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Cultural Influences on Trust and Risk in Online Shopping: A Study of South African Townships

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in the field of Digital Business

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ABSTRACT

This study examines how cultural and social factors influence trust and risk perceptions among consumers in South African townships during online shopping. Unlike urban markets, township consumers face unique challenges in verifying the authenticity of online retailers, contributing to heightened perceptions of risk. The study aimed to investigate (a) factors influencing trust and their impact on purchase intentions, (b) perceived risks and their effect on behaviour, and (c) the role of cultural dynamics such as word-of-mouth, community networks, and collective decision-making.

A qualitative ethnographic design was used, with data collected through in-depth interviews and informal engagement in township settings. Participants were selected using purposive sampling, and thematic analysis was applied to identify key patterns related to trust, risk, and social influences.

Findings show that trust in online shopping is shaped by the perceived credibility of the website and the retailer's reputation, particularly when there is a physical presence. While financial, delivery, and privacy risks were commonly cited, these did not consistently deter purchase behaviour. Many consumers balanced these concerns with the convenience of online shopping and used informal strategies to manage risks.

Cultural and social influences played a central role. Word-of-mouth from known individuals and visible success stories within the community were more trusted than anonymous online reviews. Collective decision-making and social validation emerged as critical in building trust and reducing perceived risk.

The study offers valuable insights into township e-commerce, highlighting the importance of culturally rooted trust-building strategies. It contributes to the limited literature on digital consumer behaviour in township contexts and provides guidance for e-commerce stakeholders looking to engage this market effectively.

KEYWORDS: Online shopping, trust and risk perceptions, collectivism, township online shopping, word of mouth, online purchasing intentions

DECLARATION

I, Mfundo Mbambo, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the field of Digital Business at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Name: Mfundo Mbambo Signature: _____

Signed at Northwold

On the 27th day of February 2025

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I extend my sincere gratitude to all the research participants who generously shared their time, experiences, and insights. Their willingness to engage in interviews provided invaluable perspectives that enriched the depth and authenticity of this study. I deeply appreciate their trust in allowing me to explore their experiences with online shopping and their perspectives on trust, risk, and cultural influences. Their voices form the foundation of this study, and I hope that this research meaningfully represents their insights and contributes to a better understanding of online shopping behaviour in township communities.

I would also like to extend thanks to my dad and aunt, Dr Mongezi Guma and Prof Nonceba Mbambo-Kekana, for taking the time to critically review my work and provide extra academic guidance and support. Enkosi.

DEDICATION

I dedicate this research to my mom, Kholiswa Mbambo, and my aunts Zizizi, Sis Khokho, Sis Pumla, Nombulelo and Nonceba. Thank you for raising me and bringing me up to this point. You have always emphasised the importance of education and encouraged me to go further, and for this I am grateful. I would also like to thank my father, Mongezi Guma, and uncle Mthobeli Guma for their continued support and for instilling in me a love for academics, which always drives me to better myself in this regard. Enkosi.

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LIST OF ACRONYMS

B2C: Business to Consumer

eWOM: Electronic Word of Mouth

UA: Uncertainty Avoidance

WOM: Word of Mouth

CHAPTER 1. INTRODUCTION

1.1 Statement of purpose

The purpose of this qualitative study is to explore the dynamics of trust and risk perceptions in shaping online shopping buying behaviour among consumers in South African townships. By examining the lived experiences, perceptions, and decision-making processes of township residents who engage in online shopping, the study aims to provide a comprehensive understanding of the trust and risk factors influencing online shopping practices in this unique socioeconomic context. In addition, the study aimed to discover if there are any cultural and social factors unique to this group, such as collectivism, that may influence trust and risk perceptions and ultimately online buying behaviour.

Because online transactions lack face-to-face interactions with service providers, this challenges consumers who rely on physical inspection and cues to evaluate authenticity. In addition, the lack of a clear identity of online sellers adds uncertainty, making trust establishment challenging (Pan, 2010; Mou et al., 2015). These complexities highlight the challenges contributing to perceived risks in online shopping transactions. Due to these risk factors, consumer perceptions become highly relevant in the online shopping space. Online buying behaviour is significantly influenced by these psychological factors of risk perceptions and trust (Mou et al., 2015).

1.2 Background of the study

In recent years, the proliferation of e-commerce has transformed the global retail landscape, offering consumers unprecedented convenience, accessibility, and choice in purchasing goods and services online. South Africa has been no exception. Over the past couple of years, we have seen an increase in online purchasing within the country. Research from World Wide Worx, published in

2024, suggests that the South African online industry is growing rapidly and reached a new high of R71 billion sales at the end of 2023 (Ndlovu, 2024). It is suggested that it is still expected to grow over the next couple of years. We have seen major companies in the country taking over the online shopping landscape, such as Takealot, Superbalist, YuppieChef and local retail stores such as Checkers60Sixty, Woolworths and Makro. We have also seen overseas retailers in the market, such as Shein and more recently Temu. When this kind of growth threshold was attained within more established markets, it led to increased investment and a substantial surge in the sector, consequently fuelling additional expansion in the subsequent years (Goldstuck, 2024). This has already been evident through the largest online retailer, Amazon, recently opening South African operations.

This growth presents a lot of opportunity both for South African consumers and the would-be online shopping platforms who are vying for a share in the market. Trust and risk perceptions are crucial in this expanding domain of online shopping. As e-commerce sales continue to grow, many consumers interact with online platforms. They invest their money with the expectation of receiving the ordered product within the stipulated delivery timeframe, adhering to specified descriptions, and meeting anticipated quality standards. Perceived risk in online shopping denotes a consumer's subjective evaluation of potential uncertainties and adverse outcomes during online transactions. This assessment involves the individual's judgment regarding the likelihood and potential magnitude of loss in the event of issues, exerting a significant influence on decision-making within the digital transactional landscape (Garbarino & Strahilevitz, 2004).

South Africa has a diverse market, with both urban and township areas. These population groups can present very distinct buying patterns, adoption rates and overall online buying behaviour. Therefore, for e-commerce players wanting to participate in the South African market, they cannot simply adopt strategies used in other countries. Understanding the trust and risk perceptions present in these

markets can be a source of growth for e-commerce companies wanting to play and win in the South African online shopping economy.

1.3 Research problem

In the rapidly evolving landscape of online shopping, understanding consumer trust and risk perceptions is critical for fostering sustainable growth and inclusive economic development. However, limited research exists on how these perceptions vary across diverse market contexts, particularly between South African townships and urban areas. This knowledge gap poses significant challenges for e-commerce stakeholders seeking to effectively engage with and cater to the needs of consumers in these distinct demographic segments.

Various elements contribute to increased perceptions of risk among consumers. In contrast to conventional brick-and-mortar stores, digital transactions lack in-person interactions with service providers, posing difficulties for consumers accustomed to physical examination and cues for verifying authenticity. Moreover, the absence of distinct identities for online sellers introduces uncertainty, complicating the process of establishing trust (Pan, 2010; Mou et al., 2015). These intricacies highlight the difficulties that contribute to perceived risks in online shopping transactions. As a result of these risk factors, consumer perceptions play a crucial role in the realm of online shopping. Research indicates that online buying behaviour is notably shaped by these psychological factors of risk perceptions and trust (Mou et al., 2015).

Traditionally, the township market has been seen as one that is difficult to understand. It has been found to be difficult to penetrate by brands because of lack of in-depth research available (Weinberg, 2023). Furthermore, the annual Township CX Report by Rogerwilco, which looks at various aspects of township consumer behaviour, states that the township market remains under-researched and insufficiently understood, posing challenges for both academic inquiry and

commercial engagement (Township CX Report, 2024). Through this study, more insight can be gained into what the specific determinants are of trust and risk perceptions, which affect online buying behaviour in this market. Additionally, to examine the role of cultural and social influences in shaping trust and risk perceptions among township consumers, considering factors such as community networks, word-of-mouth recommendations, and collective decision-making processes (collectivism). By understanding trust and risk perceptions specifically for the township market, e-commerce stakeholders can gain actionable insights and tailor their strategies and interventions effectively. Addressing these issues can contribute to the promotion of inclusive e-commerce practices, foster consumer trust, and mitigate perceived risks, ultimately driving sustainable economic growth and empowerment in South African communities.

1.4 Research Questions

a) What are the factors influencing trust formation in online shopping transactions among consumers in South African townships, and how do these factors impact purchase intentions?

b) What are the perceived risks associated with online shopping transactions in South African townships, and how do they influence purchase intentions?

c) How do cultural and social influences, such as community networks, word-of-mouth recommendations, and collective decision-making processes, shape trust and risk perceptions among township consumers?

1.5 Rationale

In the evolving digital world, online shopping has emerged as a transformative force, providing consumers with unprecedented convenience and access to a

diverse range of products and services. In South Africa, there is a diverse group of people, both from urban and township areas. Understanding the dynamics of online shopping in these unique socioeconomic environments is critical for e-commerce growth in the country and for promoting inclusive economic development and digital inclusion.

Central to the success of online shopping is the establishment of trust and the mitigation of perceived risks. Trust is a foundational element in online transactions, where physical interactions are absent, and consumers must rely on digital cues to assess the credibility of sellers and the security of their transactions. Conversely, perceived risks, such as concerns about product authenticity, delivery reliability, and online payment security, can significantly hinder the purchase intentions of online consumers (Mou et al., 2015).

In South African townships, trust dynamics are intricately linked to community networks and cultural norms, differing substantially from those in urban markets. These communities often rely heavily on word-of-mouth recommendations and collective decision-making processes, which can either bolster or undermine trust in online shopping platforms.

This study sought to contribute to addressing the knowledge gap by investigating how trust is formed and maintained and how perceived risks are navigated by consumers in South African townships. By exploring these dimensions through qualitative methods, the research sought to uncover the underlying motivations, fears, and behaviours that shape online shopping participation in these areas. Additionally, the study looked at how cultural factors play a role in shaping these online risk perceptions and trust.

Understanding these trust and risk perceptions is vital for e-commerce stakeholders, platform developers, marketers, and policymakers, who are striving to create more inclusive and accessible digital marketplaces. Insights from this study will inform strategies to build trust and reduce perceived risks, thereby

enhancing online shopping adoption and engagement in township communities. Moreover, this research will contribute to the broader academic discourse on digital commerce in emerging markets, providing a nuanced understanding of how sociocultural factors influence online consumer behaviour.

Ultimately, this study aims to support the development of online shopping initiatives that are responsive to the needs and realities of township residents, promoting economic empowerment and bridging the digital divide in South Africa.

1.6 Delimitations of the study

i) The study focused on B2C online shopping.

ii) The research focused on cultural influences that are found in South African townships. It is not aimed to generalise the findings to other cultural contexts in South Africa, as these may be different.

iii) The study only focused on those users who have used online shopping websites before. This focus excludes those who have never shopped online, which may limit understanding of barriers to initial adoption of online shopping which can be found in these areas.

1.7 Definition of terms

Collectivism: In a collectivist society, individuals are assimilated into robust, unified in-groups that provide them with lifelong protection in exchange for unwavering loyalty. Individuals in cultures that value collectivism are more prone to define who they are in reference to other people (Chio et al., 2021).

E-commerce: This is short for Electronic Commerce, and it is the purchasing and selling of goods and services over the Internet (Khan, 2016)

Online Purchase Intention: A consumer who is willing and plans to conduct transactions online is said to have an online buying intention. This phrase refers to a customer's readiness to look for, choose, and buy things online (Meskaran et al., 2013)

Risk Perception: Consumers' belief about the potential uncertain negative outcomes associated with the internet transaction and the severity of the consequences should such negative outcomes occur (Kim et al., 2008)

Trust: The personal trust that a user has in a certain transactional informational website (Corritore et al., 2003)

1.8 Assumptions

- It is assumed that participants will provide honest, accurate, and thoughtful responses during interviews and other data collection methods.
- Risk is something that can be perceived by everyone.
- Online trust-forming factors can be identified by anyone.
- The selected sample of township consumers is representative of the broader population of township online shopping users. This assumption is necessary for the findings to be considered applicable to the wider community.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

South African townships present a unique and underexplored environment for studying online shopping behaviour. This underexplored nature is due to limited in-depth research in this setting (Weinberg, 2023). Understanding how consumers in these communities perceive trust and risk is critical for developing strategies that foster greater adoption and utilisation of online shopping platforms.

Trust and risk perceptions are pivotal in shaping consumer behaviour in online shopping. Unlike traditional physical stores, online transactions involve a greater degree of uncertainty and potential vulnerability due to the lack of face-to-face interactions, tangible product inspections, and the inherent anonymity of online sellers. These factors contribute to heightened risk perceptions, which can significantly deter consumers from engaging in online shopping (Kim et al., 2008).

As this literature review will illustrate, the literature on online shopping and consumer behaviour reveals a complex landscape where various risks influence purchasing decisions. Researchers have identified multiple dimensions of perceived risk, including financial, privacy, performance, and information risks, as well as different trust factors, each impacting buying intentions differently. However, there is no consensus on which specific risks and trust factors are most critical in determining online purchasing behaviour.

South African townships are characterised by unique socio-economic conditions and community dynamics, which are often very distinct from urban markets. Longitudinal research conducted by GFK, a market research company, revealed that consumer behaviour in South Africa’s townships is primarily driven by a strong sense of social duty, rather than individual gain, which is more common in other market segments. Township residents place high importance on collective

well-being, seeking opportunities that benefit both themselves and their communities. Additionally, they exhibit a deep pride in their cultural heritage, valuing their traditions and roots even more strongly than consumers in other parts of the market (GFK, 2017). This strong sense of community, social networks, and the collectivist nature prevalent in townships may play a crucial role in shaping trust and mitigating perceived risks.

This literature review aims to analyse existing research on trust and risk perceptions in online shopping and how they may shape purchase intention among consumers. By examining the different risk categories, the factors influencing trust, this review will provide an understanding of the current state of knowledge around these topics. Additionally, the review will aim to examine literature on how social factors and collectivist cultures may perceive risk and form trust, in an effort to link these behaviours to the South African township online shopping context. From this literature review, the propositions on which the research will be based will be subsequently defined.

The literature review partially employed a systemic literature review approach. This was particularly in the process of identifying initial studies for the research. Systemic literature reviews are defined as a methodical and transparent approach to identifying, selecting, and critically evaluating relevant research studies to address a specific research question. It employs predetermined criteria to choose studies, assess their quality, and synthesise their findings (Hecker & Kalpokas, 2024). The following steps were taken in conducting this literature review:

a) Identify Research question/s

   Research questions were identified as part of the Research Report, and they related to trust, risk and culture as it pertains to online shopping in South African townships. These are outlined in Chapter 1 under section 1.4.

b) Define inclusion and exclusion criteria

The initial inclusion criteria included studies that pertain to each of the research questions. Secondly, studies were limited to those that were published between 2021 and to date. However, given the nature of the research and there being limited research on some of the aspects, like culture's influence on online shopping, it was necessary to expand the search criteria to earlier years.

c) Search for studies

Studies were searched for primarily using the University's library database as well as Google Scholar. In some cases, open-source searches were conducted where results were insufficient. Examples of search strings that were used for the different research questions were as follows:

"trust in online shopping" OR "e-commerce trust" OR "consumer trust in digital commerce" AND "South Africa"

"cultural influence" OR "cultural factors" OR AND "online trust" OR "trust in e-commerce" AND "risk perception" OR "perceived risk"

"risk perception" OR "perceived risk" AND ("e-commerce" OR "online shopping" AND "South Africa"

Free text searches were also used to broaden the search results.

d) Selecting studies for inclusion

Studies were screened and selected based on how relevant they were to each of the research questions. Each study was initially screened through reading the abstracts and incorporating the inclusion and exclusion criteria

to determine which would be relevant to the study. For the trust dimension of the study, 22 studies were initially extracted, of which 12 were used after screening. For the risk dimension, 22 studies were initially extracted, of which 12 were included after screening. For the culture dimension, 20 studies were extracted, of which 14 were included post-screening.

e) Extracting data from studies included

The data was extracted and analysed systematically using an Excel spreadsheet. This method included the study's APA reference, the summary of the study and my subsequent review. An example table of this analysis approach extracted from the spreadsheet can be found in Appendix F.

Subsequent literature was included as deemed necessary to support some of the research findings. The literature review for each research question is detailed below.

2.2 Definition of trust and risk perceptions and background discussion

A question which has come up is whether or not trust and risk perceptions have any impact on consumer intention to buy online. In their research, Kim et al. (2008), aim to answer this question. They found that trust has a positive impact on consumers' intention to buy online. Additionally, perceived risks were found to have a negative correlation with purchase intention; the more risk a consumer perceived in an online transaction, the less likely they were to buy. This is one of the key pieces of research into this topic, and it posits that trust and risk do influence purchase intention. Additionally, this was also confirmed by Mou et al. (2015) in their meta-analysis study, where they looked at 67 studies into trust and risk perceptions and how they influence online buying intention. In their meta-

analysis, they found that across their reviewed studies, trust and risk perception variables were significant in explaining purchase intention (Mou et al., 2015). This study looked at both trust and risk perceptions and how they have an effect on consumer purchase intention.

Culture has also been found to have an impact on online shopping behaviour. Mosunmola et al. (2019) examined the influence of trust and culture on online shopping intention, examining a collectivist setting. Their findings revealed that collectivism significantly moderates the relationship between perceived trust and purchase intention. Although research is limited on how culture plays a role in online shopping behaviour in South Africa, this study examined how culture plays a role in influencing online trust and risk perceptions in South African townships.

2.3 Trust

In the context of online transactions, trust is the belief that other parties will act according to their commitments, negotiate in good faith, and refrain from exploiting opportunities to their advantage (Hosmer, 1995). Additionally, Jarvenpaa et al. (2000) positioned that trust is an essential component in any relationship where the trustor lacks direct control over the actions of the trustee; which in this case can be the retailer. These definitions fit in well with the virtual nature of online transactions.

Odusanya et al. (2020) define trust as the risk a consumer assumes when participating in a specific transaction. It reflects the extent to which consumers are willing to believe that their expectations will be fulfilled during an online transaction (Odusanya et al., 2020). These definitions highlight the vulnerability that the consumer places themselves in when conducting online transactions. They engage in the transaction with the expectation that they will receive what they have ordered, in the expected quality and timeframe. The nature of online transactions can further amplify this, as the customer does not physically interact

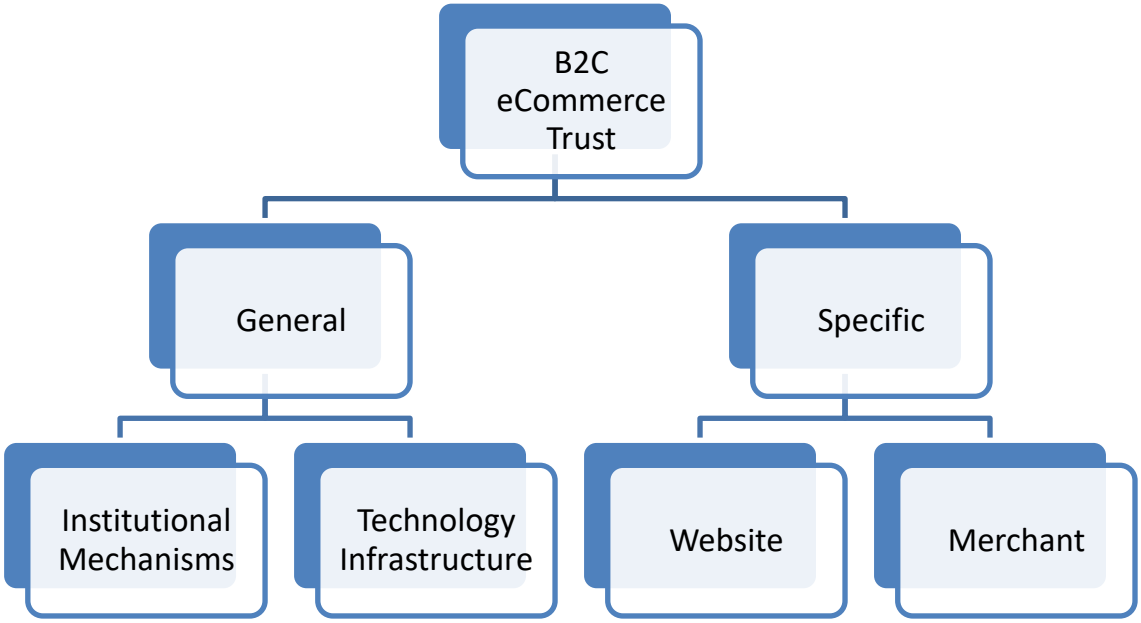
with the online seller. This may result in the online seller taking advantage of this situation, and acting in opportunistic ways which may disadvantage the consumer; such as not delivering the product, pricing unfairly, or misrepresenting themselves in some way (Mou et al., 2015). This makes trust formation a very important factor in conducting online transactions and may impact the consumer's decision to make a purchase.

2.3.1 *Antecedents of Trust*

Research suggests that there are many facets that contribute to online trust formation among consumers, also known as the antecedents of trust. There is no consensus as to which factors are more critical in influencing online purchase intentions in online shopping. In their study, where they aimed to understand the drivers of online trust and intention to buy on a website in an emerging market, Jadil et al. (2022) only considered two antecedents affecting trust. This was vendor size and vendor reputation. In a study where they examined customer intentions with respect to risk and trust, Sajjad et al. (2019) did not consider any antecedents of trust, and just had the variable of *trust in online vendor*. The following are some of the main antecedents used by researchers when evaluating the effects of trust on online behaviour.

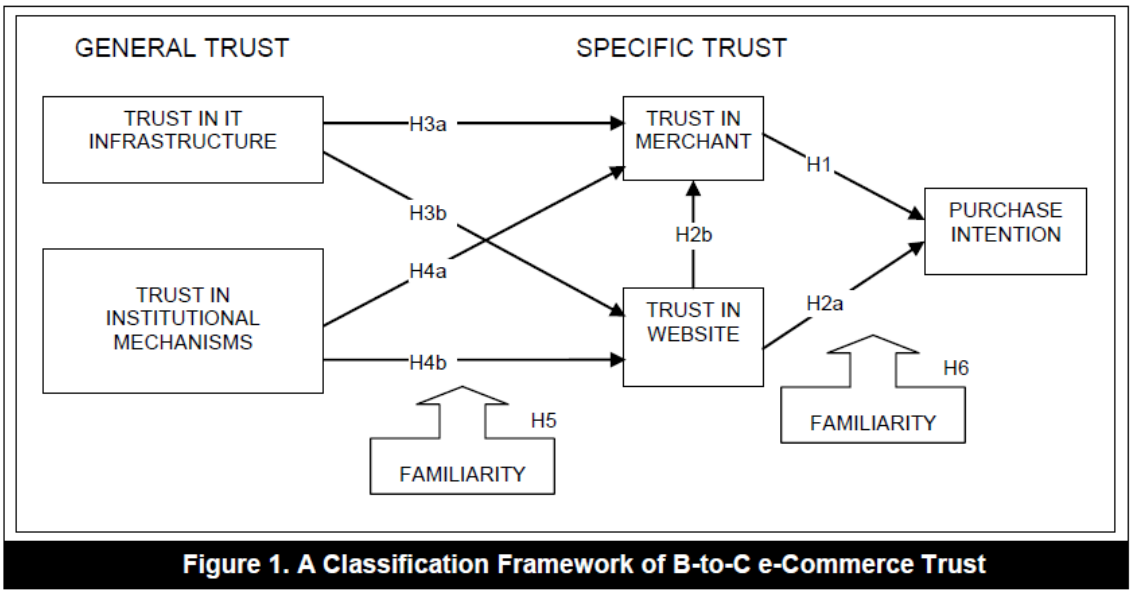
In terms of the dynamics of trust, Thatcher et al. (2013) distinguish trust between four dimensions of trust: namely *Trust in the Merchant*, *Trust in the website, Trust in IT infrastructure and Trust in Institutional Mechanisms.*

Figure 1 Four Dimensions of Trust



Source: Thatcher et al. (2013)

Figure 2 Classification Framework of B2C e-Commerce Trust



Source: Thatcher et al. (2013)

In their research, Thatcher et al. (2013) state that *Trust in Merchant* is the most looked at trust factor in the literature of online trust. From their definition, it is evident that merchants, or sellers, are the most immediate and prominent entities

influencing consumers' intended behaviour. Their study particularly highlights the role of pure internet merchants, which operate without a physical presence. Unlike their traditional brick-and-mortar counterparts, these online merchants do not offer consumers the opportunity to observe them through a physical storefront or direct human contact (Thatcher et al., 2013). This is also consistent with Mou et al. (2015), who highlighted the lack of physical presence of online merchants as a barrier to trust formation.

Jadil et al. (2022), in their study examining drivers of online trust and intention to buy online, also took this approach. They only looked at the factors of vendor size and vendor reputation, which could be broadly included under the category of *Trust in Merchant.* Subsequently, they found that both vendor size and vendor reputation have a positive impact on online buying intentions. Sajjad et al. (2019) in their research also posit that consumer trust in the vendor is correlated with purchase intentions, which their research found to be the case. Thus, it becomes clear how crucial this dimension is in the process of trust formation. The ability of consumers to evaluate merchants through their online interfaces plays a significant role in building trust.

Thatcher et al. (2013) found IT infrastructure as a crucial technological component underpinning the online environment. IT infrastructure encompasses the networked hardware and software that connect individuals and computer systems (Thatcher et al., 2013). They define it as the belief that the underlying technological infrastructure can effectively facilitate transactions. If users perceive the underlying technology as secure and capable, they are more likely to engage in and sustain their online activities. This general trust in the technological environment mitigates concerns about potential technical failures and security breaches, thereby facilitating smoother and more widespread adoption of e-commerce and other online services. In their research, Thatcher et al. (2013) found that if consumers view the IT infrastructure as effective, dependable, and secure are more inclined to trust a website, which in turn, indirectly influences their intentions to make purchases.

2.3.2 *Trust and consumer behavioural outcomes in online shopping*

The literature suggests that there is a link between trust and consumer online behaviour. Jadil et al. (2022) found that trust has a positive impact on purchase intentions. This study was conducted in an emerging market, which is Morocco. In their study, Sajjad et al. (2019) posited that consumer trust in the vendor is correlated with purchase intentions. They compared online stores with brick-and-mortar stores and how trust is formed in both. Their study found that trust is correlated with purchase intentions. This study was also performed in an emerging market, Pakistan. These two studies give an insight into the potential influence of trust factors in an emerging market such as South Africa, making it relevant for this study. However, the study by Sajjad et al. (2019) did not consider many antecedents of trust and only considered trust in the vendor. Additionally, the study did not clearly define the variables, so it was difficult to determine what kind of trust they are referring to; e.g. variable referred to as "cultural environment of trust". Therefore, it was difficult to fully ascertain the trust effects in their study.

Odusanya et al. (2020) took a different approach to the studies above when they evaluated the impact of trust on online purchase intention. They considered more antecedents of trust, which were more aligned with the research of Kim et al. (2008). These included information quality on the website, perceived usefulness and perceived ease of use of the e-commerce website. They also included hedonic motivation, which is defined as “the fun or pleasure derived from using a technology” (Venkatesh et al., 2012), and perceived risk. They considered how all these antecedents affect the trust formation of consumers, and ultimately the intention to continue using the e-commerce website. This study found that most of the antecedents of trust were significant in determining consumer trust to continue using an e-commerce platform. This was consistent with the other studies in that trust and its antecedents have an impact on online behaviour (Jadil et al., 2022) (Sajjad et al., 2019) (Kim et al., 2008). The study does well in defining trust and identifies that trust is an important factor in facilitating online transactions. As opposed to other studies, it focused on sub-Saharan Africa, in

Nigeria, which may give insight into research in South African townships. This makes the insights of their study relevant to this study.

A theory which has been found to have an impact on online buying behaviour is Trust Transfer Theory. According to Stewart (2000), trust transfer theory posits that individuals form initial trust in an unfamiliar entity, such as an online platform, by leveraging their trust in a related, familiar entity. This process is facilitated by mechanisms like perceived similarity and association with a trusted source. The theory further suggests that trust can be transferred from a brick-and-mortar store to its online counterpart, owing to the institutional credibility of the physical establishment. This research indicates that consumers are more inclined to trust online retailers that have an established physical presence.

Another theory which has been found to play a role in online purchasing behaviour when it comes to trust in online shopping is Signalling Theory. According to Mavlanova et al. (2016), signalling theory explains how sellers employ various cues to convey trustworthiness and reduce uncertainty in online transactions. In online shopping, where consumers cannot physically inspect products or interact directly with sellers, trust is built through indicators such as website quality, branding, and high-quality images. These signals serve as proxies for reliability, enabling consumers to assess the credibility of an online store. The theory further posits that more costly signals are generally perceived as more credible, thereby enhancing trust. Mavlanova et al. (2016) found that when signals are believable and consistent, they can significantly increase consumer trust, suggesting that investments in branding and visual presentation are effective strategies for building online trust.

Looking at the above studies and theories, it can be observed that trust and its antecedents have an impact on consumer online behaviour, including website continuance intention and purchase intention. The key factor, however, is which antecedents have more of an impact on purchase intentions than others. The

literature does not seem to indicate which trust factors are more significant than others.

2.3.3 *Proposition 1*

Trust in online shopping websites impacts consumers' purchase intentions.

2.4 Risk Perceptions

According to Mou et al. (2017), the inherent uncertainty and possibility of exploitation in online shopping lead to heightened perceptions of risk in electronic exchange relationships. These perceived risks are among the most significant psychological factors influencing consumers' online behaviour. Effectively managing and mitigating these perceptions of risk is crucial for the ongoing development and growth of online shopping. Understanding how consumers perceive and respond to various online risks can help create strategies that build trust and encourage more robust engagement in online shopping (Mou et al., 2017).

Perceived risk in online shopping refers to the consumer's personal belief about the likelihood that something might go wrong during online service transactions and the chance of experiencing a loss if it does. For risk to have an impact on behaviour, it must be recognised and perceived by the consumer (Garbarino and Strahilevitz, 2004). Alrawad et al (2023) define risk perceptions as "the judgment or valuation of the magnitude and likelihood of the possible 'bad' outcomes which may result from an action" (Alrawad et al, 2023). Indiani et al. (2021) also used a similar definition, where they stated that perceived risk refers to the consumer's assessment of the probability that something will go wrong and result in significant negative consequences when purchasing a product or service online (Indiani et al., 2021). The common thread in the definitions is that consumers have a perception that something will go negatively for them while they engage

in an activity; in this case, purchasing online. Based on this, having these perceived risks can deter consumers from participating in online shopping.

2.4.1 *Dimensions of risk*

Consumers may experience many risks in their participation in online shopping. Alrawad et al. (2023) reference Cox's theory (1967) on uncertainty and risk and identify that there are two main dimensions to risk. First, being performance, which is associated with the product itself, and second being psychological factors. The study showed the evolution of the risk categories and how they have expanded over time, and further breaks down performance risk to include functional risk, time risk and service risk. Makhitha and Ngobeni (2021) cited a few studies which found that the following risks were the most significant in explaining purchase intentions: product risk, delivery risk and security and privacy risk. These were included in their study. Their study was also based in South Africa, which made their selected risks relevant to the current study. The different types of online risks that are discussed in the literature can be found in Table 1 below:

Table 1: Dimensions of Risk

Risk	Definition
Financial Risk	In online shopping, financial risk is described as an individual's worry about potential monetary loss resulting from online purchases. This risk encompasses the uncertainty that customers might face financial setbacks due to online shopping services. It arises from the possibility that customers may discover a similar or identical product at a lower price elsewhere or realise that they have paid more for the same product (Alrawad et al., 2023). Pentz et al. (2020) defined it as the probability of incurring a monetary loss due to hidden costs or replacement expenses arising from the absence of a warranty or the purchase of a defective product. They

	also spoke of fraud being one of the factors which may contribute to financial risk (Pentz et al., 2020). Makhitha and Ngobeni (2023) further expand on this and state that the risk escalates when consumers shop online, as the transactional aspect necessitates prepayment for products and services without the opportunity for physical inspection or immediate exchange. They found it to be the most prominent risk in online shopping in South Africa (Makhitha and Ngobeni, 2023).
Delivery Risk	Delivery risks include the possibility of the product being damaged during transit, experiencing delivery delays, delivery being sent to the wrong address, or the client not receiving the goods at all (Makhitha and Ngobeni, 2023) (Alrawad et al.,2023). Research has found that it has an impact on purchase intentions, although in some cases this conclusion has been conflicting (Makhitha and Ngobeni, 2023) (Alrawad et al.,2023).
Product Risk	Product risk is considered the potential loss consumers might experience if the product does not meet their expectations (Makhitha and Ngobeni, 2023). Some researchers may also refer to it as functional risk (Alrawad et al., 2023) or performance risk (Pentz et al., 2020). Previous research has found that it has a significant impact on purchase intention (Alrawad et al., 2023). Technical limitations in the online presentation of product images can make it challenging for retailers to accurately represent colour, texture, and other visual details. As a result, customers may perceive discrepancies between the product they receive and what was displayed online. This mismatch between expectations and reality is a significant concern for consumers and remains one of the leading causes of product returns in online shopping (Mpinganjira, 2015).
Time Risk	Time risk pertains to the time and effort required to navigate the website, complete the purchase, wait for delivery, and return the

	product if it is unsatisfactory (Makhitha and Ngobeni, 2024). In their study, Alrawad et al. (2023) expand on this and say that the time risk can stem from three reasons. Firstly, the technical and accessibility aspects of the website, secondly, the registration and authentication customers may have to do (which may take time) and the time of delivery, especially in cases where the online store is in a foreign country (Alrawad et al., 2023).
Psychological Risk	This is the potential for consumers to experience stress as a result of their purchasing behaviours. If a user encounters a complex website, struggles to find desired products, or feels confused about navigating the site, they are likely to abandon it (Pentz et al., 2020). Additionally, Bhatti & Ur Rehman (2019) indicated that psychological risks have a notable negative impact on online shopping behaviour, often leading to decreased consumer engagement in online shopping. These risks create uncertainty and hesitation, making consumers less likely to complete online purchases.
Privacy Risk	Privacy Risk is the potential loss of control over personal information when it is used without permission. This type of uncertainty reflects customers' concerns that an online store might misuse their financial and personal information that they submit, share it with third parties without consent, or lack the ability to protect their data from cybersecurity threats (Alrawad et al., 2023). Makhitha & Ngobeni (2021a) indicated that Privacy Risk negatively affects consumer attitudes towards online shopping.
Social Risk	Social risk refers to the likelihood that a consumer's peer group will develop a negative perception of their purchasing behaviour (Makhitha and Ngobeni, 2024). As a result, consumers may opt out of online shopping due to concerns that their choice of products or preferred online retailers could lead to social rejection or isolation (Pentz, 2020).

2.4.2 *Risk and purchase intentions*

There have been conflicting results in whether risk perceptions have an impact on purchase intentions. Over and above that, there have been conflicting results on which dimensions of risk affect online purchase intentions. Alrawad et al. (2022) investigated customer perceptions of online risks and their subsequent effect on purchase intentions. The study presented a very comprehensive model of risk perceptions, including seven risks such as financial, privacy, functional, delivery, information, physical, time-loss, psychological and social risks. The information in the study shows that there are many risks which may be at play and may differ in different contexts. For example, this study focused on Middle Eastern countries, and the results only showed three of the risks to be significant in influencing purchase intention. These were financial risk, information risk, and privacy risk. This could be due to country-specific factors.

Makhitha and Ngobeni (2024) looked at perceived risks in the township, specifically in Soweto. The study focused on how perceived risks affect attitude. As with other studies, they had more than one risk factor (five), which were used to explain their effect on attitude and ultimately purchase intention. It found that the perceived risks, although significant in affecting attitude, were not significant in having an effect on purchase intention. Therefore, attitude was found to be the mediator. It was not clear, however, how exactly attitude mitigated these risks in them not affecting purchase intention. The study focused on the purchase of clothing. They did mention that risk factors may differ when looking at expensive goods vs non-expensive goods, as the loss suffered would be higher for expensive goods. These insights may be useful for this study, as the location is similar in that it was conducted in a South African township.

Pentz et al. (2020) also conducted their study in South Africa. They focused on millennials and looked at their perceived risks and how they affect shopping intention. The study distinguishes between high involvement and low involvement purchases, as well as between inexperienced and experienced users. The

findings regarding experienced online consumers' intention to repurchase clothing online (low involvement good) revealed that perceived psychological risk and social risk (in terms of retailer reputation and social influences) had a significant impact. Both perceived psychological risk and social risk (specifically social influences) were found to negatively affect their intention to repurchase online. This study revealed that psychological risk emerged as the most influential factor. Interestingly, financial risks were not found to be significant, which contrasts with findings from previous research, which state financial risk as being one of the most influential factors affecting online purchase intention (Makhitha and Ngobeni, 2023) (Indiani et al., 2021). This discrepancy may be attributed to the demographic characteristics, particularly the younger age of the student participants in this study.

In their study, Indiani et al. (2021) looked at the impact of perceived risk on online purchase intentions in an emerging market, Indonesia, which made it relevant for this study. The study, like the others, defined various aspects of online risks. They cited financial risk as the biggest risk faced by online consumers and their study mainly focused on this type of risk. However, contrary to other studies this paper found that perceived risk was not significant in impacting purchase intention. One of the reasons for this was the predominant age of the participants, who were 20 - 30. They are more tech savvy and therefore might not perceive risk the same as other demographics. Also, most of the participants use prominent e-marketplaces in Indonesia which have pro-customer policies and terms and conditions. They offer Cash-On-Delivery, which may help mitigate financial risks.

2.4.3 *Proposition 2*

Perceived risks associated with online shopping transactions deter purchase intentions among consumers in South African townships.

2.5 Role of cultural and social influences in shaping trust and risk perceptions

2.5.1 *Culture in online shopping trust and risk perceptions*

There have been many studies in the past linking culture to consumer behaviour. Culture refers to a group of individuals who share similar ways of thinking, feeling, and behaving (Refaat El Said et al., 2009). Over time, there have been studies linking culture to trust and risk in the online context. Due to its nature, the internet and e-commerce is a global phenomenon, with e-commerce stores reaching customers across the globe, and in different cultural contexts. Thus, the need for cross-cultural research in the field of e-commerce has never been more important. Additionally, shopping habits and risk perceptions can vary greatly depending on factors such as cultural background, age, gender and income (Thi et al., 2023).

In the reviewed literature, the researchers all referenced seminal work by Hofstede in explaining the link between culture and consumer behaviour (Refaat El Said et al., 2009) (Thi et al., 2023) (Thikomirova et al., 2021) (Mosunmola et al., 2019) (Bianchi et al., 2012). In their theory, it is said that trust is formed differently in different cultural settings, and this may, in turn, influence their consumer behaviour. Hofstede's theory on cultural dynamics provides a comprehensive framework for understanding how cultural values influence behaviour within societies. Originating from a large-scale research project in the late 1960s and early 1970s, Hofstede's study analysed data from IBM employees across more than 70 countries to identify fundamental cultural differences. This groundbreaking work led to the identification of six key dimensions that differentiate cultures (Nickerson, 2023), which are summarised below:

Table 2: Hofstede's Cultural Dimensions

Dimension	Definition
Power Distance	This dimension measures the extent to which less powerful members of a society accept and expect power to be distributed unequally. High power distance cultures tend to have a hierarchical order where everyone has a place that needs no further justification. In contrast, low power-distance cultures strive for equality and question authority.
Individualism vs Collectivism	This dimension contrasts the degree to which individuals are integrated into groups. Individualistic societies prioritise personal achievements and individual rights, while collectivist cultures emphasise group harmony, loyalty, and collective well-being.
Masculinity vs Femininity	This dimension explores the distribution of emotional roles between genders. Masculine cultures value competitiveness, assertiveness, and material success, whereas feminine cultures prioritise care, quality of life, and nurturing roles.
Uncertainty Avoidance	This dimension indicates the extent to which members of a culture feel threatened by ambiguous or unknown situations. High uncertainty avoidance cultures implement strict rules, regulations, and behavioural norms to mitigate uncertainty, whereas low uncertainty avoidance cultures are more relaxed and open to change and innovation.
Long-term vs Short-term Orientation	This dimension describes the time horizon of a society's values. Long-term oriented cultures focus on future rewards, perseverance, and thrift, while short-term oriented cultures value traditions, social obligations, and the quick fulfilment of social responsibilities.
Indulgence vs Restraint	This dimension measures the degree of freedom allowed to individuals in fulfilling their human desires. Indulgent cultures encourage gratification of basic and natural human drives related

	to enjoying life and having fun. Restrained cultures regulate and control the gratification of needs through strict social norms.

(Nickerson, 2023)

This theory has been developed and refined over the years, culminating in the creation of a culture comparison tool (The Culture Factor, 2024). This tool rates countries and gives a score out of 100 for each of the cultural dimensions, also known as an Index. In this way, national cultures can be rated, and a comparison can be made between countries on the various dimensions.

For this study, the relevant dimensions were found to be *Uncertainty Avoidance* and *Individualism vs Collectivism.*

Individualism vs Collectivism

As previously mentioned, this dimension contrasts the degree to which individuals are integrated into groups. Individualistic societies prioritise personal achievements and individual rights, while collectivist cultures emphasise group harmony, loyalty, and collective well-being (Nickerson, 2023). People with individualistic cultural values are therefore not likely to be influenced by the opinions of others, while those with collectivistic cultural values are more likely to be influenced by the views of their social group (Mosunmola et al., 2019). Trust is a fundamental component of a specific culture and is closely related to cultural differences between nations. It is said that cultures that are collectivist exhibit greater levels of trust. Cross-cultural literature reinforces the idea that a cultural environment of trust is crucial when studying online consumer behaviour, particularly in how individualistic/collectivist the culture is (Bianchi, 2012).

Mosunmola et al. (2019) aimed to measure online shopping intention and how it is influenced by trust and culture. In examining culture, they included one of Hofstede's cultural dimensions of collectivism among others. The findings indicated that collectivism significantly moderates the relationship between

perceived trust and online purchase intention. Although this study focuses on university students rather than a specific society or cultural setting, its findings were found to be relevant. It provides insight into how cultural factors, such as individualism/collectivism, can mediate trust. This has implications for website design, as the study demonstrates that different cultures may perceive trust differently based on how a website is structured.

Bianchi et al. (2012) examine how cultural norms and collectivist cultures influence online purchasing behaviour. Their study was a Latin American study, based in Chile. They identify several cultural dimensions, including collectivism, that may affect consumer behaviour. In their study, they hypothesised that a cultural environment of trust positively influences consumers' intention to continue purchasing online. Their results supported this hypothesis. The literature shows the significance of considering the dimension of collectivism and how it may impact online trust and risk perceptions and ultimately purchasing intentions.

Uncertainty Avoidance (UA)

As mentioned, uncertainty avoidance (UA) indicates the extent to which members of a culture feel threatened by ambiguous or unknown situations. It is a dimension that has been found to be relevant in cross-cultural studies that deal with online aspects, because it is strongly linked to risk (Thi et al., 2023). In their study, when looking at cultural factors and internet adoption, Mosunmola et al. (2019) state that evidence from the literature supports the idea that risk-averse individuals tend to exhibit a high level of uncertainty avoidance. This characteristic indicates their strong resistance to using internet services. Thi et al. (2023) bring this view closer to online shopping, and posit that in online shopping, societies with a high uncertainty avoidance score are typically risk-averse and reluctant to make purchases online. Conversely, users from cultures with lower uncertainty avoidance are more comfortable with online shopping and have a more positive attitude towards websites. The uncertainty avoidance index (UAI) can either heighten or lessen consumers' perceived risk. Several studies have used this

dimension of UA in their studies when observing the effect of cultural factors on online trust and risk perceptions (Thi et al. 2023; Reefat El Said et al., 2009; Mosunmola et al., 2019; Thikomirova et al., 2021)

Thikomirova et al. (2021) hypothesised that UA affects disposition to trust online. The study was conducted in Russia, which has a high UA index at 93. This hypothesis was supported in their results, and the findings showed that UA affects online trust. Thi et al. (2023) conducted a cross-cultural study, comparing the cultures of Vietnam and Hungary. Unlike other studies, they compare two cultures and how cultural factors have an impact on their online trust and risk perceptions. Vietnam has a lower UA score than Hungary. They hypothesised that the negative effect of perceived risk on purchase intention is moderated by UA. They found that the perceived risks are felt more strongly in Hungary than in Vietnam. They found that the cultural dimension has a moderating role on perceived risk.

Reefat El Said et al. (2009) hypothesised that the cultural factor of uncertainty UA would influence trust antecedents. More specifically, they proposed that in societies with high UA, the impact of trust antecedents would be more significant compared to societies with low UA. This hypothesis was confirmed in their study. By comparing results from societies with lower UA than Egypt, they found their hypothesis to be accurate. These studies gave insight into the applicability of cultural factors (in this case UA) in the formation of trust and perception of risks in the online context.

2.5.2 *Culture of South African Townships*

South African townships have been characterised by a unique bustling culture. Predominantly inhabited by black Africans, townships have been known to be collectivist in nature. They have a societal attribute of “Ubuntu”, which can be expressed as “I am because you are”. This is contrast to Descartes’ notion of “I think therefore I am” which is found to be more individualistic in nature (Song, 2008) It can be summarised as “to be human is to affirm one’s humanity by

recognising the humanity of others and, on this basis, establish respectful human relations with them" (Menze and Tsibolane, 2019). The concept highly values harmonious interpersonal relationships, a sense of security, belonging, and working for the common good (Nam et al., 2009). A strong sense of mutual trust characterises these communities.

Literature on the influence of culture on online trust and risk perceptions in South African townships is very limited. However, limited research has been conducted on how this collectivist culture influences buying behaviour and response to marketing campaigns in the retail space. Nam et al. (2009) highlighted the importance of collectivist values when it comes to retailers building relationships and trust within collectivist communities. This research, conducted in South African townships, showed that the communities responded better to collectivist values, such as empathy, and if retailers showed these values, they would be more willing to buy from them (Nam et al., 2009). Although this research was not directly speaking to online shopping, it highlights the collectivist nature of townships and what the individuals in those settings may respond to. Through this, it can be seen that the township setting is unique enough to provide insight into online trust and risk perceptions within this cultural context, and this research can add to the literature on this effect.

When it comes to the collectivist nature of South African townships, there may be a difference along gender lines. One gender may be more collectivist in nature than the other. In their research, Ferrari (2022) discussed how South African women often perceive themselves through a relational lens, prioritising connections with others over individualistic viewpoints. This sense of identity strengthens feelings of belonging and responsibility within their communities, reinforcing collectivist values. Additionally, these differences may be seen in township stokvel culture. A stokvel is a voluntary informal savings group where members collectively contribute a fixed amount of money at regular intervals into a shared fund (Matuku & Kaseke, 2014). Lindiwe Ngcobo and Chisasa (2018) found that women have historically been the primary participants in collective

savings schemes, a practice that has been deeply rooted for many years. These findings may give an insight on how there may be differences between the levels of collectivism between men and women in South African townships.

Another aspect which is a key factor in the South African township landscape is Word of Mouth (WOM) influence. In 2024, Rogerwilco conducted their annual Township CX Report, which looks at various aspects of township consumer behaviour. In this research, they highlighted that township consumers heavily depend on familiar and trusted sources when engaging with brands, with word-of-mouth being the most influential channel for brand discovery (Township CX Report, 2024). Looking at research from other collectivist societies such as India, Zeba and Ganguli (2016) found that word-of-mouth has a significant influence on online purchase intentions. Their study, conducted in India, highlights the role of social influence in shaping consumer behaviour in these societies. Additionally, Aslam (2011) discuss how word-of-mouth plays a significant role in consumer purchasing decisions in Pakistan. This was particularly relevant given that Pakistan is also classified as a collectivist society. These insights may indicate how WOM may play a significant role in consumer behaviour in South African townships, and ultimately online purchasing behaviour.

More closely related to online shopping, another dimension of WOM is electronic Word of Mouth (eWOM). eWOM refers to consumers sharing their experiences, opinions, reviews, and recommendations about products and brands through online platforms, such as social media and online shopping websites (Alalwan et al., 2017). Liu et al. (2018) conducted a study looking at how online tools, such as recommendation systems, ranking systems and electronic word of mouth, affect online buying behaviour. They found that eWOM can positively influence online purchasing decisions in certain cases. This finding also aligned to findings by Ilhamalimy & Ali (2021), who looked at how eWOM plays a role in purchasing decisions among Indonesean online shoppers. They posit that eWOM has a positive effect on purchase intentions, which they found to be true. This was also conducted in a collectivist society, which is similar to the current study.

Makhitha & Ngobeni (2023), who conducted their study in South African townships, showed a different result. They evaluated the effect of eWOM on attitudes towards online shopping among these communities. In contrast to Liu et al. (2018) and Ilhamalimy & Ali (2021), they found that this factor had no significance in affecting attitudes towards online shopping among South African township consumers.

Overall, while studies in other collectivist contexts have demonstrated that eWOM can positively influence online purchasing decisions, the evidence from South African township setting suggests a more nuanced picture, with some research indicating no significant effect on consumer attitudes. However, research in this aspect was found to be limited. This discrepancy may highlight the need to consider local cultural and social dynamics when evaluating the impact of eWOM on online shopping behaviours.

2.5.3 *Proposition 3*

Cultural and social influences, such as collectivism and word of mouth, play a crucial role in shaping trust and risk perceptions among township consumers, thereby impacting their online shopping purchase intentions.

2.6 Conclusion of Literature Review

This chapter has thoroughly examined the existing literature on trust and risk in online shopping. Drawing from various studies, this review identified critical factors influencing consumer trust and risk perceptions. Additionally, it has explored how cultural and social influences, such as collectivist values and uncertainty avoidance, may shape these perceptions and ultimately impact online purchasing behaviour.

Building on the insights from previous research, this study investigated the key determinants of trust and risk in online shopping transactions among township consumers. Specifically, it focused on identifying the most relevant sources of risk and understanding how trust is formed. It explored the effects of perceived risks, such as financial, privacy, and delivery risks, and how they influence purchase intentions. The interplay between trust, risk perceptions, and cultural influences were examined to offer a deeper understanding of consumer behaviour in township online shopping settings.

The next chapter will detail the research methodology employed to test the propositions and address the research questions. This methodology will include an ethnographic approach to gather in-depth qualitative data, offering valuable insights into the unique challenges and opportunities within the South African township online shopping landscape.

2.6.1 *Proposition 1*

Trust in online shopping websites impacts consumers' purchase intentions.

2.6.2 *Proposition 2*

Perceived risks associated with online shopping transactions deter purchase intentions among consumers in South African townships.

2.6.3 *Proposition 3*

Cultural and social influences, such as collectivism and word of mouth, play a crucial role in shaping trust and risk perceptions among township consumers, thereby impacting their online shopping purchase intentions.

CHAPTER 3. RESEARCH METHODOLOGY

3.1 Introduction

This section outlines the research methodology employed to investigate the influence of culture on trust and risk perceptions of online shopping in South African townships. An ethnographic approach was chosen to gain a deep and contextual understanding of the cultural nuances and personal experiences of township residents. Through ethnographic methods, the study aimed to capture the complexities of consumer behaviour in these unique environments. By focusing on this qualitative framework, the research sought to provide a rich, detailed insight into the factors driving online purchasing decisions among this demographic. This chapter goes deeper into the selected research design, approach, methodology and research methods.

3.2 Research Paradigm

The chosen research paradigm for this study was interpretivism. Interpretivism is suited for qualitative research as it emphasises understanding the subjective meanings and social contexts that shape human behaviour (Guchuru, 2017). Interpretivism is characterised by its non-reliance on numerical or statistical data analysis. This approach recognises that research issues may be situated within a social context, which essentially involve human behaviour which cannot be easily quantifiable. According to the interpretivist perspective, reality can only be accessed and understood through social constructs, and understanding these constructs allows researchers to explore the complexity of social phenomena in depth (Guchuru, 2017).

This was an ideal approach for the research questions and the location, because not only did the research aim to understand online trust and risk perceptions in South African Townships, but the cultural context which may influence trust and

risk perceptions in these communities. This approach allowed the researcher to have more insight and uncover the underlying stories and contexts which shape online trust and risk perceptions in this setting, and how they ultimately impact online purchase intention. Unlike positivist methodologies that depend on numerical data, interpretivism emphasises the intricate process of human sense-making as situations unfold. This approach yields rich and detailed data, offering profound insights into the meaning individuals attribute to their experiences (Guchuru, 2017). This approach was appropriate for exploring the nuanced perceptions of trust and risk among online shopping consumers in South African townships.

3.3 Research approach

This research was conducted using a qualitative approach. Qualitative research is defined as a strategy to studying the experience and meaning components of people's lives and social environments. It places special emphasis on the interpretation of arbitrary meanings and descriptions of social contexts (Fossey et al., 2002).

In this study, the research questions focused on exploring the intricate dynamics of trust and risk perceptions in online shopping among consumers in South African townships. Firstly, the research aimed to dive into the factors influencing trust formation in online transactions within this specific socio-economic context, examining how these factors influence consumers' intentions to make purchases. Secondly, it looked for perceived risks related to online shopping in townships and explained how these affect consumers' decisions to buy. Lastly, the study aimed to explore the social and cultural factors that influence township consumers' perceptions of risk and trust, with a focus on word-of-mouth recommendations, community networks, and group decision-making processes that are common in collectivist societies.

Qualitative research is ideally suited for this study's objectives as it aligns with the definition provided. Qualitative methods emphasise capturing subjective meanings and interpretations within social contexts. This makes them effective for exploring the experiential and interpretive aspects of consumer behaviour in online shopping. Through qualitative inquiry, this study uncovered nuanced insights into how trust is formed, how risks are perceived, and how cultural dynamics influence these perceptions in township settings. This approach allowed for a deeper understanding of the complexities inherent in online shopping experiences among township residents, providing rich, contextual data essential for addressing the research questions comprehensively.

This approach was conducted under the interpretivist paradigm. The first assumption related to this approach is that reality is socially constructed (Dudovskiy, 2024). This was appropriate for the research in that in as much as it focused on online trust and risk perceptions, it aimed to understand how they are affected by the social contexts found in South African townships. Another assumption linked to interpretivism is that by placing individuals in their social environments, it is easier to comprehend how they perceive their own actions (Kelliher, 2005). This was appropriate for the research in that social context and environment (that being the township) were central to answering one of the research questions. Rich insights regarding the cultural and social contexts that shape online trust and risk perceptions were obtained through this approach.

3.4 Research design

This study employed an ethnographic study approach. Through sustained involvement and observation, ethnographic studies explore deeply into the beliefs, social connections, and behavioural patterns of small cultures. Additionally, the data gathered is interpreted. By focusing on natural environments and the researcher's subjective perception, this method deviated from scientific methodologies in an attempt to investigate specific phenomena

and provide analytical descriptions of different civilisations (Naidoo, 2012). Because this study aimed to understand online trust and risk and risk perceptions and how they are shaped by the cultural and social contexts of South African townships, an ethnographic approach was appropriate and helped guide in answering the research questions.

At the core of ethnographic studies is cultural interpretation, in that the researcher looks to understand behaviours within a certain setting, with certain participants. Additionally, they do more than just describe an observation but rather incorporate the specific context and meaning participants link to those observations (Lambert et al., 2011). This approach was best to guide in answering the research questions, in that over and above understanding online trust and risk perceptions and their effect on purchase intentions, it was to understand how the culture and social context of South African townships shape these trust and risk perceptions. Rather than analysing participants from a distance, the researcher engaged directly with the daily spaces and social interactions that shape consumer behaviour in township settings. The goal was not only to gather information on online trust and risk perceptions, but to interpret how these concepts are socially and culturally constructed in the context of South African township life. This approach allowed the researcher to observe lived behaviour, listen to contextual language, and draw interpretive links between participants' words and the socio-cultural fabric in which those words are embedded. As such, the research was not merely descriptive but deeply interpretive, aimed at understanding how trust is built, risk is perceived, and decisions are made within the cultural logics of township life.

An ethnographic study is characterised by its reliance on gathering data within the participants' natural settings. It emphasises the use of unstructured data, allowing for a more flexible and open-ended exploration of experiences and behaviours. Ethnographic research places significant value on the context, understanding that individuals cannot be studied in isolation from their environments (Lambert et al., 2011). This allowed for immersion into the township

environment, interacting and observing behaviours which are linked to understanding online trust and risk perceptions in this setting. This approach sought to capture the rich, intricate details of social interactions and cultural practices as they occur naturally, providing deep insights into the lived experiences of the participants.

An Advantage of ethnographic studies is that they enable in-depth findings and can be well suited for new research (Nixon & Odoyo, 2020). This study explored a field which currently has limited to no research hence an ethnographic approach was suitable. It enabled in-depth findings, as conversations with individuals in their context provided rich insights in answering the research questions.

3.5 Data collection methods

The main research instrument for this qualitative ethnographic study was a structured interview, in the form of individual in-depth interviews. These interviews are usually beneficial when wanting to have deeper understanding of social factors, people's experiences and perceptions (DiCicco-Bloom & Crabtree, 2006). This was ideal in answering the research questions. In this type of research, the aim was to understand the unique trust and risk perceptions that shape online buying behaviour in the townships. This unique understanding required different perspectives, from which common themes were drawn. This method allowed for a comprehensive exploration of participant's experiences, attitudes, and perceptions, capturing the nuances and subtleties that other methods might miss. It allowed for contextually rich data that reflected the cultural and social realities of township life which may influence trust and risk perceptions. The structured interview was guided by interview questions.

3.6 Population and sample

3.6.1 *Population*

The population for this research consisted of consumers residing in townships in South Africa who engage in online shopping. The townships where participants were from were Soweto and Cosmo City in Johannesburg, as well as Langa and Khayelitsha in Cape Town. Soweto is the biggest township in the country, which made it have a diverse enough group of people. Langa is the oldest township in the country, and that context added to the value of the study. Although the study aimed to include individuals from different age groups, genders, and socio-economic backgrounds, most of the participants found, with the exception of two, were in their thirties. The sample consisted of 5 females and 4 males. The selected population offered a rich source of data to explore the factors influencing trust and risk perceptions in online transactions among township consumers. By focusing on this population, the study was able to capture the unique socio-cultural and economic contexts that shape their online shopping experiences and behaviours.

3.6.2 *Sample and sampling method*

The sampling method used was purposeful sampling. This sampling method is often used in ethnographic studies, as it enables the researcher to deliberately select individuals who are most likely to provide valuable insights into the phenomena being studied (Gina Marie, 2004). The selection criteria for participants focused on their involvement in online shopping activities. The planned number of participants was 10. Although qualitative study research recommends anything between a sample size of 5 – 60, Hennink and Kaiser (2022) argue that, from their empirical findings, samples of 9-17 are sufficient to reach saturation (Hennink and Kaiser, 2022). Saturation was reached at the 9th participant. A portion of the participants were selected through snowball

sampling, where the initial identified participants were asked to recommend other participants who fit the participant profile. The group included five females and four males, with the majority in their thirties. Participants were drawn from four township areas: Soweto and Cosmo City in Johannesburg, and Langa and Khayelitsha in Cape Town. These locations were selected to reflect both geographic and socio-cultural diversity within the South African township context.

3.7 The research instrument

The main research instrument for this qualitative ethnographic study was a structured interview, in the form of individual in-depth interviews. The structured interview was guided by interview questions, which were split into four main parts. The first part was general questions about the individual's general experience with online shopping. The second part spoke to trust and aimed to find factors influencing trust formation in online shopping transactions among consumers in South African townships, and how these impact purchase intentions. The third part aimed to investigate the perceived risks associated with online shopping and how they impact purchase intentions. The last part of the questionnaire sought to examine the role of cultural and social influences in shaping trust and risk perceptions among township consumers. The interview schedule can be found under ***Appendix A*****.** The interview process included a cover letter explaining the research, which the potential participant will receive a copy of. A consent form was completed by each participant before conducting the interview. An artifact of these can also be found in ***Appendix*** **B and C.**

3.8 Procedure for data collection

In the initial phases of the data collection, time was spent in the township of Soweto particularly Vilakazi Street. This is quite a popular street which is always bustling with activity of people drawn from diverse communities who patronise the attractions. Time was spent in and around the attractions of the street, such

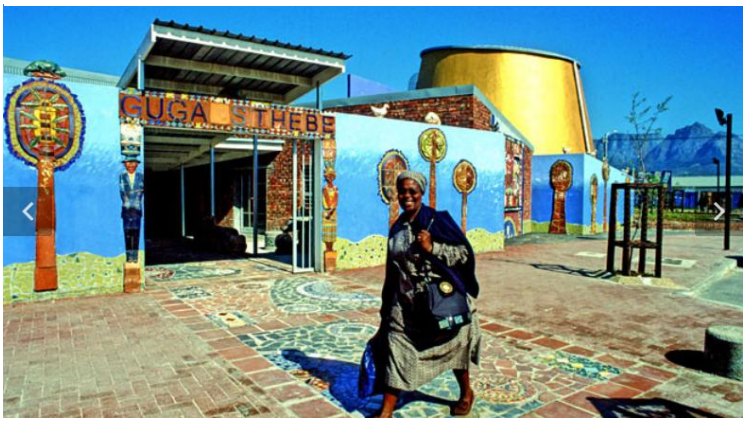
as coffee shops and fast-food joints. This street was found to be a relevant place to find the intended target population. General conversations were had with select patrons in these establishments about their general online shopping behaviour and their feelings on online shopping. This helped gain context of the community. One participant was identified as fitting the required participant profile. The interview was then conducted at the participant's home. Snowballing occurred, and they recommended another individual from Cosmo City and that interview was conducted at their home.. This participant subsequently recommended a neighbour, with whom another interview was conducted. This was the procedure for Johannesburg participants.

In Cape Town, a similar approach was taken in Langa, beginning with informal time spent at the Guga S'thebe cultural centre, a space offering both artistic activity and community engagement. Here, too, potential participants were engaged in conversation before agreeing to recorded interviews. While two interviews were conducted virtually due to convenience, the majority occurred in-person and in participants' familiar environments, allowing the researcher to observe contextual cues, body language, household interactions, and non-verbal expressions. These all contributed to the cultural texture of the data.

Identified participants were interviewed at their homes. Through snowballing, they recommended other participants to be interviewed. Two of the participants had to conduct their interviews virtually via Microsoft Teams due to convenience reasons.

The interviews lasted approximately 15-20 minutes and were recorded using Microsoft Teams. AI tools, which are built into Microsoft Teams, were used to partially transcribe the interview information. The interview responses were saved and stored with anonymous identifiers to protect participant confidentiality.

Figure 3 Guga S'thebe Community Centre, Langa, Cape Town



Source: Rynkowska-Sachse (2014)

Figure 4 Vilakazi Street, Soweto



Source: Moagi (2020)

3.9 Data analysis strategies and interpretation

The analysis was in the form of an inductive approach. This approach allows for themes to emerge in the data, which can allow for a deeper understanding of the underlying themes (Hennink et al., 2020, pp. 221–232). The data obtained from

this research were in the form of interview transcripts. Given the study and what it aimed to achieve, the thematic analysis method was used. This approach to qualitative research focuses on finding and characterising both explicit and implicit themes in data. It entails creating codes to symbolise these themes, which are subsequently applied to the unprocessed data as summary indicators for additional examination (Guest et al., 2014, pp. 3–20). The study relied on this method to analyse and interpret the data, since it is quite commonly used for qualitative data obtained through interviews. Braun and Clarke (2006) outlined a 6-step process for thematic analysis. The table below depicts an overview of this process.

Table 3 Braun and Clarke: Phases of Developing Thematic Analysis

Phase	Description of the process
1. Familiarizing yourself with your data	Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.
2. Generating initial codes	Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code.
3. Searching for themes	Collating codes into potential themes, gathering all data relevant to each potential theme.
4. Reviewing themes	Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic 'map' of the analysis.
5. Defining and naming themes	Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.

6. Producing the report	The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.

Source: Braun & Clarke (2006)

The actions taken under each step of this process are explained below.

Familiarising with the data

This step involved conducting the interviews and obtaining the initial partial transcriptions from the Teams recording. These were then transcribed verbatim. Subsequently, the transcripts were translated where required, as some of the participants switched between English and vernacular. The transcripts were then read by the researcher in an attempt to make sense of the data, with them taking notes on initial observations.

Generating Initial Codes

This process involved systematically identifying recurring patterns, key concepts, and significant statements within the qualitative data. These codes were developed inductively, ensuring that themes emerged naturally from the responses rather than being imposed based on preconceived categories. Atlas.ti was used to generate the codes in the study. An example of the codes generated can be found under ***Appendix D.***

Searching for themes, reviewing, defining and naming themes

After the meaningful pieces of data were coded, they were systematically put into categories. These categories were based on the literature of online trust and risk

perceptions and the research questions. These categories were then developed into themes. There were four main themes which emerged in the data, namely (1) trust factors, (2) risk perceptions, (3) cultural factors and (4) purchase intentions.

Producing the report

The final step, as per Braun and Clarke (2006) is to produce the report with the relevant insights and analysis obtained from the coding and theming process. Within this report writing process, the most impactful extracts were gathered and included in the analysis in Chapter 4. This also included aligning them to the research questions.

3.10 Quality Assurance

3.10.1 *Transferability*

Long-term engagement, continuous observation, thick, rich description; negative case analysis; peer review or debriefing; explaining researcher bias; member checking; are some of the strategies for guaranteeing transferability (Morse, 2015). Prolonged engagement within the setting of the participants was achieved, considering it is an ethnographic study. Thick description was obtained through the structured interviews, ensuring quality data. One way this was achieved was through the sample size. Through empirical research and guidance from University Professors, the selected sample size was noted to be large enough to reach saturation. Additionally, a coding approach was employed for data analysis, which is also said to ensure transferability (Morse, 2015).

3.10.2 *Credibility*

In qualitative research, credibility pertains to the trustworthiness and believability of the findings. It is ensured through several practices (Tracy, 2010). According to Tracy (2010), one of the ways to achieve this is through the use of thick description. Being an ethnographic study conducted through individual interviews, the research offered in-depth insights which were filled with cultural context. Additionally, the research ensured diverse perspectives were obtained, so as to ensure a nuanced interpretation.

3.10.3 *Dependability*

Morse (2015) noted that one of the aspects of ensuring dependability in qualitative studies, especially when it involves structured interviews, is having a coding system. This research met this criterion in that it employed a coding approach as part of the data analysis process.

3.11 Ethical considerations

According to DiCicco-Bloom & Crabtree (2006), there are four main ethical considerations in qualitative interviews; these are reducing the risk of harm, informing the participant about the nature of the study, protecting the information of the participant and reducing exploitation risk. In terms of the risk of harm, the interview did not ask questions that were personal in nature or questions that may cause psychological distress. Secondly, the participants were told about the purpose of the study and received copies of this. Consent forms were signed by the participants, and it was made clear to them that they could withdraw this consent at any point during the interview.

Information of the participants was protected through password-protecting the recording information and transcription, as well as anonymising data. This was

so that interview responses could not be traced back to a specific participant. Lastly, transparency was maintained throughout to ensure the participants fully understood what the interview was about and participated voluntarily, so as to reduce exploitation risk. The researcher received ethics clearance from the University of the Witwatersrand and subsequently followed the ethical guidance as set out by the University. The ethics clearance certificate can be found under Annexure E.

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

In the evolving online shopping landscape, understanding consumer trust and risk perceptions is vital, especially in South African townships. This research aimed to explore the factors influencing trust and perceived risks in online shopping transactions among consumers in South African townships, and how these factors impact purchase intentions. Additionally, it examined the role of cultural and social influences, such as community networks and word-of-mouth recommendations, in shaping these perceptions. The study employed an interpretivist qualitative, ethnographic approach; using in-depth interviews with township consumers to explore the cultural and social influences shaping trust and risk perceptions in online shopping within South African townships. This chapter presents the results obtained from the data collected through the qualitative interviews. The data analysis was conducted using a thematic analysis, and the information will be presented based on the themes emanating from the research. Each of the themes and subthemes will be discussed in turn.

4.2 Overview

4.2.1 *Demographics and Participant Contribution*

As illustrated in the table below, the study consisted of five female, and four male participants. The participants were from various townships between Johannesburg and Cape Town, with most participants being from Langa. Most participants were in their 30s, except for Participant 3 and 6 who were 42 and 50 respectively.

The participants had varying levels of contribution in the study. Their contribution was determined by how many codes were generated from their transcript. The coding was completed using analysis software Atlas.ti, from which the total number of quotations for each participant were generated. As illustrated in Table 3 below, Participant 1 contributed the most to the study with 38 quotations. Participant 9 contributed the least to the study with 15 quotations.

Table 4 Demographic profile and participant contribution

Participant Name	Gender	Age	Township	Contribution
Participant 1	Female	35	Soweto	38
Participant 2	Female	34	Cosmo City	32
Participant 3	Female	42	Cosmo City	28
Participant 4	Female	32	Khayelitsha	37
Participant 5	Male	33	Langa	29
Participant 6	Female	50	Langa	16
Participant 7	Male	33	Langa	19
Participant 8	Male	36	Langa	36
Participant 9	Male	33	Langa	15

Source: Researcher's construction

4.2.2 *Data Analysis Process*

Data Cleaning Process

Recordings were transcribed verbatim from the recordings of the participants. Through transcription, the researcher can better understand their data and its significance in the study (Point & Baruch, 2023). The initial cleaning process included reading the initial transcripts and removing any unclear words.

Additionally, additional translation text was added and checked for accuracy in cases where participants were speaking in vernacular. This ensured interviews and transcripts were ready for the coding process.

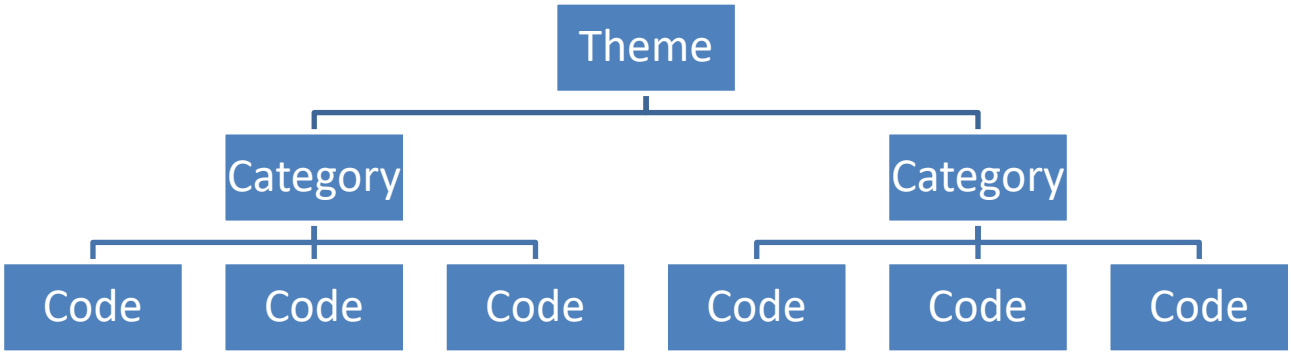
Computer-Assisted Qualitative Data Analysis Software (CAQDAS)

The coding process and analysis of this qualitative study was conducted with the assistance of Computer Assisted Qualitative Data Analysis Software (CAQDAS). Atlas.ti software was used in the coding and analysis of the participant responses. This software served as a coding engine which recorded and collated all the codes throughout the transcripts, from which themes were generated. A benefit of CAQDAS is that it increases the effectiveness and efficiency of data coding and organisation. The researcher can devote more time to the more significant task of analysis, without the burden of manual coding. Additionally, the researcher can easily build simultaneous codes and subcodes. CAQDAS makes data more auditable and helps to improve the overall rigour and reliability of research findings (Clarke et al., 2021).

Coding Process

In qualitative research, a code is typically a word or brief phrase that symbolically captures the essence and key qualities of language-based and visual data (Saldaña, 2021). The codes were generated using the descriptive method, which is a method that condenses the main idea of a section of qualitative data into a single word or brief phrase (Saldaña, 2021). In this study, the descriptive codes were generated through the guidance of the research questions and objectives of the study. Two rounds of coding were completed, where in the second round, similarities in the codes were noted and some were merged and renamed as new insights emerged. Common themes were then identified through the codes, and the relevant categories, subcategories and themes were developed. The figure below illustrates the coding hierarchy which resulted from the coding process.

Figure 5 Coding Hierarchy



Source: Researcher's own construction

As per the illustration, codes were developed, and they were grouped into categories, and the categories were used to generate themes. A total of 4 themes were generated, which consisted of 19 categories and 25 codes. The table below illustrates how the coding process was conducted. In this example, information was analysed from the transcripts, and two codes were identified, namely *concerns with fake goods* and *concerns with product quality*. These were then included in the category of *Product Risk*, which rolled up into the theme of *Risk Perceptions*.

Table 5 Coding Example

Theme	Category	Code	Quote from the transcript
Risk Perceptions	Product Risk	Concerns with fake goods	*So imagine committing to buying a cell phone and receiving a fake cell phone…*

		Concerns with product quality	*Have you ever decided to not buy on a particular site?* *Yes, surprisingly it was Temu because I had questions about the product quality…*

Source: Researcher's construction

4.3 Main themes

Table 5 below illustrates the main themes which were generated from the study. The table includes each theme together with the categories under each theme, sample of quotations and the number of quotations.

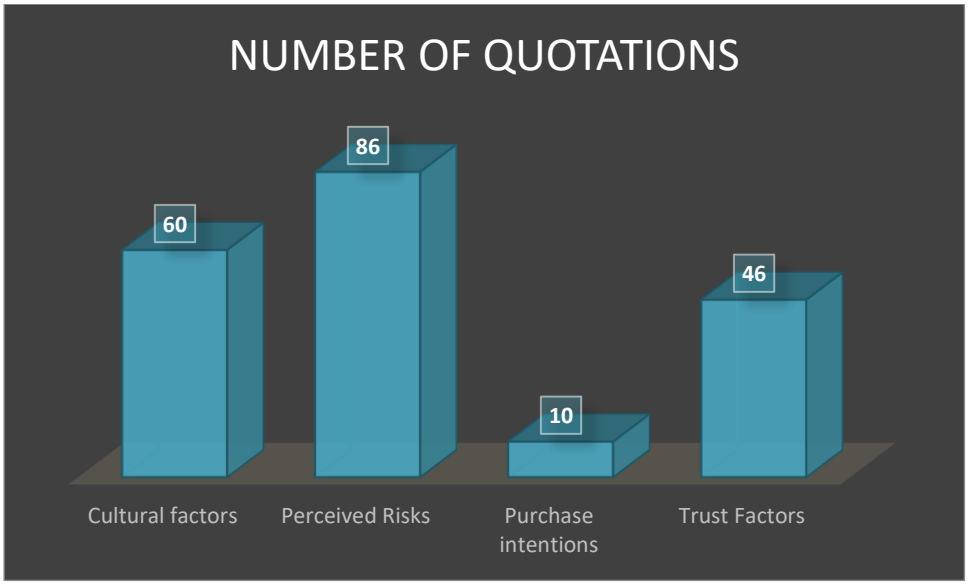
Table 6 Main Themes

Theme	Category	Example Quotes	Number of Quotations
Trust Factors	Trust In Website Established/Reputable Retailer	*"Heyi, I think trust. Me, I don't trust easily. I don't trust easily. I don't. Ewe (yes), maybe if I've heard other people talking about isite yakho (your website), then I can just go."* *"I would never buy from an online store, if ever, I don't trust that that online store so I can buy from maybe Takealot."*	46
Risk Perceptions	Delivery Risk Product Risk Privacy Risk Product Price Psychological Risk Financial Risk	*"What if I get defrauded!"* *"And also the other thing about the uncomfortable - but obviously you will be - if it's a new website that you're using you will be uncomfortable with - with your details…What if I put my details there and then they misuse my details?"* *"You know theft as well. And also just like…Living eKhayelitsha, if somebody is delivering a TV and everybody can see that I'm receiving a TV, it's a huge risk."*	86
Cultural Factors	Collective Decision Making Influence by community Word of Mouth Influence Influenced by friends and family	*"People didn't have so much good things to say about it. So why when so many people are saying bad things about them - and you think that - but you still want to go ahead and do it? No on that. I don't want that, thank you."* *"My thing is, do I trust you? That individual? So friends and family that I trust is very important. Can't trust influencers because they get paid…it would have*	64

		to be somebody who would have a similar experience like me. Then I would go like, yeah."	
Purchase Intention			10

Source: Researcher's construction

Figure 6 Quotations Graph

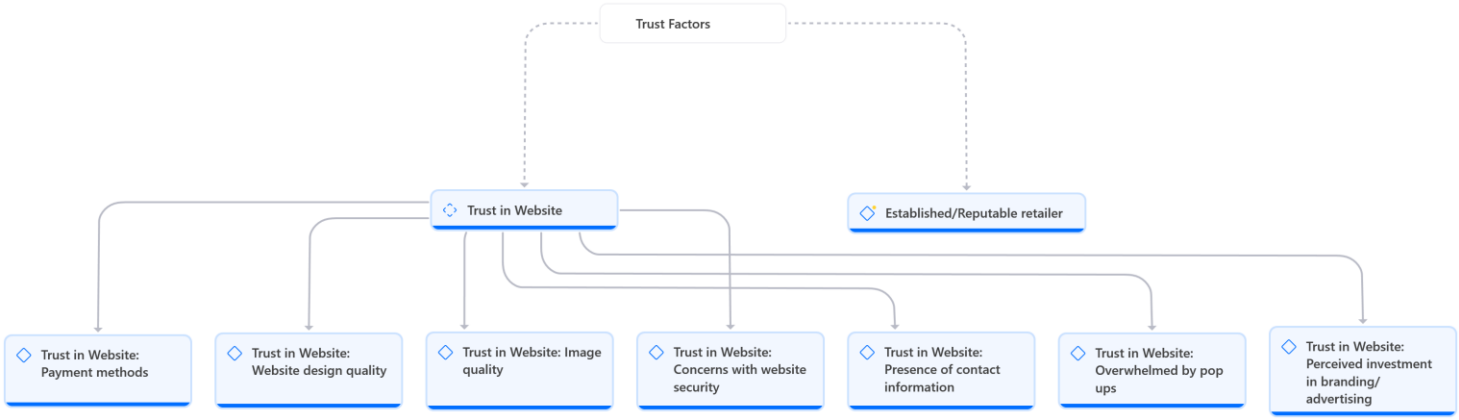


Source: Researcher's construction

The table illustrates the four themes generated, the categories that they comprised of an example of quotations under that theme and the number of quotations per theme. Figure 6 summarises the number of quotations under each theme. Based on the information on the graph as well as the table, it was noted that the most discussed theme was “Perceived Risks”, which relates to the risks users perceive when shopping online. Participants gave 86 quotes under this theme. The second most discussed theme was the “cultural factors” theme which influence trust and risk perceptions; such as word of mouth, collective decision making and influences from friends and family. This theme had 64 quotations. This was followed by “trust factors” theme which relates to trust factors participants consider when shopping online, with 50 quotations. Lastly the least discussed theme was “purchase intentions” with 10 quotations. In the following sections, the findings per theme are presented.

4.3.1 Trust Factors

Figure 7 Diagram of trust factors



Source: Researcher's construction

Table 7 Summary of quotations per trust factor

Trust Factors	No. of Quotations
Trust in Website	**27**
Established/Reputable Retailer	**19**

Source: Researcher's construction

This theme represents trust factors which participants considered when shopping online. It related to the factors influencing trust formation in online transactions among consumers in South African townships. Figure 7 illustrates the categories that fall under the theme, as well as the subcategories that made up each category. As per Table 5 above, this theme generated 50 quotations, and they were spread across eight of the participants. The two main categories of this theme which emerged were *trust in website* and *reputable/established retailer.* The two categories are discussed below.

Trust In Website

This category was the dominant category under this theme. It describes various factors which participants consider in their trust formation process with a particular online store. More than half the participants indicated that they found it

difficult to form trust with an online store, especially if it is relatively new or unknown. This sentiment was expressed by participant 7 who stated: *“Hayi (no), it’s not easy. Because most sites I just pass them. I don’t buy from them because andizazi (I don’t know them) most of these online stores, but hayi shame it's not easy now. I’ll see site and be like, oh OK cool. I'll scroll past….Heyi, I think trust. Me, I don't trust easily. I don't trust easily. I don't. Ewe (yes), maybe if I've heard other people talking about isite yakho (your website), then I can just go”.* The other participants expressed that they would only trust the website if they heard someone else talking about it or if someone they know has already successfully bought from it.

There were various subcategories which were identified as factors which contributed to how participants form trust or distrust a particular online store. They were:

- Concerns with website security
- Presence of contact information
- Image quality
- Website design quality
- Overwhelming popups
- Payment methods
- Perceived investment in branding/advertising

The prominent of these subcategories was website design quality, which had eight quotations. The participants expressed how they looked at the design of the website when deciding whether or not to trust it. They looked at elements such as spelling mistakes, whether or not the website still had the language of the template, and if it generally looked legitimate. Participant 2 expressed this by stating: *“when you decide to purchase and trying to use your money - Yai! - It's like a red flag. So yeah, but also - the quality of the design. And the - and the transparency of what it is.*

So I recently found out that someone was scamming people with - like, selling houses. But then they had a website. Right But when I went to the website, everything was absolutely nyolz (crappy). Like everything was on that tip". Additionally, participant 5 stated: *"Like, you know those generic sites where they still have the, the, the language of the template?".* This was in response to a question on what they would look out for to determine if a website is legitimate.

Another salient factor was found to be image quality. Participants expressed how image quality of the website can help the determine whether they can trust that particular online store or not. The quality of pictures of the products and the variety of pictures of a particular product plays a role in whether they trust the website or not. This was expressed by participant 4 who stated: *"…like in terms of like graphics like if you're showing - if I want to buy like a cup, if you show me one picture. And you like??…then sorry I can't invest. Also the quality if it's like zoomed in. Like I can sort of guess what am I getting? Yeah. So if I don't get all those, like enough pictures to show what I'm getting, then you're like urghh, I'm probably not gonna get what I want."* A sample quote for each of the remaining factors is stated in the table below.

Table 8 Quotes from participants

Participant	**Quotation**
Concerns with website security	
Participant 3	*"…even though their website will say it's secure, but you will never know if it's really in place. Or they are just saying it to make us comfortable."*
Presence of contact information	
Participant 5	*"…I also try to figure out, from one of the credibility thing to me, is try to figure out whether it's contactable or not. Do they have a number there? Do they have just an e-mail addresses and is it like a local number? The big point is, 'cause I think anyone can design a site, more especially with the templates that are going around. If you got time you can do it."*

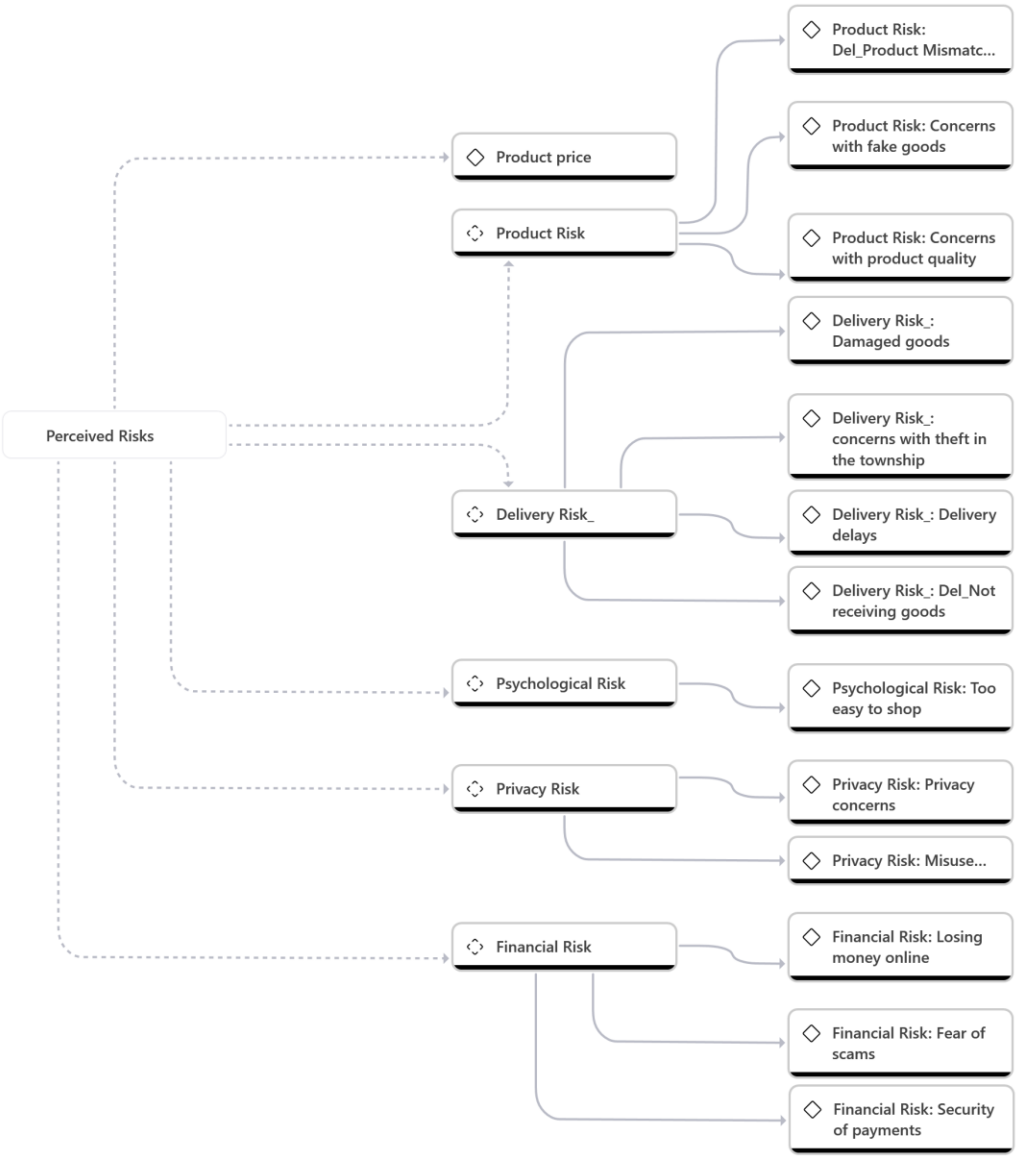
Overwhelming Pop ups	
Participant 5	*"I also get (discouraged) when you know you can set up a site to where you can scroll down three scrolls and then it pops up, a personal indicator…pop ups! Yeah, like a newsletter okanye (or) it times the amount of time you'd be on the site for me in seconds and pops up and something those things kind of like (discourage) too"*
Perceived investment in branding/advertising	
Participant 4	*"…graphics are very important because how much you invest in the graphics actually says something about the legitimacy."*

Reputable/Established retailer

This trust factor relates to how trust is formed by the participant based on the reputation of the retailer or how established they are. This trust factor had 19 quotes across seven participants. The participants expressed that they are mostly comfortable shopping on established retailers as these are the ones they trust the most. They stated that their brands are well-established and therefore they can trust them. Additionally, they expressed that they prefer to buy from an online store that already has brick-and-mortar stores, such as Makro or Pick n Pay. These sentiments were stated by participant 1: *"Most shops now have websites. They have online shopping - you would go straight to that shop. Unless it's all like that? No".* Additionally, participant 8 stated: *"if it's like a reputable business like Amazon, like I didn't really hesitate because I know it's a big company"*. The remaining participants expressed how they felt more comfortable shopping at well-known brands, as the reputation they have would make the online store more credible and trustworthy.

4.3.2 Risk Perceptions

Figure 8 Diagram of perceived risks



Source: Researcher's own construction on Atlas.ti

Table 9 Categories of perceived risks

Perceived Risks	Number of Quotes
Delivery Risk	21
Financial Risk	22
Privacy Risk	15
Product price	7
Product Risk	17
Psychological Risk	4

Source: Researcher's own construction

This theme relates to different risks that are perceived by participants in online shopping. Figure 8 illustrates the categories that fall under the theme, as well as the subcategories that made up each category. It was the most dominant theme in the study with 86 quotations. These quotations were distributed across all nine participants. As per the table above, this theme comprised of six categories, namely delivery risk, financial risk, privacy risk, product price, product risk and psychological risk. These categories are discussed below.

Financial Risk

This category was found to be the highest with 22 quotations. It relates to the fears that participants have of losing their money while transacting online. It had subcategories which included fear of getting scammed and security of payments on a particular online store.

The dominant subcategory was that participants had fears of getting scammed when buying online, which had 14 quotations. Participants expressed how they are wary of getting scammed online. The scams noted included clicking on a link and paying a scammer instead of an online store and buying from a fake website where you pay and do not get the product. They particularly felt vulnerable because they entered their payment details online, with the risk that they could get scammed by either not getting the product or getting defrauded. These sentiments were shared by the participants in the following quotes:

Table 10 Participant quotations 1

Participant	Quotation
Participant 5	*"… there's a fake site, a few of them, in fact, right. And you only realise after you've made the payment that it's fake! The thing is on its way for the longest time. And it gives you the whole drop shipping vibe, but still it just never arrives."*
Participant 8	*"My first experience was not good. Got scammed. But yeah, I learned. Yeah, I learned from that…So it was not a reputable site. It was scammers essentially. But yeah, I lost R1000."*
Participant 1	*"Even the worst thing that could happen is you being defrauded. You don't get the product. Or better yet you do. [Pause] You don't get the product. You get defrauded of your money."*

A number of the participants were speaking from personal experiences where they got scammed and lost their money while shopping online.

Another subcategory noted was the perception of how secure the payment gateways are on online stores. The participants expressed that they were cautious of the payment gateways used on various websites, and in some cases perceived the risk to be higher on international websites. Participant 8 stated that they feel more comfortable if the transaction routes to their banking app in order for them to confirm the payment. This was in the following quote: *"You go to my app, does it? Does it allow me to go log into my app and then securely approve it? Oh yeah, that's important. But then that part you don't actually get to see it until you have to clear the cart so…but then I will then cancel if it doesn't allow me that option"*. The security of the payment gateways was found to be important to the participants, and it was linked to their fear of losing their money online.

Delivery Risk

This category was the second most dominant category with 21 quotes. This category relates to the risks that the participants associate with the delivery process once they have ordered a product online. This category had several subcategories which represented the concerns the participants had with the delivery process, they were as follows:

- Damaged goods
- Concerns with theft in the township
- Delivery delays
- Not getting the goods

The dominant subcategory was delivery delays, with eight quotations. The participants expressed that they have concerns about not getting their goods on time. They expressed that the online store would state that the delivery will take a certain amount of time but it ends up taking longer. This sentiment was shared by participant 1 who stated: *"…you'll find that the time frame, that, for delivery is sometimes not like on time. Like you don't get it on time. They are not specific that the turnover time - they will say, maybe in three to five working days. And to find out sometimes it turns into seven days"* Participant 8 further stated: *"Deliverables must be done according to the time that's specified and also keeping me up to date on the delivery is also good…".* This factor was found to make the participants uncomfortable with online shopping.

Another salient subcategory was the concern that participants might not receive their goods at all. This had six quotations. Participants expressed that they consider the fact that they might not receive their goods when buying online. Additionally, some participants have had experiences where they did not receive a product after ordering it online. This sentiment was expressed by Participant 3 who stated: *"I just know that I'm doing it on my own risk. It could arrive or not arrive… Because even the first time I ordered on Temu, I wasn't - I wasn't looking - I wasn't expecting to receive."*

There was a subcategory which was found to be distinct to the township environment. This subcategory related to concerns around theft in the township. Participant 4 stated: *"You know theft as well. And also just like…Living eKhayelitsha, if somebody is delivering a TV and everybody can see that I'm receiving a TV, it's a huge risk".* The participant was concerned that publicly

receiving goods may make them susceptible to theft. They then expressed that they have to mitigate this risk by receiving the goods at their workplace, for example.

The last subcategory spoke to the concerns participants have with regards to receiving damaged goods. Participant 4 stated: *"So I'm just like, I don't know, like also in terms of logistics, like also just be having to work there, like the safety of it, getting it to me, izobetheka (it will get damaged) getting it to yourself you're not sure if it's working".*

Product Risk

This category was the next significant category, which had 17 quotations. Product risk refers to the concerns of participants of getting a product that does not meet their expectations after purchasing online. This was found to be in the areas of receiving fake goods, receiving a product which is not in the right quality or receiving goods not in line with what they saw on the website. This contributed to the overall risk they placed on shopping online.

Participants expressed that one of the concerns they have is receiving goods that are a deviation from the perceived quality they expected when initially purchasing the product. They were found to feel strongly about this especially when purchasing clothing and electronics. Participant 2 stated: "*I had one experience. I got excited. I even did a very large order - my clothes were ridiculously big. I had to take them all to be altered. So I - it really - Like now I really have real trust issues after that incident".* Participant 1 further stated: "*It might come with a cracked screen or – not even cracked screen – it might be something else internal. And you don't know – you don't know you won't see unless you start using it maybe even after a couple of days. Because of whatever damage that is done internally you won't see – and then after a few days it starts acting up and then now you have to return it…".* Participant 5 added: "*So imagine committing to buying a cell phone and receiving a fake cell phone".*

These were the general concerns the participants had with shopping online when it comes to product quality and fake goods. Concerns regarding clothing came out strongly as participants would like to touch and feel the clothing before buying, to ensure they fit correctly. They expressed that this was also because they do not like the hassle of having to return the product. Some participants also noted that they perceive a lack of quality even more on Asian online stores.

Privacy Risk

This category relates to the concerns that participants had with regards to the misuse of their personal information and data when transacting online. It had a total of 15 quotations across six participants.

Participants shared that they had concerns about their information being misused by the platform or leaked when they transact online. This included personal information and financial information. They also had concerns about third parties, particularly bad actors, somehow being able to intercept their data while they transact online. This particularly in cases where they are subsequently sent unsolicited emails from other parties they did not interact with. These sentiments were shared by participant 1 where they stated*: "And also the other thing about the uncomfortable - but obviously you will be - if it's a new website that you're using you will be uncomfortable with - with your details what if I put my details there and then they misuse my details?"*.

Participant 2 further stated: *"And cookies and all these things that take your data - and obviously scammers are always like - they're very smart. They - they check your internet pattern - and they're able to access your details. So I think the biggest thing is that part.".* Participant 7 shared these sentiments by saying: *"And another thing is; the minute a site wants more information that is not really much necessary. For example, the site that would want your ID number. And you like "haibo" what will you do with…your ID number? your card number? Your*

CC..CVV number. Hayi (no) why do you need all this information? You know? That's where I'm like ha a (no) I don't trust this one."

From sentiments expressed by participants it was found that they are very wary of their information being misused when they transact online. In some cases, it makes them reluctant to continue with the purchase if the website is asking for what they deem to be too much information. To them it is an indicator that the website is not trustworthy and is likely a scam. Additionally, third parties getting access to their information to either misuse it or to send them unsolicited marketing emails came out as a strong concern.

Product Price

This category received seven quotations from four participants. It relates to the price of a product on a particular website, relative to the market value of that product. When participants found that a product was "too cheap" given what it should usually cost, this contributed to them finding these transactions risky.

Participants expressed that they would find a website risky if the products on the website were much cheaper than that good's market value. Participant 1 stated: *"The pricing, the pricing, the pricing. I cannot stress that enough. The pricing because sometimes you, you get that - especially if it's not a well-known website. Like if this - if this item, you know it's ranging maybe let me say around a thousand Rand - and then now they're saying it's two hundred Rands or something like that. Like how??".* Participant 5 stated: *"…over committing to like a cell phone kwi (on an) online shop yase (from) Pretoria. These guys are selling iPhones at, like, a cheaper price. Big risk!".* Participant 7 expressed: *"Price. For example, you cannot…I cannot buy an air fryer for R199. I cannot. I cannot trust that as much as maybe can be a good deal. But I don't trust. So that would be my reason for not buying like of for example, I would mention Temu. I would mention Shein Yeah."*. The participants appeared to be wary of price offers that are too

good to be true, and this will likely sway them away from purchasing on that particular website. They viewed these transactions to be risky.

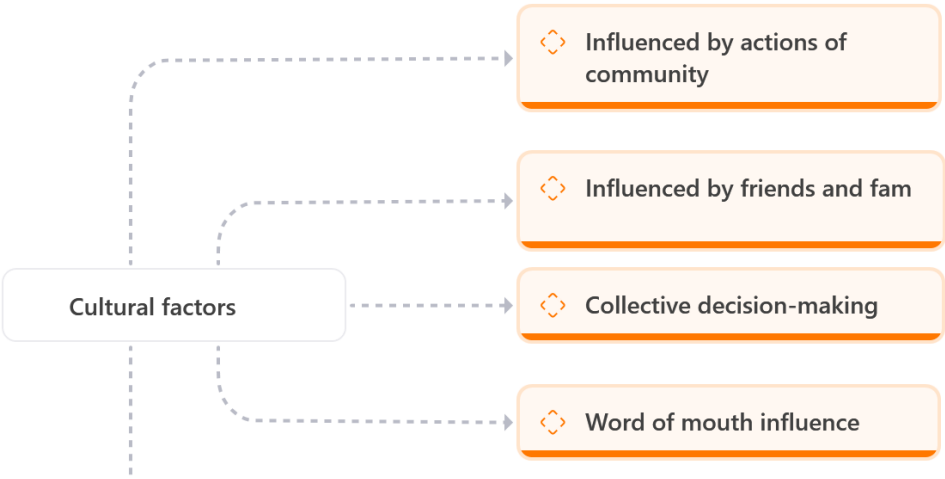
Psychological Risk

This category relates to psychological factors which may affect the risks participants perceive from shopping online. Although it was not as significant as the other categories, it was worth noting. It received four quotations.

Participants expressed that they may sometimes feel overwhelmed with the presentation of the online store. If it is too busy and not simple, this may overwhelm them and result in them not buying on the website. This sentiment was shared by Participant 5 who stated: *"Zando for today was so overwhelming! It sent you all those things I was like… I don't even know where to start. It's like it like. It's not simple."* Additionally, it was found that some participants had issues with the fact that online shopping was sometimes too accessible. They were wary of how easy it is to shop online and sometimes felt that they may end up spending more than they budgeted. This sentiment was shared by Participant 3 who stated: *"I think you get carried away when you - when you buy online… You're thinking - I've been looking for this thing, and - you end up spending more than what you've budgeted for.".* These factors were found to contribute to the perceived risks of shopping online, which the participants experienced.

4.3.3 Cultural Factors

Figure 9 Categories of Cultural Factors



Source: Researcher's own construction

Table 11 Categories of Cultural Factors

Code	Number of Quotations
Collective decision-making	15
Influenced by actions of community	12
Influenced by friends and fam	17
Word of mouth influence	16

Source: Researcher's own construction

This theme related to the cultural factors found typically found in townships, and how these factors impact how the participants perceive trust and risks of online shopping. The theme had 60 quotations across all nine participants. As per Table 7 above, this theme had four categories which represented cultural dimensions which are found in South African townships. These were (1) collective decision making, (2) influence by actions of the community, (3) influenced by friends and (4) word of mouth influence. These are discussed below.

Word of Mouth

This category relates to how participants are influenced by word of mouth (WOM) in whether they transact or not transact on certain websites, and in how this WOM

either increases or decreases the trust and risks they perceive when shopping online. This category had 16 quotes across all 9 participants.

All but one participant indicated that they do value WOM when making online purchasing decisions. They would take other people's experiences into account when considering making purchases online. Additionally, they tended to trust WOM more than simple website and product reviews. This was expressed in the following quotations:

Table 12 Participant quotations 2

Participant	Quotation
Participant 1	*"Yeah, it does. Absolutely What if it's – not the same as the reviews. Because you hear from other people Okay okay, go into a website and then – randomly any website – you start checking or are they reliable? – do they deliver on time? – are the answers. Are reliable. – that yeah. And the same with word of mouth. You could be sitting with someone else – like ah nice sneakers. But no – got them online, you should check maybe – yeah.*
Participant 8	*"Most of the things that I've bought online - was based on word of mouth.."*
Participant 5	*"…you can hear it from social media, you can hear from work colleagues, you can hear from someone that you know whose personal experience. But I think the big thing is that once someone warns you against it, you wouldn't want the risk of going on to buy it"*

The findings indicate that the participants did not just value WOM, but they placed more trust on WOM from people that they know, rather than ordinary people. This was evidenced in the following quotes:

Table 13 Participant quotations 3

Participant	Quotation
Participant 7	*"Yes. It does. It does influence, OK, word of mouth does influence where I buy because…word of mouth is credibility. Because especially if you hear from a person that you know, OK, this person is credible to say, OK, mamela (listen) I've bought from the store, I got my product, I've got it the way that I've wanted my product, so. Yeah, I would say word of mouth ewe (yes)."*

Participant 8	*“So I depend on my friends' word of advice - which platform - what do I do - na na na na na [and so on]. So - but I rely more on the retailers that I’m referred to…”*
Participant 6	*“For me, the word of mouth I would consider would be from a family member who tells me they had a bad experience or their products don't arrive then I would consider something like that.”*

The participants found WOM from people they know to be more credible than from people they do not know. This was found to be an important finding, especially in the context of township consumers, where these communities rely on WOM in making their decisions.

In addition to this, it was found that participants hold negative reviews in higher regard than positive ones. When a participant receives WOM regarding a negative experience, they tend to take that more seriously and be sure to avoid that negative experience when shopping online. This was expressed in the following quotations:

Table 14 Participant quotations 4

Participant	Quotation
Participant 5	*“, you can hear it from social media, you can hear from work colleagues, you can hear from someone that you know whose personal experience. But I think the big thing is that once someone warns you against it, you wouldn’t want the risk of going on to buy it”*
Participant 8	*“It does, especially when it comes to eliminating, I think word of mouth will help me more on the elimination of stuff like bad, bad, bad, bad press like Temu. You tell me that you buy this is you buy this and then it takes forever. Or when it gets here the quality is not what is, you know presented.”*
Participant 6	*“For me, the word of mouth I would consider would be from a family member who tells me they had a bad experience or their products don't arrive then I would consider something like that.”*

WOM was found to play a crucial role in shaping trust and risk perceptions of online shopping amongst these township consumers.

Influenced by friends and family

This category relates to whether or not participants are influenced by their friends or family recommendations when they make decisions to buy online. It was represented by 17 quotations.

Majority of the participants expressed that they would consider the recommendations of their friends and family. They felt that these recommendations made them feel more comfortable in buying online. This was indicated in the following quotes:

Table 15 Participant quotations 5

Participant	Quotation
Participant 2	*"Yeah. If I - my friend say - nah. Yeah. Because I trust them more than I trust their sources. Because I've got friends that - I've got a friend of mine who legit only buys things online.* *From food, to everything. Like she lives online. Like to us she is queen - I would call it being Superbalist - everything. Yeah, um she is one of my first sources - because when I go to her - I like - I trust because I know that she has all the tricks and tips and experiences and what not."*
Participant 6	*"For instance, I had left a pair of shoes in the checkout basket for months and it was not until one of my friends bought from the store that I decided to buy."*
Participant 3	*"Because there's this - friend of mine - that gave me a different perspective on shopping online. She said it saves time. You don't have to go to the shop - which is true."*

What was found to be a salient point was that most of the people who valued recommendations from friends and family are those that do not often shop online. This was found to be the case for participant 2, 3 and 6.

There were some participants who did not value recommendations from friends and family as much. They were more self-reliant, and had the view that everyone has different experiences. These participants were also ones which shopped

relatively more frequently than the other participants. The sentiments were expressed in the following quotes:

Table 16 Participant quotations 6

Participant	Quotation
Participant 1	*"It would depend on how bad I want the item. I'm – I'm just a person that believes that we – we don't experience things the same. If it is – if it's that bad I don't think it would still be – up there. The fact that it's [the online store] still operational which means it's – that it's just – I mean no business is perfect."*
Participant 8	*"[Friends and family recommendations] so not really important for me. What people say. It's about what I need."*

Collective Decision-making

Collective decision-making refers to the process where the participants make purchasing or other consumer decisions as a group, rather than independently. In the context of South African townships, this often involves consulting trusted members of the community, such as family, friends, or local influencers, before making an online purchase. This behaviour reflects the collectivist cultural norms where shared opinions and consensus hold significant weight in shaping trust and reducing perceived risks in online shopping transactions. This category had 15 quotations across all the participants.

There were two types of responses; those who partake in collective decision-making and those who do not. What was found is that most of the participants partook in collective decision-making. They often bought in groups, in some cases even completing one big transaction as a collective. Some participants would often discuss with these close circles before completing a purchase. These sentiments were shared in the following quotes:

Table 17 Participant quotations 7

Participant	Quotation
Participant 3	*"We chat on WhatsApp. The other friend - we're travelling together for a vacation in November. So the - she wanted to do stuff and yeah. Like I'm also placing an order. Also, when you place one order. This one was just browsing and shopping around - and I happen to mention that I also have something in my cart then like, so let's put it together."*
Participant 2	*"So that's how the collective will work. Or if you want to do something altogether - it will sit together and go through the same. Like go through the suggestions of places and what to do."*
Participant 6	*"Sometimes when I am with my sister or my daughter and we are looking for a gift for someone, then we will decide together if we are going to buy it or not, so it is only in instances like that where I make a collective decision."*

Another finding was that the individuals who decided to go for collective decision making did so to hedge their risk; specifically in reduction of customs and delivery fees. They used it as a cost saving mechanism where one customs fee and one delivery fee is charged for one order. Additionally, they could also take advantage of discounts of buying in many goods at once. This was shared in the following quotations:

Table 18 Participant quotations 8

Participant	Quotation
Participant 2	*It's especially with Shein. Because you - it's easier and I think it saves as well that you - you buy with someone, So that you - you will only be charged one…they call it the courier charges and whatsoever - yeah. Oh, shipping fee, they call it. Yeah. So yes, I do. Like whatever that's in my cart - it's not only [mine].*
Participant 4	*"The customs. Yeah. So we try to like make one order. If we're going to do like a Shein order. Yeah. With a friend or something. Or…Also like delivery, like if we want it next week ukhona (you are available) can we deliver it to you? Which is with the courier thing, you don't know when they're going to come. It's people that's doing their own job. Sometimes they feel like you know what? It's tomorrow, sometimes they'll push it till late then yeah. It's an unknown variable. So doing it as a collective. You have more like...I don't know…And we get more out of it, so to say in terms of time delivery and savings.. cost savings... Or, if you're gonna get a discount 'cause. I know sometimes if, like, if you spend 1000, then you get a certain discount. I'm like, OK cool,*

	well, are you going to buy something? Let me buy something. It's a cost saving thing."

This was found to facilitate online shopping decisions among the participants. It also made those participants who are reluctant to shop more likely to shop online.

There were a group of participants who expressed that they do not take part in collective decision making. They instead rely on their own decisions. This was expressed in the following quotes after being asked if they made online purchasing decisions collectively:

Table 19 Participant quotations 9

Participant	Quotation
Participant 7	*"No I don't, I don't. I make my own decisions. I make my own decisions"*
Participant 1	*"No - I don't think so - unless maybe we were talking about something - maybe about shopping and then it comes up - and then yeah"*
Participant 9	Interviewer: *"…are there any instances where you make online shopping decisions collectively with other people?"* *Participant 9: "Not that I know of to be honest with you, no."*

What was noted was that it was mostly the male participants who indicated that they do not take part in collective decision making.

Influence by actions of community

This category relates whether the participants were influenced by the actions of their community in making online purchasing decisions. It highlights the role of social networks and communal ties in shaping consumer behaviour in South African townships, which is tied to culture. This category had 12 quotations across all 9 participants.

Majority of participants expressed that they would sometimes go with what the community around them is doing when deciding to transact or not transact online.

They stated that if there are websites that have a bad reputation in their community, then they too would not trust those websites. In contrast, if there are people around them who successfully try out a particular website, particularly if it is relatively new, then they too would feel more comfortable using that particular online store. This was expressed in the following quotations:

Table 20 Participant quotations 10

Participant	Quotation
Participant 1	*"Yeah, just because there were other people - again, in my circle of the people I know, they were like - "No, but I've bought and I've got the item." Oh, until again my sister brought her on - on Temu. And I just like - oh where did you buy your hair it's so nice - no I got it on Temu. I'm like - on Temu?! Yhoo. And then she said yes. And I've bought a few items and I'm like - oh okay, I was sceptical. I was sceptical because of the reviews. I should try it out."*
Participant 3	*"Yeah - If someone - if I know that they have used it, I'll definitely use it without checking…it will give me that security - that people that I know - that are close to me have - have bought from - from that website"*
Participant 4	*"In terms of the community, I'm just trying to think. Yeah, it's very important because why would I be the only one who wants to buy and nobody else?!"*

To these participants, the actions of their community gave them comfort in proceeding to transact online. This was especially the case in participants who had given an indication that they do not often shop online and/or find online shopping risky; such as Participant 2, 3 and 5. There were a few participants who indicated that they are not really influenced by the actions of their community. They expressed that they do not follow the crowd and will buy what they deem necessary at the time. This was stated in the following quotes:

Table 21 Participant quotations 11

Participant	Quotation
Participant 6	*"No, I am not one to follow the crowd, if I like something I will buy it. "*
Participant 3	*"Yeah. Like, for instance, yeah, especially. There's things like these Chinese, Asian companies, you know, are cheap. And I'm not really bothered."*

These results showed that majority of these township participants were influenced by the actions of their community. Those actions either increased or decreased their trust and risk perceptions, which ultimately influenced their purchasing intention. This dynamic underscores the importance of community validation in building trust and mitigating perceived risks, as individuals place significant value on the opinions and experiences of their peers within the community.

4.3.4 Purchase Intentions

This theme relates to the likelihood of the participants completing an online transaction based on their trust in the platform, perceived risks, and overall confidence in the shopping process. High levels of trust and reduced perceived risks would enhance participants' willingness to engage in online shopping. This theme had 10 quotes across all participants. The main areas of this theme were whether perceived risks and trust would impact purchase intentions among the participants.

The convenience of shopping online was the deciding factor for some of the participants. They indicated that the risks of shopping online would not stop them from buying online and therefore had no impact on their purchase intentions whatsoever. This was expressed in the following quotations:

Table 22 Participant quotations 12

Participant	Quotation
Participant 1	*"No I wouldn't [stop shopping online]. The convenience for me is just too much!"*
Participant 5	*"I mean, maybe not because the convenience supersedes the risk a lot of the time.*
Participant 4	*"…I'm a risk person so whatever…I know this one time my insurance wanted to deliver my phone. I just told them, like, don't come with a branded car. Okanye (or)…. So I have my own risk mitigation.."*

The next group of participants expressed that yes, trust and risk perceptions do impact their purchase intentions, however this is only limited to the specific online store in question. This means that if they have a bad experience or perceive the risk of a particular website to be high, or if they distrust it, they are unlikely to purchase there. However, they would still shop online in the general sense. This sentiment was expressed in the following quotes:

Table 23 Participant quotations 13

Participant	Quotation
Participant 8	"Yeah. Yeah, if my card was compromised at any of the social, I mean at any of the online shopping, I would actually stop using that social - I mean that online platform or shopping…I mean like, yeah, that's most important for me because…if you can't trust the information and can be protected, you can't allow, you can't, you can't, you can't give a person second chance when it comes to your money…"
Participant 6	*"Yes, of course, if I get scammed, I'll stop shopping at that online store."*
Participant 7	*"Obviously, yes, definitely. They will stop me if ever I were to come across a site that wants unnecessary, I would say for me it's unnecessary, I don't know for them… Unnecessary information. That's where I draw the line. Like no, there's no need for those."*

There was only one participant who indicated that these risks and low trust would influence their purchase intentions and stop them from purchasing online. This was expressed in the following quote:

Table 24 Participant quotations 14

Participant	Quotation
Participant 2	"*Yes. So recently - I was considering. Ngoba [because] I look at - sometimes because I'm like - yeah. But I'm just like - yho!* *Like that experience - because I mean, having to go to a tailor. You wait for long - then you have to go to a tailor - and then they need to adjust - so, it didn't make my shopping experience enjoyable.* *So now I have to now go - rather go to a normal shop. A local one."*

Another point of interest was that participants factored in the type of product in how risk and trust affected their purchase intentions. They expressed that depending on the product type, they would not go ahead and buy given the online shopping risks they perceive. Some of the participants expressed that they found that buying technology goods and appliances such as television sets and fridges would be too high risk for them, and they therefore would not purchase those. This sentiment was expressed in the following quotes:

Table 25 Participant quotations 15

Participant	Quotation
Participant 1	*"It depends with the quality or – of whatever you're buying… There is certain appliances that I would buy online. I'd buy a microwave on – I bought a microwave online. It came perfect. There was nothing wrong with it. It was fine. But – and I mean like it's up – but I don't think I will be comfortable to buy – like a TV set – No. I wouldn't be…So I wouldn't – I wouldn't buy a tv set online. I wouldn't buy a fridge online. No. I think those are the items – like those fridge or items – those are the items that I would physically go to the store to buy. But there are little things like: iron – you buy an iron, you can buy a kettle online. Yeah."*
Participant 2	*"I think appliances - I wouldn't buy."*
Participant 9	*"So mostly it would be like toiletries, clothes so if I need things like appliances I go to the shop… So I wouldn't buy those online I go to the shop check the specs or someone, an expert or a shop advisor at Game for example… To advise me, you understand? Because they're the expert they work there and I believe that they will explain better than the site"*

Another group of participants expressed that they would be cautious about buying goods which they assign a lot of value to. They would then either not buy these products at all or opt to buy them at more reputable retailers to hedge their risk. This was expressed in the following quotes:

Table 26 Participant quotations 16

Participant	Quotation
Participant 4	*"Also the value I place on it, whatever it is, whatever it might be for the person. If I value a R4000 sneaker. Maybe I'll go to the shop. If I'm buying a 1200 thing then at least. if it's a phone, a 20k*

	phone. I'm not trying to… So the value I place on the product determines if I'm going to do it or not."
Participant 7	*"Obviously the type of product, if it's expensive and expensive product. Obviously I would never buy from an online store, if ever, I don't trust that online store so I can buy from maybe Takealot. I know I'm buying washing machine. I know. OK fine. But from Temu I can buy product, let's say T-shirt for 199. It's fine whether it gets here or not. I don't care. You know. Not that I don't care but… It's lower risk for me."*

There was another group of participants who expressed that they would likely not buy clothes online, because of bad experiences they have had in the past of clothes not fitting properly once they receive them. As a result, they would rather avoid buying these types of goods online. An example of this was stated by participant 8 in the following quote:

Table 27 Participant quotations 17

Participant	Quotation
Participant 8	*"So like my experience with Superbalist previously, when I bought sneakers, I got some of them like these ones are not "new balancing". So I had to turn them back. So ever since then, ever since then, I don't trust Superbalist when it comes to sneakers, I can trust them with like kids clothes and stuff or….Oh, yeah. But when it comes to sneakers, I have to go and touch it and feel the shoe."*

The findings reveal diverse perspectives on purchase intentions among participants. While some expressed outright reluctance to buy from certain online stores, others emphasised that their decisions would also depend on the type of product being considered. In addition, several participants highlighted that the convenience of online shopping outweighed the risks, indicating that ease of access and time-saving benefits significantly influence their decision to continue purchasing online regardless of the risks.

4.4 Summary of Chapter

This chapter presented the research findings, which stemmed from a thematic analysis. Codes were developed from the transcripts of the interviews, from which themes were constructed which mainly stemmed from the literature on trust and risk perceptions of online shopping. Four themes emerged, which were (1) Trust Factors, (2) Risk Perceptions, (3) Cultural factors and (4) Purchase intentions.

With regards to the *trust factor* theme, it was noted that participants considered many factors when forming trust with an online store. These were broadly categorised into factors relating to the website itself, and whether or not the online store was of an established/reputable retailer. Participants considered factors such as security of payments, whether the website had contact information, quality of the website design, quality of the images and website security. The major concern for the participants was found to be the quality of the website design, which they considered factors such as spelling mistakes, whether or not the website still had the language of the template, and if it generally looked legitimate. These factors helped them form trust with an online store.

With the *perceived risks* theme, a couple of perceived risks emerged from the participants. These included financial risk, product risk, privacy risk, product price, psychological risks and financial risks. The major risks considered were found to be delivery risk and financial risk. Participants had concerns about not receiving their goods after purchasing and whether or not they would lose their money through fraud and scams while transacting online.

The *cultural factors* theme included categories such as collective decision making, WOM, influenced by community, influenced by recommendations of friends and family. The main category which stood out was WOM, where participants expressed that WOM played a role in their online purchasing

decisions and could increase/decrease levels of trust and risk. Lastly, there was purchase intentions as a theme. From this theme it was found that there were mixed responses on whether trust and risk perceptions affect purchase intentions. Some participants expressed that convenience superseded the risk. Some expressed that trust and risk perceptions would stop them from purchasing from a specific website and not online in general, and some expressed that they would stop shopping online altogether because of the risks they perceive. It was also found that the type of product purchased also had in influence on purchase intentions.

These findings provide a detailed understanding of the factors influencing online shopping behaviours in South African townships, laying the groundwork for deeper analysis in the subsequent discussion chapter.

CHAPTER 5. DISCUSSION OF THE FINDINGS

5.1 Introduction

The growth of online shopping depends heavily on understanding consumer trust and risk perceptions, yet research on these factors in South African townships remains limited. Unlike traditional brick-and-mortar stores, digital transactions lack physical interaction, making it challenging for consumers to verify authenticity and establish trust. These challenges may be compounded in township markets, which are often viewed as difficult to penetrate due to limited in-depth research. This study sought to address this gap by investigating the determinants of trust and risk perceptions in township consumers and looking at how cultural and social influences such as community networks, word-of-mouth, and collective decision-making shape these perceptions. By providing actionable insights, the research aims to help online shopping stakeholders tailor strategies to foster trust, reduce risks, and promote inclusive economic growth in these underserved communities.

Stemming from this research problem, the following research questions were to be answered in the study:

a) What are the factors influencing trust formation in online shopping transactions among consumers in South African townships, and how do these factors impact purchase intentions?

b) What are the perceived risks associated with online shopping transactions in South African townships, and how do they influence purchase intentions?

c) How do cultural and social influences, such as community networks, word-of-mouth recommendations, and collective decision-making processes, shape trust and risk perceptions among township consumers?

The following propositions were posited:

- **P1:** Trust in online shopping websites impacts consumers' purchase intentions.
- **P2:** Perceived risks associated with online shopping transactions deter purchase intentions among consumers in South African townships.
- **P3:** Cultural and social influences, such as collectivism and Word of Mouth (WOM), play a crucial role in shaping trust and risk perceptions among township consumers, thereby impacting their online shopping purchase intentions.

The study was an ethnographic study, which took the form of a qualitative study under the interpretivist paradigm. This was in the form of structured interviews conducted with participants from various South African townships.

The purpose of the discussion chapter is to interpret and contextualise the study's findings, linking them to the research objectives and existing literature discussed in Chapter 2.

5.2 Overview of the Findings

The data analysis revealed four themes pertaining to cultural influence on trust and risk perceptions in online shopping. These were (1) Trust Factors, (2) Risk Perceptions, (3) Cultural factors and (4) Purchase intentions.

The participants perceived different trust factors in making purchase decisions. They identified key elements influencing their trust in online stores. These factors

were broadly grouped into website-related aspects and the reputation of the retailer. Specific considerations included payment security, availability of contact information, website design quality, image quality, and overall site security. The primary concern was website design, with participants highlighting issues such as spelling errors, template language remnants, and overall legitimacy as critical indicators for trust formation. Participants identified several perceived risks, including financial, product, privacy, and psychological risks, as well as concerns about product pricing. Delivery and financial risks emerged as the most significant, with participants expressing fears of not receiving purchased goods or losing money to fraud and scams during online transactions.

The *cultural factors* theme encompassed categories like collective decision-making, word-of-mouth (WOM), community influence, and recommendations from friends and family. Among these, WOM emerged as the most prominent, with participants highlighting its significant role in shaping online purchasing decisions and influencing trust and risk perceptions. It was found that it can increase and decrease the levels of trust and risk perceived. Lastly, the theme of purchase intentions emerged. The findings revealed mixed responses regarding the impact of trust and risk perceptions on purchase intentions. Some participants prioritised the convenience of online shopping over perceived risks, while others stated that trust and risk concerns would deter them from specific websites but not from online shopping entirely. A few participants indicated they would avoid online shopping altogether due to perceived risks. Additionally, the type of product being purchased was found to influence purchase intentions.

5.3 Interpretation of the results

The interpretation of results section delves into the findings, providing insights into their broader implications and linking them to existing literature discussed in Chapter 2. This section explores how the results align with or differ from prior

studies, offering a deeper understanding of the factors influencing trust, risk perceptions, and purchase intentions in the context of South African townships. The discussion will be presented according to each of the research questions.

5.3.1 *Factors Influencing Trust Formation*

The data showed that there were different factors which influenced trust formation amongst the South African township participants. One such factor was *trust in the website*. Participants were influenced by factors such as concerns with website security, image quality, website design quality, product image quality, presence of contact information and whether the site had overwhelming pop-ups. The most prevalent of these factors among the participants was website design quality.

The other factor which emerged in the research was that of *reputable/established retailer*. Under this factor, participants expressed how they felt more comfortable shopping on websites of established and reputable retailers. More specifically, the data revealed that participants would rather shop at established retailers who then have an online presence, such as Makro, Pick n Pay and Checkers. This was aligned to Thatcher et al. (2013), who generalised this term under *Trust in Merchant*. They state that this factor of trust is the most considered in online trust research. From their research, they stated that merchants are the first thing customers look at when deciding whether to form trust or not in that particular online store. They also distinguish pure internet stores that do not have a brick-and-mortar presence. They state that with online-only stores, there is no opportunity for customers to evaluate them through a physical lens. This finding was also consistent with Mou et al. (2015), who found that online stores lacking a physical presence are a barrier to trust formation among consumers.

The data revealed that, if the participants are not purchasing from online stores with a physical presence, they would mostly consider buying from reputable online stores such as Takealot, Amazon and Superbalist. This was consistent with the findings of Jadil et al. (2022), who evaluated vendor size and vendor

reputation as key factors in trust formation. They found that both these factors have a positive effect on consumers deciding to buy from an online store. Furthermore, Sajjad et al. (2019) found that trust in the vendor results in a positive impact on purchase intentions. Overall, the findings pertaining to trust factors were found to align with the literature.

An intriguing aspect of the findings was that trust transfer theory played a role in the trust formation process of the participants. Trust transfer theory is defined as an individual basing their initial trust in an unknown entity, such as a website, on their trust in a related entity. This occurs through mechanisms like similarity or association with a trusted source (Stewart, 2003). In the context of the findings of this study, trust could be seen as being transferred from a physical store to its online counterpart due to institutional structures associated with the physical store. This theory was found to be evident in the findings, as the data indicated that participants found it easier to trust websites of retailers with an existing physical presence.

Participants also expressed that they consider how much investment they perceive the online store has made into their branding, advertising and overall design of their website. This helps them determine how legitimate an online store is, and they would likely find it more trustworthy if the perceived investment is high. Although not very prominent among the participants, this factor was found to be an interesting one. This finding aligned with signalling theory. According to Mavlanova et al. (2016), signalling theory explains how sellers use various cues to convey trustworthiness and reduce uncertainty in online transactions. In online shopping, where consumers cannot physically inspect products or interact with sellers, trust is built through signals such as website quality. These elements serve as indicators of reliability, helping consumers assess whether an online store is credible. They further state that the more costly a signal is, the more beneficial it is to the seller. In their study, they found that signals which are believable and consistent can significantly increase trust in a website. Investment

in the branding, images on the website, etc, can be seen as a signal to the participants, which can serve to increase trust.

5.3.2 *Perceived Risks in Online Shopping*

The results indicated that there are many different perceived risks which were experienced by the township participants. The risks are discussed below.

Financial Risk

Financial Risk was the most prominent finding among the participants. It is something that was highly considered by the participants. It is defined as the fear consumers have of the possibility of losing their money while transacting online (Alrawad et al., 2023). The participants cited the fear of being scammed and defrauded as one of the reasons contributing to their perception of financial risk. This finding was consistent with Pentz et al. (2020), who wrote that fraud is one of the factors that contribute to financial risk. Additionally, the findings indicated that participants were concerned with buying goods online and the goods never arriving. This contributed to an increase in financial risk perceived by the participants.

Makhitha and Ngobeni (2023) make a similar observation in their study and state that financial risk escalates when consumers shop online, as the transactional aspect requires prepayment for products and services without the opportunity for physical inspection or immediate exchange. Additionally, they found this to be the most prominent risk in South Africa. Furthermore, in their study, Indiani et al. (2021) cited financial risk as the biggest risk faced by online consumers, with their study focusing on this risk. This was consistent with the findings of this study, as this was the most perceived risk. It revealed that the township participants are quite cautious about losing their money while transacting online.

Delivery Risk

The next most prevalent of these factors was *delivery risk.* Within this factor, it highlighted the risks participants associate with the delivery process after placing an online order. Several concerns were raised, including the possibility of receiving damaged goods, fears of theft during delivery—particularly in township areas—delays in the delivery process, and the risk of not receiving the purchased goods altogether. This finding was confirmed by research by Makhitha and Ngobeni (2023) that delivery risks are one of the risks that customers perceive when shopping online. In addition, Alrawad et al. (2023) also considered this risk as being perceived by consumers in their research. What the reviewed literature did not elaborate on, however, are the exact factors contributing to delivery risk perceived by consumers. They merely mentioned the generic factors often associated with this risk, such as delivery delays. In the context of this study, it was able to reveal deeper motivations of the consumers in terms of the specific elements that affect their risk perceptions.

Privacy Risk

Privacy risk was one of the risks perceived by the township participants. It is the risk of losing personal information in the process of shopping online. Participants had fears that their information might be misused while they shop online. Additionally, they had concerns about bad actors intercepting their personal and financial data while they shop online. This was consistent with Alrawad et al. (2023), who found that consumers perceive privacy risks and that they have a negative effect on them using online services. This was further supported by Makhitha and Ngobeni (2021a), who found that privacy risk had a negative influence on consumer attitudes to shop online. This study was particularly relevant as it also looked at South African participants. These findings highlight the significant role privacy concerns play in shaping online shopping behaviour among township consumers. Given the potential for data misuse and cyber threats, addressing privacy risks is crucial for fostering trust in online shopping.

Product Risk

This finding relates to consumers' fear that the product they buy might not meet their expectations when it arrives. The participants mentioned the fear of receiving low-quality goods, a product not meeting their expectations and receiving fake goods. This was consistent with Mpinganjira (2015), who found in their research that the biggest concern for consumers under this risk is receiving goods that do not match their expectations or not being what they saw online. Additionally, Makhitha and Ngobeni (2023) found that product risk is a significant barrier to online shopping. This shows that the participants may be wary of shopping online due to the possibility that they will receive products which do not match their expectations. They found that the administration of having to return the products to be strenuous and therefore would like to avoid it as much as possible. Additional insights which were not distinguished in the literature were the fact that the participants indicated that they perceived product risk as higher in Asian stores, as they have a perceived lack of quality goods. Additionally, they had concerns about receiving fake goods, especially when it comes to tech goods like mobile phones.

Product Price

This risk factor was found to be a novel risk which was not distinguished much in existing literature. This risk factor relates to whether there is a significant difference between the price of the product on the merchant site and its expected market value. The township participants found it risky to proceed with such transactions, as this may indicate that the site is not legitimate. Although there is research which speaks to concerns with a website's legitimacy, there were no studies found that speak to this specific factor. This may be a unique consideration which is relevant to township consumers.

Psychological Risk

Participants experienced psychological risk, which is the potential for them to experience stressful factors while shopping online. Websites which appeared too busy and complex gave some users stress, and were more likely to abandon their shopping should they experience this. This was consistent with Bhatti & Ur Rehman (2019), who found that psychological factors have a negative effect on online shopping. Additionally, Pentz et al. (2020) found that psychological factors were perceived by participants and impacted whether they bought online or not. A difference to their finding, however, was that this was not a prominent factor in this study relative to the others, however, it was the most significant factor in their research. Although this was the case, it was still worth noting, and online stores would need to consider their website design to ensure that online store designs are simple, so consumers have seamless experiences when shopping online.

Another interesting factor which came out of the study was that the township participants found online shopping to be too convenient at times, and this may lead to compulsive buying and spending more money than they had initially budgeted for. This was not a commonly considered factor as part of the online shopping risks found in the literature.

Purchase Intentions

Participants had mixed responses regarding how trust and risk perceptions affect their purchase intentions. Most participants expressed that convenience was the deciding factor, and that they were unlikely to stop shopping online given the risks. The convenience outweighed the risks they perceived. This was consistent with findings from Makhitha and Ngobeni (2024), whose Soweto study on how trust and risk affect purchasing intentions found that they had no effect on purchasing intentions. The location of their study, a South African township, was also aligned with the location of this study. These findings were also aligned with Indiani et al. (2021), who similarly conducted the study in a collectivist society,

Indonesia; who found that perceived risk was not significant in impacting purchase intentions.

A subset of participants indicated that while trust and risk perceptions do affect their purchase intentions, these influences are confined to the specific online store in question. In other words, if they experience a negative encounter, perceive high risks, or harbour distrust towards a particular website, they are unlikely to purchase from that site. However, these concerns do not deter them from engaging in online shopping overall. Jadil et al. (2022) found that trust exerts a positive impact on purchase intentions in an emerging market context, specifically in Morocco. Similarly, Sajjad et al. (2019) demonstrated that consumer trust in a vendor is positively correlated with purchase intentions by comparing online and brick-and-mortar stores. These studies support the finding that trust and risk perceptions influence purchase intentions at the level of individual online stores. In the current study, if consumers experience a negative encounter or perceive high risks with a particular website, their purchase intentions for that site decline, even though they may continue to shop online elsewhere.

Another notable aspect which came out of the study was that participants considered different levels of risk depending on the product that they were buying. Participants indicated that product type significantly influences their online purchase decisions. Many avoided buying technology goods and appliances, such as television sets and fridges, due to the perceived high risk. Others were cautious with items they perceived to be high value, opting either not to purchase or to buy from more reputable retailers to mitigate risk. Additionally, some participants preferred not to buy clothes online because of the lack of ability to try on the clothes before purchasing.

This phenomenon was also noted by Makhitha and Ngobeni (2024), who indicated in their study that risk factors may differ between expensive and inexpensive goods, as the potential loss is greater for pricier items. Additionally,

Pentz et al. (2020) had similar considerations in their study. They distinguished between low involvement goods (books) and high involvement goods (clothing). Their study found that different risks were perceived between these two product groups. Furthermore, their effect on purchase intentions also differed. These findings underscore the need for online shopping platforms to tailor their risk mitigation and trust-building strategies based on product type, ensuring that risk perceptions—varying significantly between different types of products—are effectively addressed to enhance consumer confidence and drive purchase intentions.

Outcome of Proposition 1

P1: *Trust in online shopping websites impacts consumers' purchase intentions.*

The analysis provided qualitative evidence supporting proposition 1, which posits that trust in online shopping websites impacts consumers' purchase intentions. The data revealed that participants placed high value on various trust elements such as concerns with website security, image quality, website design quality and presence of contact information; all of which facilitate trust building on online stores. Several participants indicated that, should they feel that they distrust an online platform based on any of the mentioned factors, it is unlikely that they would continue purchasing on the website. Additionally, the reputation of the merchant played a crucial role in purchase intentions. Participants frequently expressed that their hesitation to purchase would be less if it were a reputable brand/retailer from which they are buying. The overall narrative underscored the crucial role of trust in shaping purchase decisions. This evidence strongly supports the proposition and highlights the importance of trust-building measures for online shopping platforms targeting township consumers.

Outcome of Proposition 2

P2: *Perceived risks associated with online shopping transactions deter purchase intentions among consumers in South African townships.*

In contrast to the proposition, the qualitative data suggested that while the township participants were aware of various risks associated with online shopping, these risks do not consistently deter their purchase intentions. The data revealed that many participants perceived various risks such as financial, delivery, privacy and product risks. However, they indicated that these risks would be outweighed by the convenience of online shopping, and therefore, they would be unlikely to stop shopping because of them. Some participants even indicated that they had their own risk mitigation activities they implemented while shopping online to limit the impact of some of these risks.

Although there were some participants who indicated that they would not buy certain products online or stop shopping at a specific online store if they perceived certain risks or if they had a bad experience, the overall narrative was that the convenience of online shopping would not stop them from continuing to shop online. As a result, the evidence does not robustly support the proposition that perceived risks significantly deter purchase intentions among township consumers.

5.3.3 *The influence of culture on trust and risk perceptions*

The findings indicate that various cultural and social influences play a significant role in shaping trust and risk perceptions among township consumers. The study identified four key cultural and social factors: (1) collective decision-making, (2) community influence, (3) word-of-mouth recommendations, and (4) influence from friends and family. These factors reflect the strong social dynamics within township communities, where purchasing decisions are often informed by shared experiences and trusted social networks. The following section explores each of

these factors in detail, examining their impact on consumer trust, risk perceptions, and online shopping behaviour.

Collective decision-making

Collective decision-making is one of the pillars of South African township culture, where these communities are known to be collectivist in nature. The findings indicate that collective decision-making plays a significant role in shaping online shopping behaviour among township consumers. Many participants reported making purchases as a group, occasionally consolidating multiple orders into a single transaction. Consulting close social circles before completing a purchase was a common practice, underscoring the importance of peer validation in online shopping decisions.

A key motivation for collective decision-making was risk reduction, particularly in minimising customs and delivery fees. By combining orders, the participants could share costs, ensuring that only one customs duty and delivery fee applied to the entire transaction. Additionally, bulk purchasing enabled them to take advantage of quantity-based discounts, further reinforcing the financial benefits of this approach. These findings highlight the communal nature of trust and risk mitigation in township online shopping, where shared decision-making serves both as a practical cost-saving strategy and a means of enhancing transaction security.

These findings align with Mosunmola et al. (2019), who found that collectivism significantly moderates the relationship between perceived trust and online purchase intention. Their study highlights how cultural factors, such as individualism and collectivism, play a crucial role in mediating trust in online shopping transactions. In addition, the findings aligned with the findings of Bianchi et al. (2012), who examined the influence of cultural norms and collectivist values on online purchasing behaviour in a Latin American context, specifically in Chile. Their study identified collectivism as a key factor affecting consumer behaviour

and hypothesised that a cultural environment of trust positively influences consumers' intention to continue purchasing online. These findings further support the notion that collectivist communities, such as those in South African townships, rely on shared trust and social validation when engaging in online shopping transactions, reinforcing the role of collective decision-making in mitigating perceived risks.

An interesting outcome from the findings was that there were differences across genders. The female participants mostly indicated that they partake in collective decision-making. However, all the male participants indicated that they do not partake in collective decision-making when shopping online. This aligns with research, which indicates that African women tend to exhibit more collectivist traits. Ferrari (2022) indicates that South African women often view themselves through a relational lens, contrasting with more individualistic perspectives. This relational identity fosters a sense of belonging and responsibility towards others within their communities, reinforcing collectivist values.

Additionally, the more collectivist nature of women in South African townships can be observed in Stokvel culture. A stokvel is a voluntary informal savings group where members collectively contribute a fixed amount of money at regular intervals into a shared fund (Matuku & Kaseke, 2014). These savings groups are common in townships and may be used for various purposes, such as members collectively purchasing groceries and funding burials. Lindiwe Ngcobo & Chisasa (2018) found that it is women who predominantly participated in these collective savings schemes, and this dates back many years. This once again indicates the collectivist nature of women in South African townships. This divergence underscores the broader socio-cultural dynamics shaping gendered consumer behaviour in South African townships. It highlights the prominence of communal influence among females in the township and may explain the female participants' online buying decisions differing from the males when it came to collective decision making.

Word of Mouth

WOM plays a crucial role in South African township culture, where trust and community influence may be central to decision-making. It was indicated by the participants that WOM played a crucial role in them making online buying decisions. WOM influenced how the participants perceived trust and risk on particular websites, and either facilitated or inhibited them from transacting on certain websites. This was aligned with the findings of Aslam (2011), whose research found that word of mouth played a significant role in consumer purchasing decisions in Pakistan. This was also relevant considering that Pakistan is also considered to be a collectivist society. Additionally, Zeba & Ganguli (2016) found that online purchasing intention is significantly impacted by word-of-mouth. They also conducted their study in a collectivist setting, namely India.

The findings also aligned with the *2024 Township CX Report* conducted by Rogerwilco. The findings of the report indicated that township consumers strongly rely on familiar and trusted sources when engaging with brands, with word-of-mouth emerging as the most influential channel for brand discovery (Township CX Report, 2024). The fact that township consumers depend on word-of-mouth for both brand discovery and online shopping decision-making reinforces its significance as a key driver of trust and risk perception in this market.

In this study, there was a noteworthy difference from previous findings on WOM. Research indicates that there are online product reviews, which are considered to be electronic word of mouth (eWOM). eWOM refers to consumers sharing their experiences, thoughts, reviews and recommendations regarding products and brands via online platforms (Alalwan et al., 2017). These can be on social media or the online stores themselves. Research by Liu et al. (2018) found that eWOM can have a positive influence on online purchasing decisions in some instances. In contrast, the participants in this study specifically expressed that they do not use website reviews (eWOM) to make purchasing decisions. Furthermore, they

stated that they would only consider WOM from people whom they know and trust, instead of WOM from strangers. This was found to be a key finding in that it further reveals the interconnected nature of township residents. They place a high value on word-of-mouth from people they know because their culture emphasises close-knit relationships and mutual trust. This was also aligned to the research of Makhitha & Ngobeni (2023), who similarly conducted their study in a South African township setting. They found that eWOM had no significant impact on attitudes towards online shopping in this context. This further highlights the interconnected nature of these communities, which can ultimately impact how they perceive trust and risk in online shopping and ultimately influence their shopping behaviour.

Community and Social Influence on Decision-Making

Most of the participants were found to value various influences from friends and family, and those of their community. Particularly, this was found to be the case in those participants who do not often shop online. Recommendations and actions of friends and family, as well as those of their community, were important to the township participants, especially in terms of increasing levels of trust and reducing risk; ultimately positively influencing decisions to purchase. Even when initially reluctant to shop on a particular website (especially when it is new), participants expressed that once they observed members of their community successfully buying on that website, they would be more likely to also proceed to buy, despite their initial apprehension.

Research into the specific effects of friends, family and community on online purchase decisions was found to be limited. However, Zeba & Ganguli (2016) support the finding that influence from friends, family and community play a critical role in mitigating perceived risks in online shopping, particularly within collectivist communities. They found that when individuals know that a family member or friend has previously used an online shopping platform, their concerns about potential risks are alleviated through trust formation. Positive feedback

from close social circles reinforces consumer confidence in the platform, ultimately fostering trust. This trust, once established, reduces perceived risks and increases the likelihood of engaging with online shopping platforms (Zeba & Ganguli, 2016). This dynamic underscores the importance of community validation in building trust and mitigating perceived risks. Individuals place significant value on the opinions and experiences of their friends, family and peers within the community.

Outcome of Proposition 3

P3: *Cultural and social influences, such as collectivism and word of mouth, play a crucial role in shaping trust and risk perceptions among township consumers, thereby impacting their online shopping purchase intentions.*

The findings of this study confirm that cultural and social influences do play a crucial role in role in in shaping trust and risk perceptions among township consumers. Furthermore, these influences ultimately impact their purchase intentions. The specific cultural influences which emerged in the research were collective decision making (often found in collectivist societies), word of mouth (specifically from people known to the participants and trusted by them), as well as influence from friends, family and community. These findings reinforce the notion that trust and risk perceptions in township online shopping may not be formed in isolation but rather deeply embedded in social and cultural contexts.

The prominence of collective decision-making, reliance on word-of-mouth from trusted sources, and the influence of close social networks suggest that township consumers may navigate online shopping through shared experiences rather than purely individual assessments. This aligns with broader theories of collectivist consumer behaviour, where trust is socially constructed, and risk is mitigated through communal validation. Ultimately, these cultural dynamics shape purchase intentions, highlighting the interconnected nature of trust, social influence, and risk perception in the usage of online shopping within township

communities. Thus, P1 is well supported by the qualitative data, demonstrating that cultural influences play a crucial role in shaping trust and risk perceptions of online shopping in South African townships.

5.4 Conclusion

This chapter explored the connection between trust, risk perceptions, and cultural influences as they relate to online shopping behaviours among township consumers. It linked the results obtained to existing literature and examined how various elements, ranging from website design and secure payment systems to community-driven decision-making, affect consumers' trust and risk perceptions in online shopping platforms and their subsequent purchase intentions. In conclusion, the study highlights the intricate relationship between these factors.

Trust is fostered through elements such as robust website design, secure payment systems, and the recognised reputation of the retailer. Conversely, barriers remain in the form of perceived risks, particularly concerning delivery reliability and potential financial loss from completing online transactions. Furthermore, cultural dynamics, highlighted by collective decision-making and the influential role of word-of-mouth, substantially mediate both trust and risk perceptions, thereby impacting purchase intentions. Overall, these findings underscore the need to consider these multifaceted factors to enhance consumer confidence in the online shopping environment within South African townships.

CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS

6.1 Introduction

This chapter presents the conclusions drawn from the study and how they address the research questions and offers recommendations based on the key findings. It summarises how trust, risk perceptions, and cultural influences shape online shopping behaviour among township consumers. The discussion highlights the major challenges identified, such as concerns over website credibility, delivery reliability, and financial security, as well as the significant role of word-of-mouth and collective decision-making in influencing purchase intentions.

The recommendations provided are aimed at online shopping stakeholders, including online retailers, marketers, and digital literacy advocates, to enhance consumer trust and reduce perceived risks in township markets. Additionally, the chapter outlines the study's theoretical contributions, acknowledges its limitations, and suggests avenues for future research. By addressing these key aspects, the study seeks to contribute to a better understanding of online shopping behaviour in South African townships.

6.2 Summary of Empirical Findings

In this section, the findings are presented as they relate to each of the research questions. The purpose of this study was to investigate how consumers in South African townships perceive risks and trust in online purchasing transactions, as well as how these characteristics affect their intentions to make a purchase. It also looked at how these perceptions are shaped by social and cultural factors like word-of-mouth recommendations and community networks, which are often

a distinguishing factor in these communities. Sections 6.2.1 to 6.2.3 cover how each of the research questions was answered by the findings of the study.

6.2.1 *Factors influencing trust formation in online shopping and how these impact purchase intentions*

This research question sought to find what factors are influencing trust formation in online shopping and how these affect purchase intentions in South African townships. The results indicated two main themes influencing trust, which are how much they trust the website and whether or not the retailer is an established or reputable one. With *trust in website*, they considered factors such as payment methods available on the website, the design quality of the website, the quality of the images on the website, the presence of contact information, whether the site has overwhelming pop-ups and the perceived investment the site made in branding and advertising. All these factors were found to impact how these township participants formed trust with a particular retailer. Additionally, they placed value on whether or not the website was that of an established and reputable retailer. These were found to be the salient factors in the trust formation process of the township participants.

In conclusion, our analysis confirms that trust in online shopping websites is a critical determinant of purchase intentions among township consumers. Participants placed significant emphasis on the trust factors mentioned above. Moreover, a strong reputation on the part of the merchant further reduces hesitation, suggesting that consumers are more willing to engage with well-known and reputable brands, and to an extent, those with existing physical presence. Overall, these findings underscore the vital importance of trust-building measures for online platforms targeting township consumers, thereby supporting the proposition that trust influences purchase decisions among the township participants.

6.2.2 *Perceived risks associated with online shopping transactions and how they impact purchase intentions*

This research question sought to discover what the perceived risks associated with online shopping are, and how they influence purchase intentions among township consumers. The study revealed many perceived risks which the township participants associated with online shopping. This included the following risks:

- The fear of losing money while transacting online, including being scammed and not transacting on secure payments (Financial Risk).
- Risks associated with the delivery process, including delays, not receiving goods and theft within the township environment (Delivery Risk).
- Privacy concerns and fears that participants' information could be misused for unintended purposes (Privacy Risk).
- Risks associated with receiving goods which are not the envisaged quality, fake goods or the product not being what was advertised on the online store (Product Risk).
- Concerns with the product price being lower than market value of that product, indicating a possible scam.
- The convenience of online shopping which may result in impulse buying and spending money unnecessarily (Psychological Risk).

These were the salient risks which were found to be perceived by the township participants, and those that they associate with online shopping.

When it comes to how these risks impact purchase intentions among the township participants, this research found that while township consumers are aware of various risks associated with online shopping transactions as mentioned above, these concerns do not consistently deter their purchase intentions. Many participants indicated that the convenience of online shopping often outweighs

these risks, making it unlikely that they would stop shopping online altogether. Additionally, some consumers actively implement their own risk mitigation strategies to reduce potential concerns. While certain participants expressed hesitation about purchasing specific products or shopping from particular online stores due to perceived risks or negative experiences, the overall findings suggest that risk perceptions alone do not significantly discourage online shopping among township consumers. Therefore, the proposition that perceived risks strongly deter purchase intentions was not fully supported by the evidence.

6.2.3 *The role of cultural and social influences in shaping trust and risk perceptions among township consumers*

Having considered the trust factors taken into account by the township participants as well as the risks they associated with online shopping, they crux of the research was to determine the role of cultural and social influences in shaping these trust and risk perceptions. These cultural influences are often ones that are associated with the South African township environment. The collectivist nature of the township, word of mouth (WOM) influence, the influence from friends and family and whether participants were influenced by the actions of their community were some of the cultural factors which were considered.

When it comes to the collectivist nature of the township, the research suggests that this is an important factor in shaping trust and risk perceptions. Most participants partook in collective decision making when making online purchases, and this was specifically to hedge their risk. This behaviour, however, was found to be more prominent among female participants. WOM played an important role as well, with participants citing how WOM affects how they perceive risks on particular websites; which either facilitated or inhibited their purchase intentions. More importantly, the township participants valued WOM more from people they know and trust rather than from strangers. This once again was tied to the interconnected nature of township residents.

Community and social influence were found to be valued by the participants, especially those who do not often shop online. The study suggests that recommendations and endorsements from friends, family, and the broader community played a crucial role in shaping trust and reducing perceived risks among township consumers. These social influences had a direct impact on purchase decisions, often increasing consumers' confidence in online shopping. Even when initially hesitant to buy from a particular website, especially an unfamiliar one, participants indicated that seeing others in their community successfully complete transactions encouraged them to proceed with their purchases, despite their initial concerns.

The findings of this study suggest that cultural and social influences play a crucial role in shaping trust and risk perceptions among township consumers, ultimately impacting their purchase intentions. These findings reinforce the idea that trust and risk perceptions in township online shopping are not formed in isolation but are deeply embedded within social and cultural contexts. The prominence of collective decision-making, reliance on word-of-mouth, and the influence of close social networks suggest that township consumers approach online shopping through shared experiences rather than purely individual assessments. This highlights the interconnected nature of trust, social influence, and risk perception, supporting the conclusion that cultural factors are fundamental in shaping online shopping behaviour in South African townships.

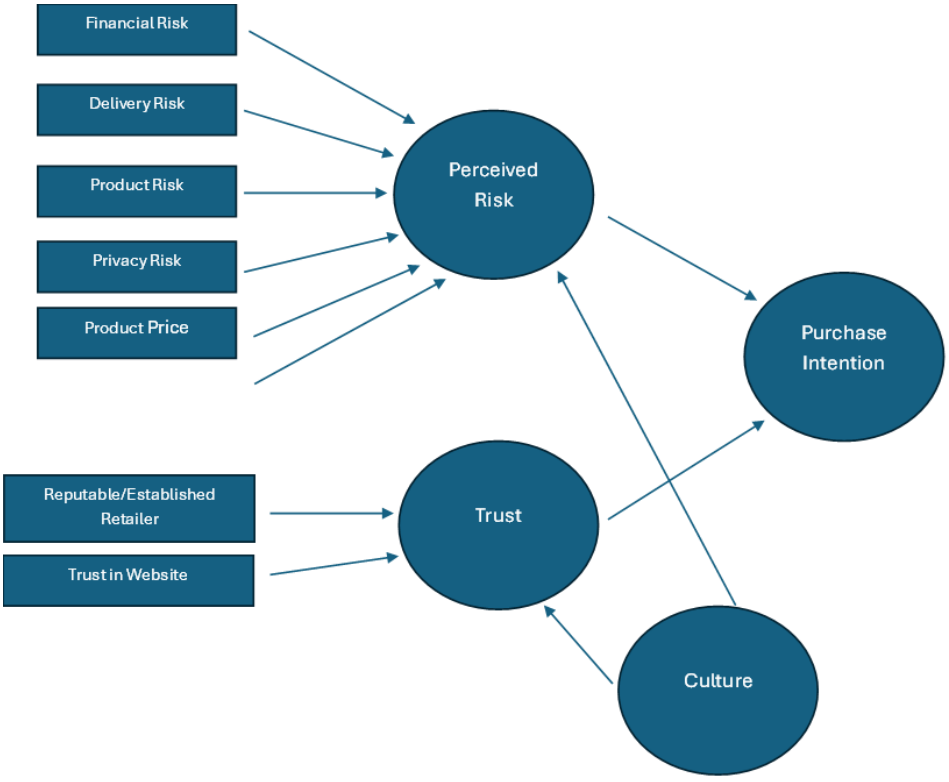
6.3 Contributions of the Study

This study presents a few contributions from a theoretical point of view. Firstly, studies of this nature are not common, especially in a South African context. To our knowledge, this is one of the few studies, if any, relating to this topic in the context of South Africa. As township environments are already not well understood, this study adds to the body of knowledge of trust and risk perceptions in this market, and overall online shopping behaviour in these communities. It

highlights the unique nature of these environments and how culture may play a role in how they transact online.

Secondly, studies of this nature are often quantitative. This means that researchers often go into the research with predetermined trust, risk and cultural factors with little room for these to naturally emerge from the data. Since this is a qualitative study, the factors came from the participants themselves, which gave richer insights. Some of the factors appeared not to have been explicitly addressed in research before, such as *price of product.* These factors found in this study could then be used to inform future quantitative research on this topic. This may enrich existing theoretical and conceptual frameworks often used in this type of study when executed quantitatively. This is not just in South Africa, but also in other collectivist settings where such research is conducted. An example of how a conceptual framework would look based on this study is illustrated in the figure below:

Figure 10 Example of conceptual framework stemming from this study



Source: Researcher's own construction

Some of these kinds of studies, where cultural influences on trust and risk perceptions are evaluated, are often comparative. Researchers typically compare an urban/non-collectivist setting with a non-urban/urban one. By identifying factors that differentiate township consumers from those in urban settings, this study may provide a foundation for future comparative studies on online shopping trust and risk perceptions in different socio-economic and cultural contexts.

Furthermore, this study may add to the literature on collectivist consumer behaviour. This study reinforces the role of collectivist cultural norms in online shopping, demonstrating that trust formation and risk mitigation are often socially constructed rather than purely personal assessments. This may inform and add value to future collectivist consumer behaviour theories.

6.4 Recommendations

Based on the study's findings, this section outlines key recommendations aimed at enhancing trust, mitigating perceived risks, and leveraging cultural influences to improve online shopping access and growth in South African townships. This is aimed at various stakeholders such as online stores, marketers, policymakers and other players in the online shopping ecosystem.

Availability of Cash on Delivery (COD)

Many of the township participants indicated that they had many concerns relating to the fear of losing their money while transacting online. They particularly feared being scammed and security of payments while transacting online. This risk was heightened if the online store was relatively unknown. To address this, online shopping platforms can try to introduce COD in order to gain trust among these customers. This can be allowed only for these communities as a way of increasing their trust on the platform. Once they see that they receive their goods every time they make a purchase, they may trust the online platform and be less

apprehensive in future. Once this trust is achieved, the online platform can then opt to halt this option. They study had shown that WOM plays a critical role in these communities, and once enough people receive their packages successfully the word would spread, thereby increasing trust in that online retailer.

Similar approaches were taken in the Nigerian online shopping landscape. The COD payment option was found to play a significant role in fostering trust between consumers and online merchants, contributing to the growth of the Nigerian online shopping sector. Online shopping platforms that incorporate this payment method were found to be more likely to attract customers, increase order volumes, and enhance overall success in the market (Chiejina & Olamide, 2014). The similar market of South Africa can yield similar results.

Leverage WOM and Community Networks

In this study, WOM and community influence have been found to be powerful tools in fostering trust and reducing risk among the township participants. This presents an opportunity for online shopping platforms and marketers to leverage this to further their success. Marketers typically use influencers to market various products and services, including online platforms. Additionally, they rely on electronic WOM, which includes the product and website reviews on social media and the online store itself. However, what this study found was that this group of township participants value WOM specifically from people that they know and trust rather than strangers. Marketers and online stores must take this into account when selecting individuals to market their products and platforms. It would be more beneficial to use micro-influencers from these communities to try out their platform and products. Once they get buy-in from them, these online platforms would be able to penetrate these markets through these advocates who would spread the word within their communities. This will foster brand awareness, reputation and trust, which in turn will increase sales from these communities.

Simple Store Design

When it comes to store design, a factor that came out in the study was that the township participants did not like websites with too many pop-ups. One participant even cited a local online store, Zando, which has this. Since pop-ups are a tried and tested way to get users to sign up for newsletters, loyalty programs, etc, to boost sales, these may not be well received within the South African context, especially in the township. To win these communities over, online stores should consider reducing the number of pop-ups and simplifying navigation so as to ensure users find it less risky. Additionally, they can consider having a “lite” version of their store, which could have limited products that could be used by individuals who find the main store to be overwhelming. This may contribute to building trust within these communities and increasing that online store’s footprint in that market. Additionally, they should ensure that contact information is transparent and easy to find on the platform, as this was also found to be a deterring factor among the township participants.

Set up delivery networks in the township

The participants raised concerns about the delivery of the products which they ordered. One way to bring the township economy into the online shopping ecosystem would be to have last-mile delivery options within the township. These could include using spaza shops as delivery pick-up points. This would alleviate the delivery risks faced by township participants. Additionally, it would bring the township within the online shopping ecosystem, which would further build trust within those communities and increase the particular brand’s footprint.

Tailored advertising

The study revealed that there are township-specific factors such as collective decision-making and community and social influence, which may affect how customers in those communities transact online. Online brands can invest in

tailored advertising campaigns which exhibit these values and ideals so as to appeal to audiences in these communities. This form of advertising is not common among online-only stores. Through having advertising that depicts these collectivist values, these may foster trust and facilitate purchase intentions.

6.5 Limitations of the study

The following were found to be limitations of this study:

Constraints of Qualitative Method

One limitation of the study was that, since it is qualitative research, there may be issues of sample size and generalisability. Qualitative studies typically rely on small, purposefully selected samples to gain in-depth insights into specific populations. However, this may raise concerns about whether findings can be generalised beyond the study's sample (Mwita, 2022). While the qualitative approach employed by this study provided rich, detailed insights, its applicability to broader populations may be restricted by the nature of the sampling approach.

Time Constraints

Time constraints posed a limitation in this study, particularly given its ethnographic approach, which relies on prolonged engagement and in-depth observation of the population. Ethnographic research is most effective when the researcher has sufficient time to immerse themselves in the community, build rapport with participants, and capture nuanced behaviours, interactions, and cultural influences. However, due to time limitations, the duration of observation may have been insufficient to fully explore long-term trends, evolving consumer behaviours, or deep-rooted cultural dynamics affecting trust and risk perceptions in online shopping.

Accessibility of Population

Due to the accessibility of the population to the researcher, the majority of the participants came from the township of Langa, Cape Town. This lack of diversity and contexts of other townships may once again limit the generalisability of the findings. The outcomes may be specific to the selected township and not observed across different township contexts.

6.6 Suggestions for future research

Given the limited literature that is out there on this research topic, there are some opportunities for future research. Firstly, the same research can be conducted using a quantitative approach, having the factors emerging from this study as the foundation of the model. This will allow greater robustness of the study and more generalisability of the findings. Secondly, there is an opportunity for a comparative study to be done between urban markets and township markets to truly evaluate the differences between the two, given the cultural factors noted in this study. Lastly, there is an opportunity to focus the research on a specific aspect of the study, such as collective decision-making. This can be looked at in greater detail, and comparative studies could be conducted comparing South African collectivist societies and other collectivist societies in how these factors affect their online purchasing behaviour.

6.7 Conclusion

In conclusion, the findings of this study offer significant insights into the complex interplay of trust, risk perceptions, and cultural influences in shaping online shopping behaviour among South African township consumers. The research demonstrates that factors such as robust website design, secure payment systems, and the reputation of the retailer are crucial in building trust. Additionally, there are perceived risks such as financial losses, loss of personal information

and issues with delivery, which may impact purchase intentions. More critically, the study elucidates the strong influence of collectivist cultural values typically found in South African townships, manifested through community networks, word-of-mouth recommendations, and friends and family recommendations. This highlights the importance of social validation in online transactions among these communities.

This research offers a nuanced understanding of how trust and risk are constructed in this unique context. These insights not only fill a critical gap in literature but may offer stakeholders various strategies on how to foster trust and mitigate perceived risks in this market that is traditionally perceived as difficult to understand and penetrate. Although the study is context-specific and limited by its sample size, it lays a foundation for future research in this diverse online shopping setting. Ultimately, the research reaffirms the need for culturally responsive strategies to foster inclusive and secure digital marketplaces.

Table 28 Consistency table: research questions, propositions, data collection and data analysis

RQ #	Research Questions	Prop #	Proposition	Data collection detail	Data analysis method
1	What are the factors influencing trust formation in online shopping transactions among consumers in South African townships, and how do these factors impact purchase intentions?	1	Trust in online shopping impacts consumers' purchase intentions.	Interview guide questions 4 - 5	Thematic analysis
2	What are the perceived risks associated with online shopping transactions in South	2	Perceived risks associated with online shopping transactions deter purchase intentions among	Interview guide questions 6 - 8	Thematic analysis

RQ #	Research Questions	Prop #	Proposition	Data collection detail	Data analysis method
	African townships, and how do they influence purchase intentions?		consumers in South African townships.		
3	How do cultural and social influences, such as community networks, word-of-mouth recommendations, and collective decision-making processes, shape trust and risk perceptions among township consumers?	3	Cultural and social influences, such as collectivism and word of mouth, play a crucial role in shaping trust and risk perceptions among township consumers, thereby impacting their online shopping purchase intentions. .	Interview guide questions 9 - 13	Thematic analysis

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APPENDIX (A) Instrument (Interview Guide)

Interview Guide

General:

1. *How often do you shop online? Which ecommerce websites do you use the most?*
2. *Can you describe your general feelings about shopping online? What makes you feel comfortable or uncomfortable?*
3. *Have you ever decided to not buy on a particular online store? Why?*

Trust perceptions:

4. *What aspects of a website make you feel that it is trustworthy (e.g., website design, customer reviews, payment methods, quality of the pictures, quality of the product descriptions, the price of the products)?*
5. *How easy/difficult is it for you to form trust with a website? What would influence this?*

Risk Perceptions:

6. *What risks do you associate with shopping online?*
7. *Of the risks identified, would any of them stop you from making purchases online?*
8. *Would the type of product you're buying have an influence on whether you decide to buy or not, given the risk of online shopping?*

Cultural factors:

9. *Describe to me how you got into online shopping? Was there anyone who influenced you to make your first purchase?*
10. *Does word of mouth influence which ecommerce websites you purchase, or not purchase from?*
11. *How important are recommendations from friends and family when deciding to shop online?*
12. *If you are apprehensive about buying on a particular site, how important are the actions of your community (in whether they use that website) in determining whether you buy on that particular website?*
13. *Are there instances where you make online shopping decisions collectively with friends or family? How does this process work?*

APPENDIX (B) Participant Information Sheet

Dear Sir / Madam

My name is Mfundo Mbambo I am a Masters in Management student at the University of the Witwatersrand, Johannesburg. My supervisor is Prof. Budree. I am conducting a research study about trust and ecommerce trust and risk perceptions in South African Townships. The study title is *Cultural Influences on Trust and Risk in Online Shopping: A Study of South African Townships.*

I am inviting you to take part in an interview. If you decide to take part, your participation in this research study will last about 30 minutes. The interview/research activity will take place at [XXXX] at [this time].

With your permission, I would like to audio record the interview. This data will be stored on OneDrive for 5 years. Only the researcher will have access to the data.

During the research activity, I will need to ask for some personal information about you, including your age and gender.

The interview will be confidential and anonymous. When I share the results of the research study, I will not include your name or anything else that could identify you. With your permission, other researchers may use the data collected from this research study, but your name and any personal information will not be used or passed on.

If you decide to take part in the research study, it should be because you want to volunteer. You do not have to take part. You can stop being in the study at any time. You

do not have to answer any questions if you do not want to. You will not get any direct benefits if you choose to join the research study. You will not lose any services, benefits or rights you would normally have if you decided not to join. Taking part in the research study will not cost you anything. You will not be paid for being in this research study.

The risks for this research study are no more than what happens in everyday life and the questions asked should not cause any psychological or emotional distress. If this happens, I will stop the interview and continue another time.

This research study will be written up as a research report. The report will be available on the university library website. If you would like to receive a summary of this report, I will be happy to send it to you.

If you have any questions during or afterwards about this research study, feel free to contact me or my supervisor on the details listed below. If you have any concerns or complaints about the ethical procedures of this research study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za.

Yours sincerely,

Mfundo Mbambo

Researcher:

Mfundo Mbambo

1792473@wits.students.ac.za

Supervisor:

Adheesh Budree

adheesh.budree@uct.ac.za

APPENDIX (C) Consent Form



Consent Form to partake in research Study
Title of project: Cultural Influences on Trust and Risk in Online Shopping: A Study of South African Townships

Name of researcher: Mfundo Mbambo with student number 1792473

I, ……., agree to participate in this research project.

I agree to the following:

(Please circle the relevant options below)

The research study was explained to me. I understand what this study is about.	YES	NO
I understand that I can volunteer to take part in the study	YES	NO
I agree that the interview may be audio recorded and or transcribed.	YES	NO
I agree that direct quotations from my interview may be used by the researcher in their research report.	YES	NO
I agree that my participation will remain anonymous (my name or other identifying data will not be used by the researcher in their research report)	YES	NO
I agree that other researchers may use the information I provide in my interview (depending on their own ethics clearance being obtained) but my name and any personal information will not be used or passed on	YES	NO

…… (signature)
…… (name of participant)
…… (date)

…… (signature)
……Mfundo Mbambo……(name of researcher/person seeking consent)
……(date)

APPENDIX (D): Code Book Table

Codes generated from Atlas.ti

Code	Code Group 1	Code Group 2	Code Group 3	Code Group 4
Collective decision-making	Cultural factors			
Collective decision-making: CD_no				
Collective decision-making: CD_yes				
Collectivism				
Considers website reviews				
Considers website reviews: Reviews_No				
Considers website reviews: Reviews_Yes				
Convenience				
Delivery Risk_		Perceived Risks		
Delivery Risk_: concerns with theft in the township				
Delivery Risk_: Damaged goods				
Delivery Risk_: Del_Not receiving goods				
Delivery Risk_: Delivery delays				
Ease of trust formation				Trust Factors
Ease of trust formation: Trustform_difficult				
Ease of trust formation: Trustform_easy				
Established/Reputable retailer				Trust Factors

Financial Risk		Perceived Risks		
Financial Risk: Fear of scams				
Financial Risk: Losing money online				
Financial Risk: Security of payments				
Individualism				
Influenced by actions of community	Cultural factors			
Influenced by actions of community: Influenced by community_no	Cultural factors			
Influenced by actions of community: Influenced by community_yes	Cultural factors			
Influenced by friends and fam	Cultural factors			
Influenced by friends and fam: Infl friends and fam_no	Cultural factors			
Influenced by friends and fam: Infl friends and fam_yes	Cultural factors			
Influenced to make first purchase	Cultural factors			
Influenced to make first purchase: infl_no	Cultural factors			
Influenced to make first purchase: infl_unsure	Cultural factors			
Influenced to make first purchase: infl_yes	Cultural factors			
Online shopping experience				
Overwhelming presentation/lack of niche				

Privacy Risk		Perceived Risks		
Privacy Risk: Misuse of data				
Privacy Risk: Privacy concerns				
Product price		Perceived Risks		
Product Risk		Perceived Risks		
Product Risk: Concerns with fake goods				
Product Risk: Concerns with product quality				
Product Risk: Del_Product Mismatch/Quality Deviation				
Product type affecting risk perception				
Product type affecting risk perception: Prod type_no				
Product type affecting risk perception: Prod type_yes				
Psychological Risk		Perceived Risks		
Psychological Risk: Too easy to shop				
Risks affecting purchase intention			Purchase intentions	
Risks affecting purchase intention: PI_No			Purchase intentions	
Risks affecting purchase intention: PI_Yes			Purchase intentions	
Shopper Experience				
Shopper Experience: Exp_Frequent shopper				
Shopper Experience: Exp_Infrequent shopper				
Shopper Experience: Exp_Intermediate				
Trust in Website				Trust Factors

Trust in Website: Concerns with website security				
Trust in Website: Image quality				
Trust in Website: Overwhelmed by pop ups				
Trust in Website: Payment methods				
Trust in Website: Perceived investment in branding/advertising				
Trust in Website: Presence of contact information				
Trust in Website: Website design quality				
Website familiarity				
Website familiarity: Fam_Known to user				
Website familiarity: Fam_unknown to user				
Website not a local site				
Word of mouth influence	Cultural factors			
Word of mouth influence: WOM_no	Cultural factors			
Word of mouth influence: WOM_yes	Cultural factors			

APPENDIX (E): Ethics Clearance Certificate

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg

Wits Business School

Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/DB1742473/822
This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below).

Project title	Cultural Influences on Trust and Risk Perceptions in E-Commerce: A Study of South African Townships
Investigator / Researcher	Mr Mfundo Mbambo
Nature of Project	MM (Digital Business)
Decision of the Committee	Approved, provided stakeholders and participants are guaranteed confidentialty.
Issue Date of Certificate	02/09/2024
Expiry date	Date of submission of the project / research report
Chairperson	Dr Ayanda Magida +27 11 717 3953 ayanda.magida@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Signature

04/09/2024
Date:

APPENDIX (F): Example of literature review analysis

APA reference	The highlights	What my thoughts are
Alrawad, M., Lutfi, A., Alyatama, S., Al Khattab, A., Alsoboa, S. S., Almaiah, M. A., Ramadan, M. H., Arafa, H. M., Ahmed, N. A., Alsyouf, A., & Al-Khasawneh, A. L. (2023). Assessing customers perception of online shopping risks: A structural equation modeling–based multigroup analysis. *Journal of Retailing and Consumer Services*, *71*(103188). ScienceDirect. https://doi.org/10.1016/j.jretconser.2022.103188	Proposes that there is no consensus on which risks affect online buying intentions. As such, the mention that researchers have tested different risk factors and how they affect buying intention. The study aims to identify the most relevant sources of risk. Describes risk as: Perceived risk is “the individual or group, judgment or valuation of the magnitude and likelihood of the possible ‘bad’ outcomes which may result from an action". Comprehensive definition of risk perception [can use in my own study] References Cox theory on uncertainty and risk, and identifies that there are	The study presents a very comprehensive model of risk perceptions, including 7 risks such as financial risks, privacy, functional, delivery, information, physical, time-loss, psychological and social. These risks encompassed both risks developed for brick and mortar stores and online purchases. The information in the study shows that there are many risks which may be at play, and may differ in different contexts. For example, this study focused on middle eastern countries, and the results only showed 3 of the risks to be significant in influencing purchase intention, namely financial risk, information risk, and privacy risk. This could be due to could be due to country specific factors.

	dimensions to risk. 1 being performance (associated with the product itself) and psychological. The study shows the evolution of the risk categories and how they have expanded over time and broke down performance risk further to include functional risk, time risk, service risk etc. found that privacy, time, performance, and financial risks have a significant influence on customers' purchasing decisions. However, the research used relates to physical stores on online. Only three of the nine proposed forms of risk and uncertainties were relevant to online purchase intention: financial risk, information risk, and privacy risk.	

Makhitha, K. M., & Ngobeni, K. M. (2021). The impact of risk factors on South African consumers' attitude towards online shopping. *Acta Commercii*, *21*(1). AOSIS. https://doi.org/10.4102/ac.v21i1.922	The research is based in South Africa. Bhatti et al. (2018:8–9) further suggested that future researchers should investigate online shopping adoption, purchase intention and behaviour in relation to the perceived risks in developing and developed countries. This study includes attitudes towards online shopping, which in turn can influence shopping intention. Also suggests that when risk is high, then online purchase intention is low. Defines risk as: Perceived risk is referred to as consumers' perception of the uncertainty and adverse consequences of engaging in a purchase activity' The study cites previous studies have identified product risk	This research was based in SA, which is the location of the research project. This study looked at only what they defined to be major factors of risk which are privacy, delivery, security and product. This study focused on the impact perceived risk on attitudes and subsequently purchase intentions. Does not offer any South African specific insights. The study also found that perceived risk (specifically privacy, product) had a significant impact on purchase intentions. Their definitions of risk are consistent with other studies. I find that this study looked at a limited number of risks, especially for the South African context.

	(Masoud 2013:76; Orubu 2016:14), delivery risk (Masoud 2013:76; Tanadi et al. 2015:226) and security and privacy risk (Masoud 2013:76) as the factors that have most impact in online shopping behaviour. As a result, these have been the factors that were selected for their study. Product risk is defined as Ariff et al. (2014:313), product risk is regarded as the risk of loss suffered by consumers should the product fall short of their expectations. Delivery risk is defined as Consumers, who purchase products online, are generally concerned with the product's delivery. Delivery risks include the product being damaged whilst in transit, the product being delivered to a wrong address or even a delay in delivery. Previous researchers have found several conflicting results regarding delivery risk. According to Masoud (2013:83), consumers' online purchasing	

	intentions are not affected by delivery risk. However, consumers' attitude towards online purchasing intent has been shown to be negatively influenced by delivery risk In this regard, consumers avoid purchasing products online to avoid sharing personal information online and consumers cannot verify the retailers' credibility before purchasing especially in instances where the reputation of the retailer is unknown. Privacy concerns become prevalent, especially during the check-out process, which leads to consumers aborting their shopping carts The research found that product risk and privacy risk affect attitudes and subsequently purchase intentions. Delivery risk was not found to be significant; consistent with first study.	

Indiani, N. L. P., & Febriandari, S. N. S. (2021). Key antecedents of consumer purchasing behaviour in emerging online retail market. *Cogent Business & Management*, *8*(1). https://doi.org/10.1080/23311975.2021.1978370	The study states that from field observation and empirical review, perceived risk is found to be a dominant factor preventing consumers from making online purchase. The study defines perceived risk as Perceived risk is consumer's perception of the likelihood that something will go wrong and cause severe consequences from purchasing a product or service online (Akhlaq & Ahmed, 2016). The paper uses the perceived risk theory, TAM and theory of planned behavior to conduct the study. They do indicate limitations of both models. Study defines online perceived risk is defined as consumer perception that negative consequences will occur due to online transactions (Kim et al., 2007). They state that financial risk is the dominant type of risk that inhibits online purchase	The study was conducted in Indonesia. This study, like the others, defined various aspects of online risks. They cited financial risk as the biggest risk faced by online consumers and their study mainly focuses on this type of risk. However, relative to other studies this paper found that perceived risk was not significant in impacting purchase intention. One of the reasons for this was the predominant age of the participants, who were 20 - 30. They are more tech savvy and therefore might not perceive risk the same as older consumers. Also, the predominant participants use prominent e-marketplaces in Indonesia which are pro-customer. They have offer COD, which may help mitigate financial risks; hence the results.

	(D'Alessandro et al., 2012; Liu & Forsythe, 2010; Xu et al., 2010), and therefore decided to look into this for their study. They cite several studies, explaining that perceived risk has a negative impact on purchase intention. The study found that perceived risk (delivery, financial, product performance risk) does not have a significant impact on purchase intentions.	