the significance of its coefficients is produced in the Table 10. Here, it is observed that Factor 1 and 2 are significant at a confidence level of 99% for predicting the outcome variable (Sig. < 0.01) ; whereas, Factor 3 is not significant with the dependent (predictor) variable - purchase intent at Sig 18.1 (or 18.1%).

The Table 10 indicates that for every 1% increase in Factor 1, there is an increase of 0.277 (27%) in the purchase intent when other factors remain constant. Likewise, when there is a 1% increase in Factor 2, there is an increase of 0.157 (15%) in the purchase intent when other factors remain constant. Thus, factors assessed for Factor 1 and 2 are summarized in the Table 11.

However, these variables and factors are also to be tested for their collinearity, a test that checks for multicollinearity among the variables. The results of the collinearity tests for the factors chosen for our study are presented in the Table 12. The VIF value of 1 indicates that the factors and variables are unrelated.

**(4) Hypotheses Supported :** The Table 13 summarizes the hypotheses that were supported by this study by testing the eight hypotheses that were formulated at the commencement of this study. The Table 13 summarizes the basis of the results of various statistical tools that were used to test the hypotheses crafted on key drivers of purchase intent by an Indian consumer in omni-channel shopping. Only three of the eight hypotheses, that is, Order Status Visibility, Product Code, and Location Based Promotions seem to be supported. The other hypotheses, that is, price across channels ( $H_1$ ), store inventory ( $H_2$ ), item availability ( $H_4$ ), product reviews ( $H_6$ ), and customer self service ( $H_7$ ) do not lend them to be supported statistically and are not extracted in factor analysis.

**(5) Model:** From the regression analysis, the unstandardized equation will be :

$$\text{Purchase intent} = 4.311 + 0.277 * \text{Factor 1} + 0.157 * \text{Factor 2}$$

## Discussion

**(1)** Kendall's Tau-b indicates that variables : price, store inventory online, location based promotion, product code, choosing way of delivery, delighted when product available online and offline, product review, and order status visibility have a significant relationship between them ; whereas, product availability, product reviews, and self service are not supported.

**(2)** However, going forward, the results from component matrix, rotated component matrix, and component transformation matrix indicate that the variables identified have been segregated into only three factors or components wherein, the first component consists of Order Status Visibility, the second one Product Code and Location Based Promotions, and the third Delighted when Available both Online and Offline. Thus, price, store inventory view, product review, and choosing the way the product is delivered do not seem to emerge as significant independent variables, though they are supported by Kendall's Tau-b.

**(3)** Only three components - Order Status Visibility, Product Code and Location Based Promotions, and Delighted when Available both Online and Offline emerge as significant independent variables.

**(4)** However, the regression statistic and the significance of its coefficients indicate that order status visibility,

product code, and location based promotion are significant ; whereas, product availability is not significant with the dependent (predictor) variable - purchase intent.

## **Conclusion and Managerial Implications**

In an omni- channel approach to consumer purchase intent by an Indian consumer, for it to be impactful, it must be supported by systems that make the order status visible to customers. There is likely to be better buyer response if the product codes of the product across channels are the same. Furthermore, location-based promotions positively impact purchase intent.

The implications of this study from a marketing management standpoint is that the potential for augmenting sales by retailers can improve by adopting digital strategies that ensure location based promotions. Use of digital strategies that help buyers track status of orders will augment intent to buy. Similarly, using product codes across channels will help improve purchase intentions by raising the purchase intent. Companies would ,therefore, benefit by adopting digital strategies that augment consistent product codes across channels, real time tracking of orders, and location based promotions based on this research.

## **Limitations of the Study and Directions for Future Research**

It emerges from this research that price, product availability, product reviews, and self service are not supported; however, qualitative research and from a hedonic point of view, all of us as consumers do look at price, product availability, product reviews as being in the consideration set. This may perhaps be on account of the sample size and product category. It is ,therefore, suggested that this research be extended to :

- (i) A larger sample size,
- (ii) To specific product groups and include high value consumer durables and,
- (iii) Services.

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