

Perception of Consumers towards Sustainable Omni-Channel Retailing

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Abstract. The previous two decades have seen a considerable shift in the retailing paradigm due to information technology, going from a one way channel to online channel, multiple channel, and most recently, a sustainable omni-channel retailing. The innovations make it easier and more enjoyable for customers to purchase through numerous channels. Sustainable omni-channel system also makes it easier for merchants to identify different points of contact as well as strategies for meeting customer demands and boosting sales. The present study focuses on factors influencing consumer's buying intention through sustainable omni-channel.

Keywords. Perception, Consumers, Sustainable Omni-channel Retailing

1 Introduction

The retailing environment has seen significant changes in recent decades because of growth of numerous digital channels including mobile and social media, as well as the advancement of technology. A difficult system for retailers to sell their products to consumers has been created by factors like the increase in digitalization, consumer purchasing power, urbanisation, and rapidly changing lifestyles of consumers (Crittenden et al., 2010; Medrano et al., 2016). These reasons led to the development of a new retail operational business model, a new retail marketing strategy, and changes in consumer shopping habits (Verhoef, Kannan, & Inman, 2015). Today's consumers communicate with retailers in a variety of ways and exhibit a range of behaviours when using different service channels. Customers can easily transition between channels, including traditional stores, the Internet, and mobile devices, based on their requirements, tastes, the impact of others, the type of product, the time of day, and other factors. "Omni Channel approach" is the term used to describe this style of action. Customers who shop through a variety of channels are referred to as "Omnishoppers" and they want a sustainable seamless service experience across all channels (Yurova et al., 2016). Customers desire a seamless transition from one channel to another with contextual data relevant to all channels (Piotrowicz & Cuthbertson, 2014). Customers benefit from the

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developments, which also assist retailers in expanding their network of contact points, meeting customer needs, improving service, and boosting sales (Ailwadi and Faris, 2017). Retailers may offer their goods through offline, online, or a combination of channels, but each is still viewed as unique due to variations in the products' features, offerings, costs, marketing and promotional efforts, and general user experience across all channels and supply chain management (Zhang et al., 2018). Customers' buying behaviour, patterns, and styles have evolved as a result of new and advanced technologies made available by mobile/smart phones, tablets, E wallets, e-vouchers, and GPS-based tracking (Rosenblum and Kilcourse, 2013). Therefore, in order to apply the sustainable omni-channel approach, it is imperative to identify the variables that influence clients' purchasing intentions.

2 Literature Review

In the modern era of retailing, sustainable digital omni-channel retailing is a developing technology. Globally, the concept of sustainable omni-channel shoppers is expanding (Schlager& Maas, 2013). Consumers have a positive response to sustainable omni-channel commerce, based on product selection choice (Xu & Jackson, 2019), customer experience (Kazancoglu& Aydin, 2018), shopping behaviour and intention (Shi et al., 2020), and customer experience. Identification of consumer behaviour towards various aspects of sustainable omni-channel retailing is crucial for marketers. Sustainable omni-channel shoppers feel they have tighter control over the entire process during buying activities and are more knowledgeable about purchases than salespeople (Rippé et al. , 2015). Although there has been a lot of research on ICT enabled technology and different combinations of channels, it will be crucial to understand how customers perceive and behave when it comes to omni channel (Verhoef et al., 2015), as well as how they feel about the various technologies used in sustainable omni-channel and how they perceive their role in the buying process in general (Escobar-Rodrguez and Carvajal-Trujillo, 2014). The key factor influencing users' intention to accept new technology is their impression of compatibility with it (Shi et al., 2018, 2020). An exclusive purchasing process is created by combining multiple technologies in an sustainable omni-channel fashion. Numerous research studies have shown that the aforementioned factor will be helpful for the adoption of an Sustainable omni-channel strategy. The decision to accept a new channel and different comparative attributes between the present channel and the new channel are both mediated by perceived risk (Falk et al. 2007). The Sustainable omni-channel image is positively impacted by shopping risk (Herhausen et al., 2015). When a consumer uses numerous channels, there are risks including financial risk, privacy risk, information risk, data risk, and performance risk that are directly related (De Kerviler et al., 2016). The impact of value on consumers' perceptions of value and their intention to shop has been studied in a number of previous research studies and works of literature. There is a strong link between perceived value and purchase intention (Song et al., 2019). Perceived value is the primary incentive for consumers and directly influences their intention to shop (Pan et al., 2009). Customers' perceptions of value play a moderate effect in interpreting their conduct (Shapiro et al., 2019). In sustainable omni-channel system, clients are able to find the information on any of the accessible channels and are able to purchase the goods or services from any one of the channels.

3 Research Hypotheses Development

H1. "The perceived compatibility of sustainable omni-channel retail, influences the intention of the customer positively to purchase through omni-channel"

H2. “The perceived usefulness of sustainable omni-channel retail, influences the intention of the customer positively to purchase through omni-channel”

H3. “The perceived ease of use of sustainable omni-channel retail, influences the intention of the customer positively to purchase through omni-channel”

H4. “The perceived risk of sustainable omni-channel retail, influences the intention of the customer positively to purchase through omni-channel”

H5. “The perceived value of sustainable omni-channel retail, influences the intention of the customer positively to purchase through omni-channel”

3.1 Research Methodology

The questionnaire procedure was used to collect primary data. Five points were assigned to a Likert scale that range from “strongly disagree” to “strongly agree.” The study's population consists of consumers from Hyderabad. The designated group was surveyed online using a method known as non-probability convenience sampling to collect 300 responses. From the 300 reactions, 272 valid perspectives have been identified and have been utilized for research. Using scale reliability, the factors were determined through factor analysis.

3.2 Analysis and interpretation of data

Table 1: Demographic Profile

Demographic Profile	Category	Frequency	Percentage
Gender	Male	158	58
	Female	114	42
Age (In Years)	20-25	60	22
	26-31	88	32
	32-37	124	46
Education	Graduate	201	74
	Post Graduate	71	26

The demographic information of the respondents is depicted in Table 1. 158 (58%) of the 272 respondents are male, while 114 (42%) of the respondents are female. based on age, sixty of the participants are between the ages of 20 and 25, 88 of those surveyed are between the ages of 26 and 31, and 124 of those surveyed are between the ages of 32 and 37. According to eligibility, 201 participants are graduates, while 71 are postgraduates.

Table 2: Results of Reliability Testing

Variables	Cronbach’s Alpha	Composite Reliability
Perceived Compatibility	00.750	00.981
Perceived Usefulness	00.826	00.974
Perceived Ease of Use	00.747	00.963
Perceived Risk	00.803	00.965
Perceived Value	00.701	00.989

The Cronbach's alpha levels of each construct within table 2 exceeded the suggested cut-off threshold of 0.70, and the composite reliability values of the constructs were greater than the generally accepted cut-off value of 0.70, indicating adequate internal consistency.

Table 3: Factor loadings and indicators of internal consistency and reliability

Perceived Compatibility	Loadings	Communalities	Eigen Value
Sustainable omni-channel retail is compatible with my shopping habit	0.777	0.621	3.430
Sustainable omni-channel shopping fits my life style	0.759	0.658	
Sustainable omni-channel shopping fits my likeability to shop	0.694	0.733	
Sustainable omni-channel shopping is in consistent with my existing values	0.757	0.708	
Perceived Usefulness	Loadings	Communalities	Eigen Value
Using Omni-Channel retail during purchase process makes shopping easier	0.770	0.649	3.635
Shopping on applications that implement sustainable omni-channel retail streamline my time	0.673	0.650	
Sustainable omni-channel retail allows me to purchase quickly	0.692	0.736	
Able to purchase goods of my choice more easily	0.661	0.764	
Perceived Ease of Use	Loadings	Communalities	Eigen Value
It is easy to learn usage of Sustainable omni-channel	0.735	0.690	3.598
Interaction with multiple channels is clear and understandable	0.750	0.782	
It is always easy to find information in sustainable omni-channel system	0.643	0.639	
I can change as per requirements	0.731	0.675	
Perceived Risk	Loadings	Communalities	Eigen Value
There is mismatch in product seen on Sustainable omni-channel and actual product delivered	0.778	0.723	2.011
Quality of product is the biggest issue in Sustainable omni-channel approach	0.654	0.755	
Product may not be delivered on quickly	0.620	0.760	
Perceived Value	Loadings	Communalities	Eigen Value
Shopping on certain platforms provides an opportunity to be social	0.703	0.758	2.960
More Discount offers are available	0.745	0.700	
Less stress when shopping and browsing apps	0.718	0.731	
More types of purchase options are available	0.728	0.697	
Sustainable omni-channel Shopping Intention	Loadings	Communalities	Eigen Value
Customers' intention to buy products through sustainable omni-channel	0.732	0.759	3.501
Recommendations made by customers to other customers to shop on the sustainable omni-channel application/platform	0.898	0.767	
Plans to buy products through sustainable omni-channel in future	0.846	0.768	

On 22 items, exploratory factor examination was performed. via exploratory factor analysis, only the items with Eigen values of 1 or higher were retained. The communality of a variable indicates the percentage of variance it shares with other variables. For the analysis, communities above the limit of 0.6 were considered. This led to the consolidation of 22 factors into five independent factors. The score of Kaiser-Meyer-Olkin (KMO) indicates whether or not the sample is appropriate and sufficient for factor analysis. In this instance, the Kaiser-Meyer-Olkin (KMO) value is 0.873, which is significantly greater than the 0.60 threshold (Kaiser, 1974). Exploratory factor analysis revealed five factors with Eigen values greater than 1, which collectively accounted for 72.20 % of the variance. Table 3 demonstrates that no factor loads is less than 0.60, indicating that there are no cross the loadings between the factors and that each component is only related to a single item.

3.3 Path Evaluation

A model was evaluated to determine the effects of elements influencing consumer purchasing intention through Sustainable omni-channel via path analysis: examination of main variables.

Table 4: Overview of major variable Path analysis

Path	Path Coefficient	P value Result
Perceived compatibility – Buying intention	0.679 (0.000)	Significant
Perceived usefulness – Buying intention	0.632 (0.000)	Significant
Perceived ease of use – Buying intention	0.627 (0.000)	Significant
Perceived risk – Buying intention	-0.598 (0.000)	Significant
Perceived value – Buying intention	0.601 (0.000)	Significant

The path coefficients associated with the impact of perceived reliability, perceived utility, perceived simplicity of use, perceived risk, and perceived worth on the customer's Sustainable omni-channel purchasing intention are of statistical significance at the 5% level, as shown in Table 4. Consequently, hypotheses H1 via H5 are approved. Perceived compatibility has the greatest impact on Sustainable omni-channel purchase intent (0.679), followed by the perceived benefit (0.632), perceived convenience of use (0.627), perceived value (0.601), and perceived risk (-0.550).

4 Conclusion

The in-depth factor analysis uncovered five sustainable omni-channel purchasing factors, namely perceived reliability, perceived utility, perceived simplicity of use, perceived risk, and perceived value, which influence the customer's intent to purchase via sustainable omni-channel retail. According to Shi et al. (2020), there is a positive relationship among perceived compatibility and customers' intent to purchase via sustainable omni-channel. When consumers switch from offline to online channels, perceived compatibility becomes more apparent. Perceived utility has a positive correlation with sustainable omni-channel purchase intent. The result is corroborated by the research conducted by Kang (2019). The relationship between perceived usability and sustainable omni-channel purchasing intent is positive. With the appropriate information, navigation tools, and convenience, it will be easy for customers to transition to sustainable omni-channel retail. The findings are consistent with those of prior research (Li Kim as well as Park, 2007; Chen and Barnes, 2007). The relationship between perceived risk and sustainable omni-channel purchasing intent is negative. If a consumer discovers risks associated with purchasing or utilizing a product, sustainable omni-channel shopping is less likely to occur. Previous studies such as Shi et al. (2020); (Herhausen and

colleagues, 2015; Xu as well as Jackson, 2019) support the result. In conclusion, there is an advantageous connection among perceived value and sustainable omni-channel purchasing intent. Different evaluations of alternatives, benefits, and sacrifices made during the procurement of a product or service can contribute to the customer's perception of value. As proposed by Kwon and Jain (2009), a sense of worth can be generated by sustainable omni-channel purchasing through the use of benefits such as show living and web rooming. Thus a sustainable omni-channel retailing keeps the customers engaged with the brands and also helps them to interact better with the brands on their preferred retailing channels.

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