

# CUSTOMER PERCEPTION ON TECHNOLOGICAL SERVICE EFFECTIVENESS OF ONLINE CLOTHING WEBSITES

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## ABSTRACT

Increased online access and smart phone penetration has led a way in development of e-commerce market of different industries. Among the various industries, fashion e-commerce is one of the global markets which are expanding out from western parts of the world. According to the research data presented by shopifyplus, the worldwide revenue and revenue per user among e-commerce clothing segment are projected to grow from \$317 billion (USD) in the year 2018 to \$475 billion (USD) in 2022. Influence of Consumer perception develops the performance of a business. This research was conducted in Coimbatore city among youth customer segment and reveals the customer perception on four identified e-commerce websites namely, Jabong, Myntra, Shein and Peach mode. The important purpose of the study is to analyze the customer perception towards technological services offered by the service providers. It has recommended that technologies such as Augmented Reality, Payment Gateways, Personalization, Fit Intelligence applications plays a major role in creating better experience among consumers with ease of use. This Study helps the clothing e-commerce industry to remodel their promotion effectiveness and thereby clinching brand reputation.

**Keywords:** Clothing e-commerce, Consumer perception, Technology, Applications, Consumer experience.

## INTRODUCTION

Technological development has led a way for e-commerce business and new sales platform for business oriented people. This tech-savvy revolution has profitable for business but also convenient and favoring for consumers in their shopping process. Even though the existing availability of technological support, e-commerce companies should focus on gaining competitive advantage by adopting the valuable and unique technological methods. There need to be proper customer relationship management established on behalf of online service provider. The loss of this interactivity and presence in the shopping experience leads to

uncertain buyers and more abandoned carts. Many factors can contribute to a customer's buying decision. Customer engagement, Customization, visualization, etc helps in creating successful shopping experiences among consumers.

### **Augmented Reality**

Augmented reality is allowing shoppers to trigger animations to show how complex products like appliances or electronics work and function. It even helps in clothing purchase like how the selected readymade cloth looks good or bad. This is a very exciting field with constant innovation on the horizon, solving today's problems with the next platform of computing.

### **Payment Gateways**

A payment gateway is often an important part of running an online enterprise. A payment gateway is an ecommerce service that processes credit card payments for online and traditional brick and mortar stores. Payment gateways facilitate these transactions by transferring key information between payment portals such as web-enabled mobile devices/websites and the front end processor/bank.

### **Personalization**

Personalization of the entire shopping experience allows retailers to get closer to the consumers in an era when customer journeys are fragmented across different channels and the path to purchase may take a few minutes or many weeks. Using personalization technologies, websites can tap into purchase and browsing history to better understand a customer's preferences and so target recommendations better.

### **Fit Intelligence Applications**

One of the biggest drawbacks of shopping for clothes online is not being able to try things on before buying them. Artificial Intelligence provides the technology that our physical measurements and fits are lively connected in such a way providing solution in decision of clothes to be selected. This is called as fit intelligence services and providing applications developed by different companies.

## **LITERATURE REVIEW**

*Lowry (2006)* states in his research that businesses increasingly adopt online payment technologies. The systems currently available should decrease costs, provide risk management, and help provide competitive advantage to users. Electronic payment technologies offer both opportunities and challenges. The largest challenge to the use of online payments is security and fraud prevention. The potential options of e-cash, micropayments, wireless commerce, and new architectures for online payment offer better outcome in business.

Vaghela (2014) reviews that consumer chooses online shopping as a better option due to its convenient services. One of the major issue and drawback in online shopping is that consumers cannot view and verify the product visually and its quality is unfelt. This limitation has led the way for further research to examine the technological components and dimensions offered by the online service provider and its impact on consumer perception.

Wang *etal.*, (2015) comments that technological vast has changed and developed the buying behavior of consumers. Augmented reality allows the customer to visually experience the products through online and have an idea about the product for purchase decision. This increases the shopping efficiency and ends in a positive manner.

Vasic *etal.*, (2018) states that Consumer satisfaction with online shopping is directly dependent on a number of factors.. In order to increase the online commerce participation, it is necessary to explore and analyze the connection between customer satisfaction and diverse determinants.

## RESEARCH METHODOLOGY

Descriptive research design was used to measure the customer perception. Judgmental sampling technique was used for selecting respondents. The data were collected through structured questionnaire and sample size taken as 180 respondents from Coimbatore city among Generation Z. For the analysis of data various tools like Exploratory Factor Analysis (EFA), were used with help of SPSS version 23.0 software.

## RESEARCH OBJECTIVES:

- To know customer perception towards technological online shopping.
- To identify customer online shopping behavior on different technological factors.

Table 1. RESULTS AND DISCUSSIONS ON EXPLORATORY FACTOR ANALYSIS

FACTOR NAME	ITEMS	ITEM LOAD	FACTOR LOADINGS
<b>ARTIFICIAL INTELLIGENCE</b>	I purchase from online shopping websites due to technological ease.	<b>.745</b>	<b>4.813</b>
	Artificial Intelligence facility helps in live shopping experience	<b>.783</b>	
	Artificial Intelligence visually assists to select products.	<b>.710</b>	
	Fit Intelligence applications are useful for selecting the clothes.	<b>.706</b>	
	I prefer Overall need of Artificial Intelligence service in online shopping	<b>.792</b>	
<b>PAYMENT GATEWAYS</b>	I purchase from online shopping due to ease of payment	<b>.793</b>	<b>3.908</b>
	Payment gateways are safe and secure.	<b>.610</b>	
	It reduces risks	<b>.683</b>	
	Payment gateways assists proper payment information service.	<b>.677</b>	
	Service providers provide proper product information.	<b>.661</b>	
	Proper communication mode (SMS, email, social networking, etc.)	<b>.593</b>	
	Service providers are well interactive according to my preference.	<b>.541</b>	
<b>PERSONALIZATION</b>	Promotions and offers are personalized for my shopping.	<b>.505</b>	<b>4.516</b>
<b>CUSTOMER SATISFACTION</b>	I am satisfied with the Artificial Intelligence service.	<b>.686</b>	<b>3.456</b>
	I am satisfied with the payment gateway service.	<b>.646</b>	
	I am satisfied with the personalized services.	<b>.612</b>	
	I am overall satisfied with the service they provide.	<b>.694</b>	

- The first factor Artificial Intelligence emerged with the factor load of 4.813. It comprised of five items- Technological ease (with a load of 0.745), live shopping experience (with a load of 0.783), AI Visual assistance (with a load of 0.710), Fit intelligence application (with a load of 0.706), overall AI Service (with a load of 0.792). Online shopping if provided technological service, consumers tend to perceive their value and benefits for their commercial and personal utilities.
- The second factor Payment Gateways emerged with the factor load of 3.908. It comprised of four items – ease of payment (with a load of 0.793), safe and secure (with a load of .610), reduced risk (with a load of .683) and payment information service (with a load of .677)
- The third factor Personalization emerged with the factor load of 4.516. It comprised of seven factors- proper product information (with a load of .661), proper communication mode (with a load of .593), interactive service (with a load of .541), personalized promotions (with a load of .505).
- The fourth factor customer satisfaction emerged with the factor load of 3.456. It comprised of customer satisfaction on AI service (with a load of .686), satisfaction of payment gateways (with a load of .646), satisfaction on personalized service (with a load of .612), overall satisfaction of service (with a load of .694).

## CONCEPTUAL FRAMEWORK

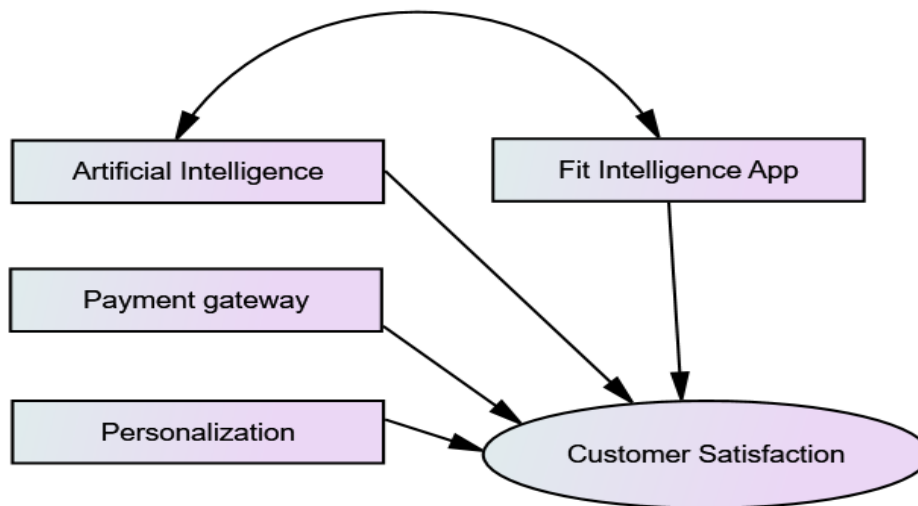


Figure 1. Technological components for service effectiveness that leads to customer satisfaction

**Table 2. DEMOGRAPHIC RESULTS - Gender**

	Frequency	Percent	Valid Percent
Male	99	70.2	70.2
Female	42	29.8	29.8
Total	141	100.0	100.0

**Table 3. DEMOGRAPHIC RESULTS – Age group**

Age group	Frequency	Percent	Valid Percent
18-20	97	68.8	68.8
21-23	40	28.4	28.4
24-26	4	2.8	2.8
Total	141	100.0	100.0

**Table 4. DEMOGRAPHIC RESULTS – Educational qualification**

	Frequency	Percent	Valid Percent
UG	118	83.7	83.7
PG	21	14.9	14.9
Others	2	1.4	1.4
Total	141	100.0	100.0

## GENERATION Z

Generation Z or Gen Z, also known by a number of other names, is the demographic group after the Millennials (Generation Y).

- From the above demographic information Tables 2, 3 and 4 we can understand that **males (70.2%)** are more interested in online shopping in clothing segment and customers who belong to the **age group of 18-20 (Generation Z) (68.8%)** more prioritizes the online shopping.
- The results show that more young generation is interested in technological online shopping (Refer Table 4) when compared to Generation Y.

## FINDINGS

- This study comes up with four important factors such as Artificial Intelligence, Fit Intelligence application, Payment gateways, Personalization are major reasons for customer satisfaction.
- Customers prefer for technological developments for service betterment.
- The service provider can favor the necessary service actions for building up technological benefits in online shopping.

## CONCLUSION AND FUTURISTIC STUDIES

- Among one-third of internet users already making purchases online, the e-commerce growth will rely more on increased spending from existing buyers than first-time online buyers. When it comes to liking most about online shopping, most of the e-consumers likes facilities as their primary motivation for shopping electronic products online and Cash on delivery is the most preferred payment method.
- A young online consumer still has a behavior of checking the product physically before purchasing it, which creates a crisis for him to shop online. So, e-retailers selling customized products should stress more on providing this facility with better communication to the customers through technology on their website.
- Based on past purchases & transaction history e-consumers should get automatic Product recommendations (personalized services) which in turn will lead to increase in online shopping.

Further research can be focused on looking onto the different product categories such as electronic, FMCG and any other luxury good. These research applications can be applied to the other categories and suggest the implications for the development of business and human wellbeing.

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