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Factors Motivating South Africans to Shop for Apparel Online

A research report submitted by

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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 Business Administration.

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1. ABSTRACT

J.P. Morgan (2011) issued their annual e-commerce report stating that they expect global e-commerce revenues to reach USD 680 Billion in 2011, an 18.9% increase on 2010. This figure is indicative of the growing importance of e-commerce as a viable sales channel in the global economy. South Africa (SA) is still in the early phases of e-commerce adoption with low e-commerce penetration as indicated by Statistics SA (2010). However, World Wide Worx (2010) forecasts an e-commerce boom of 4.6 million local internet users ready to shop online by 2013. Hence, it is becoming increasingly important for online retailers in SA to understand what is driving consumers to shop online if they hope to capitalise on this profitable new sales channel. There is a shortage of academic research within the field of e-commerce, which this study hopes to begin addressing.

The purpose of the research is to provide insight into what is motivating South African consumers to adopt online shopping and more specifically, within the apparel sector. The research problem is to investigate online apparel shopping in SA by using the Monsuwé et al. (2004) framework which outlines key attitudes and exogenous factors that may drive consumers' intentions to shop online. The literature review has attempted to take into account existing academic and commercial research within the scope of the research problem and to provide a holistic picture of all the factors driving *attitudes* and *adoption intent* to shop online for apparel within the SA market.

The research methodology utilised was quantitative with a positivist approach. An online survey was utilised to capture responses from 1359 SA online users. Structural equation modelling was utilised to represent, estimate and test the network of relationships driving consumers' attitudes and intent to shop online in SA.

The research findings to an extent achieved this purpose. The results indicate which factors are likely to be driving consumers' attitudes and their intent to shop online in SA. The results indicate how these motivating factors differ between consumers who have shopped online, shopped for apparel online and those that have never shopped online. The resulting models, Figure 4-1, 4-2 and 4-3 are very useful to the e-commerce community as they provide a framework that online retailers can

consider when reviewing the adoption of online shopping. The research finding can be used, to some extent, by online retailers to drive intent to shop online amongst consumers especially within the apparel sector.

Key findings within the research indicate that a link exists between e-commerce theory and traditional in-store retail theory, which deserves commercial attention. E-commerce has been viewed to an extent as a completely different commercial vehicle with its own set of rules. This research indicates that this is not entirely true. It indicates that the hedonic motives, which have driven consumers to shop for centuries, remain relevant in the online sales channel. Online retailers need to integrate enjoyment into the shopping experience as it translates directly into *intent* to shop online.

Thus, in conclusion, this study has the ability to positively influence the adoption of online shopping and hence the growth of e-commerce within SA. It is not only valuable to apparel retailers but offers unique insight to the entire SA e-commerce community.

2. DECLARATION

I, Tamaryn Barnes, 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 Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Tamaryn Barnes

Signed at Wits Business School

On the 6th day of February 2012

3. DEDICATION

I would like to dedicate this research to all the pioneers of the South African online industry. I would like to thank my family, classmates and lecturers for their continuous support and encouragement throughout my studies.

5. ACKNOWLEDGEMENTS

I hereby would like to acknowledge the following people:

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- Stacy Bussio, for her assistance in the methodology and results stages of the report.

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- To all 1360 South Africans who took the time to complete the survey and share their online shopping experiences.

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1. Chapter One: Introduction

1.1. Purpose of the Study

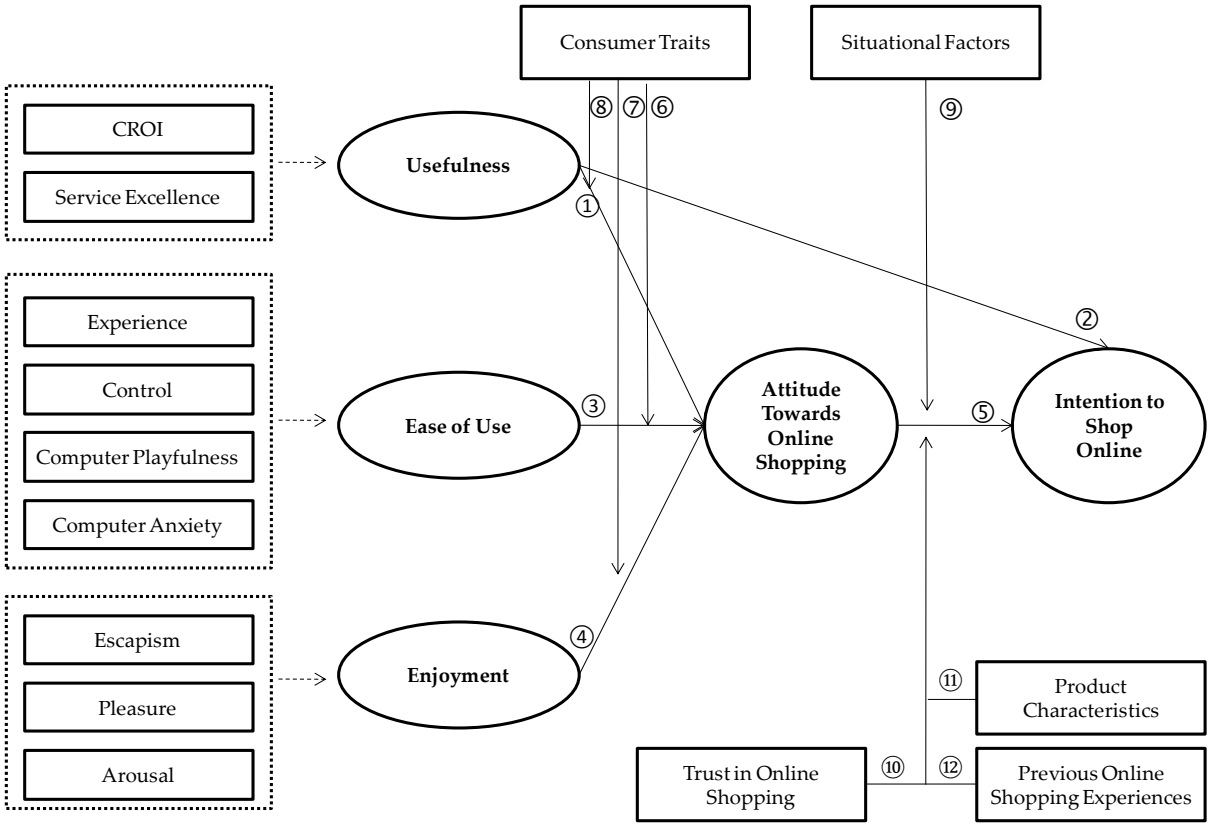
J.P. Morgan (2011) issued their annual e-commerce report stating that they expect global e-commerce revenues to continue to grow and reach USD 680 billion in 2011 which would equate to an 18.9 percent increase on the previous year. This figure is indicative of the growing importance of e-commerce as a viable sales channel in the global economy. According to Kau, Tang and Ghose (2003), online shopping is growing as a result of advances in technology and lifestyle changes which are encouraging consumers and making it easier for them to shop online. The purpose of this study is to gain insight into what is motivating consumers to adopt online shopping in South Africa and specifically within the apparel sector.

Academic research has only recently begun to understand the dynamic nature of online shopping and few studies have attempted to analyse the apparel sector. Research in this field is fragmented and highly time sensitive as online shopping is continuously growing and evolving. This study builds on existing literature and provides South African online apparel retailers with a working framework and a greater understanding of consumers' attitudes towards online apparel shopping and their intention to shop online.

Monsuwé, Dellaert and Ruyter (2004) have provided what they term a holistic framework of the key motivators driving the adoption of online shopping. The Monsuwé et al. (2004) framework uses the constructs of the Technology Acceptance Model (TAM) which states that *ease of use, usefulness* and *enjoyment* affect consumers' attitudes towards online shopping. It also states that consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping are all positive factors that affect consumers' intentions to shop online.

Thus the purpose of the research is to investigate what is motivating South African consumers to shop online and more specifically, within the apparel sector by using the Monsuwé et al. (2004) framework, as is seen in Figure 1-1.

Figure 1-1. Framework for consumers' intentions to shop online (Monsuwé et al., 2004)



1.2. Context of the Study

Statistics SA (2010) indicate that the South African e-commerce penetration is low against global standards. However, e-commerce in SA is expected to boom in 2013 with a projected 4.6 million local internet users who will be ready to shop online (World Wide Worx, 2010). Apparel shopping is one of the fastest growing categories within the South African e-commerce environment. In 2008 only 12 percent of South African internet users bought clothes online but by 2009 the figure had increased to 22 percent (MasterCard, 2010). Kim and Lennon (Kim and Lennon, 2008) discuss that the internet has changed the way consumers learn about and purchase products and services. Kau et al. (2003) highlights that it is important for retailers and marketers to develop an understanding of online shoppers. Marketers and retailers need to understand online consumers' attitudes, patterns of

information acquisition and purchase decisions so that they can develop appropriate strategies to attract and maintain online shoppers.

1.3. Main Problem

The research problem is to investigate online apparel shopping in South Africa by using the Monsuwé et al. (2004) framework which outlines key attitudes and exogenous factors which may drive consumers' intentions to shop online.

1.3.1. Sub-Problem

- **TAM ⇨Attitudes & Intention:** The first sub-problem is to assess the extent to which the Technology Acceptance Model, which is made up of the factors of *ease of use, usefulness and enjoyment,* mediate attitudes towards online apparel shopping and the intention to shop online.

- **TAM ⇨ Attitude ⇨ Intent:** The second sub-problem is to assess the extent to which attitudes mediate between TAM and intention to shop for apparel online.

- **Exogenous Factors ⇨ Attitude & Intent:** The third sub-problem is to assess the extent to which the exogenous factors as suggested by Monsuwé et al. (2004), consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping, affect consumers' attitudes and intentions to shop for apparel online.

1.4. Significance of the study

Internet shopping is a new industry which retailers are utilising to expand their domain and sales channels (Swinyard and Smith, 2003). Many executives have rushed to build online businesses; however, they have done so without the focus which is demanded by traditional commercial entities (Reichheld, 2000). E-commerce stands the risk of losing focus when it aims to attract all customers rather than attracting the right consumer and gaining

their loyalty (Reichheld, 2000; Geissler, 2001; Zeithaml, 2002; Kim, 2005). Thus, this study is significant as it provides insight for South African retailers looking to take their storefronts online.

Existing international academic studies have attempted to explore factors which have an impact on the adoption of online shopping such as trust in online shopping, multichannel retailing, hedonic and utilitarian motives, consumers' attitudes and behaviours when shopping online (Childers, Carr, Peck and Carson, 2001; Teo, 2002; Gefen, Karahanna and Straub, 2003; Bosnjak, Galesic and Tuten, 2007; Zhou, Dai and Zhang, 2007; Chung and Park, 2009).

In South Africa, a few academic articles have explored different areas of online shopping. These include online customer care initiatives, efficiency, psychographic characteristics, consumer fears around security and existing internet usage (Cloete, Courtney and Fintz, 2002; Moodley, 2002, 2003; Barnard and Wesson, 2004; Swardt, 2008; Davies and Vigar-Ellis, 2010). An attempt to understand this new commercial medium has begun globally, yet in South Africa much needs to be researched before a clear understanding of the online shopping market can be gained.

To my knowledge, there have been no studies that provide a framework that helps to explain the adoption of online shopping in South Africa. Research studies within the South African commercial space are focused on the size of the internet population and the potential of the internet with very little focus on the social characteristics and motivators associated with internet use (Nielsen, 2010).

Monsuwé et al. (2004) proposed the framework seen in Figure 1-1. on page 2 after conducting an extensive literature review. It succinctly outlines the various variables affecting consumers' intention to shop online. The model has not been tested across geographies to ensure its applicability. However, the Monsuwé et al. (2004) model was utilised to a limited extent by Hirst and Omar (2007) as a framework to evaluate British women's attitudes towards apparel shopping online. Therefore, this research study is significant in the fact that it will attempt to test the applicability of the model within a South African context.

In conclusion, the internet has changed the nature of the retail patron (Brown, Pope and Voges, 2003). This change warrants a study to provide apparel retailers with a greater

understanding of the online retail patron, to discover what is motivating consumers to shop online and what is still deterring them from adopting the medium.

1.5. Delimitations

- This study will include all South Africans who have direct internet access from home, school or work.
- This study will exclude consumers who only have access to the internet via mobile phones.
- This study only includes business to consumer purchases thus excluding all business-to-business, consumer-to-business and consumer-to-consumer purchases.
- This study will exclude all purchases except for online apparel purchases.

1.6. Definition of terms

- **Buyers:** These are online users who purchase products via the internet (Soopramanien and Robertson, 2007).
- **Browsers:** Internet users who search the internet for information but they prefer to purchase in-store. These individuals are risk-averse and have chosen not to purchase online (Soopramanien and Robertson, 2007).
- **Non-internet shoppers:** Internet users who do not utilise the internet for shopping. These individuals have no intention of ever shopping online (Soopramanien and Robertson, 2007).
- **Electronic Commerce (e-commerce):** Commerce that utilises the internet or other computer networks. It is the buying and selling of goods online (Reedy, 2004).
- **Business-to-Consumer (B2C**): Describes an internet domain, denoting communication channels between a business and consumers (Kotler and Keller, 2009).
- **Consumer behaviour**: The study of how individuals, groups, and organisations select, buy, use and dispose of products, services, ideas and experiences to satisfy their needs and wants (Kotler and Keller, 2009).

- **Pure click companies**: Companies which launch their websites without any previous existence as a company (Kotler and Keller, 2009).
- **Brick and click companies**: Existing companies that have added an online site for information and e-commerce (Kotler and Keller, 2009).
- **Attitude**: In the context of online shopping an attitude refers to general consumer feelings of favourableness or unfavourableness towards the use of online shopping (Lin, 2008).

1.7. Assumptions

- International literature sufficiently addresses the key motivators that drive consumers to shop online; thus, the applicability to the South African market is able to be tested. These key motivators are captured succinctly in the Monsuwé et al. (2004) framework outlining consumers' intentions to shop online.
- The online consumer behavioural patterns in the major metropolitan cities of Gauteng, Pretoria, Western Cape and Kwa Zulu Natal are representative of consumers in other parts of South Africa.

2. Chapter Two: Literature Review

2.1 Introduction

South Africa is an economic powerhouse, acting as a gateway into the African continent. It provides improved access to one billion consumers on the African continent and significant mineral resources (Seria, 2010). South Africa has been invited to join the BRIC countries, Brazil, Russia, India and China. According to Goldman Sachs (2003) the majority of global economic growth is predicted to come from these countries over the next few decades. Friedrich, Peterson and Koster (2011) state that these countries have taken shortcuts and are leapfrogging developing nations in their path to digitisation. Thus, as their internet penetration increases and ubiquitous connectivity occurs, a new large audience of consumers is emerging which will affect the global economy and its retail industry. Hence this study aims to build knowledge within the e-commerce sector which is expected to boom in the upcoming years. Its primary goal is to understand what is motivating consumers to shop online for apparel.

This literature review begins by first developing a context for this study. This is achieved by reviewing South Africa's unique online landscape, its apparel retail environment and online consumer. Online shopping is one of the top reasons South Africans are connecting to the internet and apparel shopping is currently one of the fastest growing categories in the South African online space (MasterCard, 2010).

Key consumer behaviour theories are reviewed to gain insight into consumers' purchase behaviour and the construct that consumer attitudes have an effect on their behaviour. Next the research problem which is to test the framework of Monsuwé et al. (2004) outlining key attitudes and exogenous factors which may drive consumers' intentions to shop online, specifically within the South African apparel shopping market is addressed. Thereafter the latest literature is reviewed which pertains to the sub-problems to establish consistencies and discrepancies from the Monsuwé et al. (2004) framework.

The first sub-problem is to assess the extent to which the Technology Acceptance Model (TAM) mediates attitudes towards online apparel shopping and the intention to shop online. The second sub-problem is to assess the extent to which attitudes mediate between TAM

and intent to shop for apparel online. Existing literature around the TAM model is evaluated in order to understand the extent to which the factors of *ease of use, usefulness and enjoyment* have an effect on consumers' attitudes and intention to shop for apparel online.

The third sub-problem is to assess the extent to which the exogenous factors suggested by Monsuwé et al. (2004) affect consumers' attitudes and intentions to shop for apparel online. Existing literature is examined to gain insight into consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping. It is noted how consumers have evolved with new technology and research since Monsuwé et al. (2004) issued their framework to establish relevancy and applicability.

2.1. Background Context

2.1.1. South African Internet Landscape

South Africa has a unique online landscape against which the adoption of online shopping is occurring. According to Internet World Stats (2010), South Africa has a 10 percent internet penetration, 5.3 million internet users, and is currently the fourth largest internet population in Africa. World Wide Worx (2010) forecasted that by 2015, 11 million South Africans will be online. This significant growth will provide opportunities for online retailers.

World Wide Worx (2010) issued the *Internet Access in SA 2010* Report which stated that the primary reason for the growth in internet access is the increased need for connectivity. This resulted in broadband connections growing by more than 50 percent in 2009. The laying of the Seacom cable increased internet connectivity speeds from 1,690 Gbps in 2009 to an estimated 14, 770 Gbps by 2011. Thus, the faster and more reliable internet access from more locations is driving growth within the e-commerce sector (World Wide Worx, 2010). This trend is likely to continue according to Mullins (2011) as the industry matures with publishers refining their digital strategies and extending their use of existing technologies.

According to MasterCard (2010) in their annual national survey, 90 percent of South Africans who use the internet primarily use it to send or receive e-mail messages. A further 69 percent browse materials for study purposes, 69 percent read the news and 67 percent check their bank balance. Only 42 percent of online users state that their primary reason for

using the internet is to go online to shop. It can therefore be concluded that at least 2.5 million South Africans are using the internet to shop for products and services.

2.1.2. South African Retail Landscape

An overview of the South African retail landscape is given in order to provide a context against which existing consumer behaviour can be understood. The nature and size of the retail sector highlights the scope and potential for online retailers who manage to motivate consumers to shop online.

Massmart (2010) discloses that national retail sales within the South African economy have steadily declined from 2006, following the first increases in interest rates. The first positive real sales growth occurred in January 2010 and since then the retail sector has recorded positive growth. Reuters (2011) believes that this upward trend is expected to continue despite uncertainty around the global economic crisis. According to the South African Retail Report (2011), retail sales are expected to grow from an expected ZAR603.16bn (US$73.13bn) in 2011 to ZAR896.65bn (US$108.72bn) by 2015. The expansion is expected to be driven by rising disposable incomes, falling unemployment, increasing urbanisation and South Africa's growing middle class.

The South African Retail Report (2011) indicated that the need for convenience and value for money will remain important to South African consumers who lead busy lives. The Solution Workshop (2010) released a study that suggests that the recession has changed the nature of consumer behaviour in South Africa. Consumers have adapted their behaviour in order to survive the recession by modifying their functional and emotional needs to suit their fluctuating disposable incomes. These behavioural changes may be permanent and retailers need to understand that their consumers may remain cautious with a high need for information (FusionDesign, 2010).

The retail sector is dominated by large holding companies. However, the competitive environment within the retail sector will see a shake-up if international players taking an interest in Africa move into South Africa (Business Monitor International, 2011). Store-based retailing will continue to dominate the retail environment with the majority of South Africans still preferring to shop in 'brick and mortar' stores. Although online retailing has

experienced significant growth, it continues to be dominated by middle to upper income consumers.

2.1.3. Online Shopping in South Africa

According to internet researchers World Wide Worx (2010), there are over 1,000 retail websites in South African cyberspace. Online shopping has not yet reached 'mainstream' status and is competing against an established in-store retail channel (Soopramanien and Robertson, 2007). Many retailers, despite predictions and signs of steady growth in the sector, are concerned that the sales conversion rates from their websites are still very low (Johnson, Moe, Fader, Bellman and Lohse, 2004). Online retail is expected to boom in 2013 with an estimated 4.6 million local internet users who will be ready to shop online. In 2006, there were only 2.8 million online users in South Africa, yet by 2008, there were 4.6-million. This was the steepest growth in many years, with the trend set to continue towards the predicted explosion of users in 2013 (World Wide Worx, 2010).

Online shopping is one of the top reasons South Africans are connecting to the internet. According to MasterCard (2010), South Africans are most likely to go online in order to buy CDs and DVDs. The next most popular items are airline tickets, home appliances, electronics and women's clothing and accessories. This last category experienced the largest growth when in 2008 only 12 percent bought clothes online, compared with 22 percent in 2009. The most common reasons cited for adopting online shopping were convenience, ease of use and speed. Other incentives included low prices or discounts and unique products only available online.

World Wide Worx (2010) conducts an annual Online Retail Survey, which surveys 250 of the 1,000 local online retailers. The results indicate that online shopping has become a profitable sales channel for 80 percent of online retailer operations. Of those profitable retailers, 46 percent are very profitable, 34 percent are a little profitable, and 19 percent break even. Only 1 percent of online retailers in SA are currently running at a loss. The MasterCard (2010) survey indicated that 83 percent of respondents said that they were satisfied with their overall online shopping experience.

Business Day (2010) however, indicates that online retailers have a long way to go as they have failed to attract large numbers of online shoppers. Online retails in 2009 were worth R1,6bn that equates to less than one percent of total retail sales. Leading retailers have stated that there are significant costs to set up online commercial channels and that South Africa's low internet penetration is the reason that retailers do not engage in e-commerce.

Marketers have also indicated that consumers do not seem to want to shop online. Makro marketing director, Chris Nezar, stated that no meaningful demand for online shopping existed yet in South Africa (Business Day, 2010). Euromonitor (2010) confirmed this and attributed low demand to South Africans' mistrust of the postal system and the online payment process. The MasterCard (2010) survey revealed the top three reasons why consumers with internet access were not shopping online. The primary reason at 63 percent of all respondents was fraud, 55 percent of respondents stated that they prefer to "touch and see" the product in-store and 36 percent indicated that they do not have credit cards. Thus, this may provide an understanding as to why consumers are not shopping online.

World Wide Worx (2010) in their annual online retail survey attempt to outline what consumers wanted from online retailers. Consumers indicated that stock availability topped the list of success factors for online retailers with a 94 percent confirmation rate. Thus, if a retailer did not have stock, the online shopper would likely go to the next site or visit a physical store. MasterCard (2010) reiterated this finding, when speed of fulfilment was ranked one of the highest success factors at 92 percent when shopping online. This was followed closely by quality of products with 90 percent of respondents agreeing. The design and appeal of the website followed with 85 percent. Competitive prices, after-sales service, and a large product range were the next ranked key factors, with usability of the website ranking only eighth in online success factors with only 78 percent of e-commerce sites listing it as a priority. Buhrmann (2011) who reviews the findings summarises that consumers want online retailers to enhance payment, avoid additional service charges and make their websites easier to use.

Brown et al (2003) found that strong similarities existed between online shopping and traditional retail shopping orientations. They indicate that management should treat online retailing as an extension of their existing practice and one that should be absorbed into the

mainstream activity. This is in direct conflict to an earlier study done by Hoffman and Novak (1996) which stated that it was a completely different market with unique segments.

In conclusion, South Africa's top retailers are not online as they are ill prepared to tackle this new sales channel. The retailers who attempted online shopping initially failed because they did not conduct sufficient research and hence did not have the correct strategies in place. Even retailers with online offerings still have a great deal to learn about the online sales channel (Business Day, 2010).

2.1.4. Mobile Internet

According to AMPS (2009), 70 percent of South African adults own a mobile phone and 44 percent of all e-mails are sent and received via this medium. MasterCard (2010) stated that there has been significant growth of 13 percent in 2009 to 39 percent in 2010 of users who utilise their mobile phones to access the internet. This was the largest increase in mobile phone usage throughout the APMEA (Asia Pacific Middle East Africa) region. They indicate that this is most likely due to the upgrades made to the mobile broadband market and network, the increased price competition between mobile companies and the increase in sales within the smart phone category. Euromonitor International (2009) goes on to state that mobile e-commerce has largely been driven by the youth globally and that the majority of the leisure spend has gone to applications, ringtones, games and graphics. The MasterCard survey (2010) found that 11 percent of online South African shoppers made purchases using their mobile handset. The online mobile market is a significant factor when considering the adoption of online shopping in South Africa. However, online mobile purchases currently fall outside the scope of this project but should be considered as a fertile future research area.

2.2. Consumer Behaviour

Kotler and Keller (2009) defines consumer behaviour as the study of how individuals, groups, and organisations select, buy, use and dispose of products, services, ideas and experiences to satisfy their needs and wants. This research proposal is focused on assessing

South Africans' attitudes and intentions to shop online for apparel; thus, it is rooted in basic consumer theory and the consumers' decision-making process.

2.2.1. The Impact of Generation C

Generation C is the latest generation that will come into its own over the next ten years. They were born after 1990 and are just beginning to attend university and enter the workforce. They are the first generation that has had technology as part of their lives with social networking, mobile devices and the internet. Friedrich et al.(2011) define them as '*connected, communicating, content-centric, computerised, community-oriented, always clicking.*' Pankraz (2011) describes Generation C as the '*connected collective*' consumer and states that they need not be defined by their age as generations before them.

Friedrich et al.(2011) conducted a research study with Booz & Co, which forecasts that by 2020 Generation C will be the largest group of consumers worldwide making up 40 percent of the population in the US, Europe and BRIC countries. The middle class in developing nations is growing rapidly and as it gains internet access a new consumer economy is being created. As with previous technology adoptions these new audiences in developed nations will leapfrog years of technological development and quickly emulate the behaviour of Generation C. As markets consistently grow and evolve in South Africa it is critical that a study is made of what is motivating consumers to adopt new technologies such as online shopping. Once this is understood, it will be easier to attract and engage the new consumers that are joining the e-commerce community in South Africa.

Friedrich et al (2011) forecasts that Generation C will transform the retail industry and online retailers will be required to evolve. Social networks will become critical for brand awareness; social media such as crowdsourcing will be used to elicit product innovation. The increase in connectivity will drive the need for retailers and manufacturers to work in new partnerships and generate new monetisation models.

2.2.2. Five Stage Model

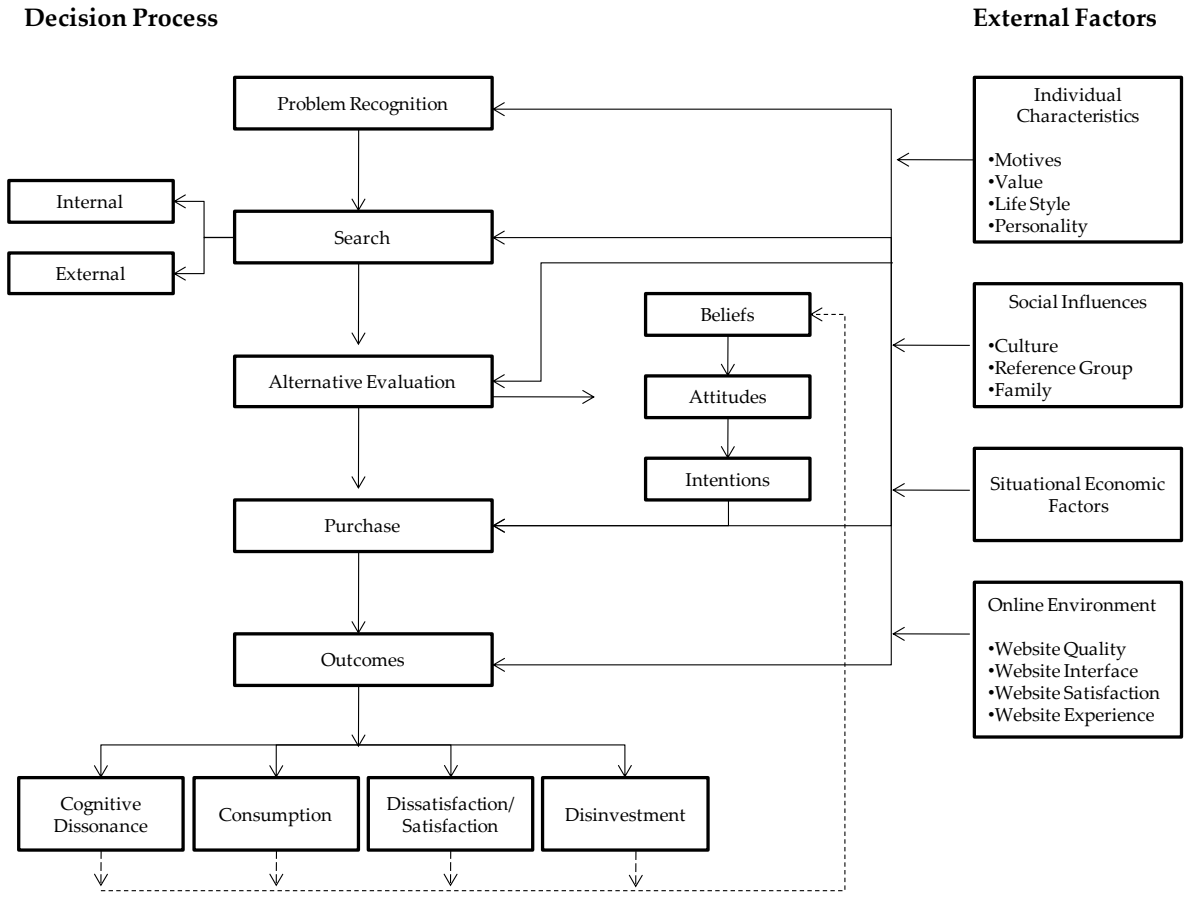
When purchasing products consumers go through five stages in their decision making process. These are *problem recognising, information search, evaluation of alternatives, purchase decision* and *post purchase behaviour*. It is important that marketers are aware of this process and where they are succeeding or falling short (Hawkins, Best and Coney, 2004; Schiffman and Kanuk, 2004; Engels, Blackwell and Miniard, 2005; Kotler and Keller, 2009)

According to Kotler and Keller (2009) the *problem recognition stage* begins when a consumer's need is triggered via internal or external stimuli. The *information search* begins when a consumer consults four main sources of information being personal, commercial, public and experiential. The *evaluation of alternatives stage* is the process by which a consumer makes a value judgment based on a continuous and rational basis. A consumer's beliefs and attitudes will also affect their decision when weighing up alternatives.

The *purchase decision* can be made up of up to five sub-decisions. These include the brand itself, the dealer, the quantity, the timing of purchase and the payment method. Factors that intervene in a person's purchase intention are the attitudes of others, unanticipated situational factors and perceived risk. The amount of perceived risk varies according to the price, amount of attribute uncertainty and the amount of consumer self-confidence. The *post purchase behaviour* stage requires that marketers should reinforce the consumer's decision to avoid post-purchase dissonance. Post purchase satisfaction is the relationship between the expectations of the product and the actual product's performance. Any disparity will lead to consumer dissatisfaction. Theory expects these feelings to play a large role in repeat purchase decisions as well as positive referral of the brand and product adoption (Kotler and Keller ,2009).

Darley, Blankson and Luethge (2010) sought to understand the decision making process within the online context and the research resulted in the model outlined in Figure 2-1.

Figure 2-1. A modified model of online consumer behaviour and decision making (Darley et al., 2010)



The purpose of this literature review is to focus on the beliefs, attitudes and intentions, which drive the purchase decision. Figure 2-1, showcases where these factors come into play within the decision-making process and thus, consumer behaviour theory. The model above, as does the framework outlining consumers' intentions to shop online as proposed by Monsuwé et al (2004), brings to light the fact that there are exogenous factors which have an impact on the intention to purchase goods online.

2.3. *Intention to Shop Online*

2.3.1. An Integrated Model

Although academics have begun to research online purchases and consumers in recent years, the research is still fragmented and there has been very little evidence as to what is actually driving consumers to shop online (Monsuwé et al., 2004). Academic literature has focused on individual factors such as trust, risk, customer traits, hedonic and utilitarian motives and even website characteristics (Childers et al., 2001; Miyazaki and Fernandez, 2001; Gefen et al., 2003; Bosnjak et al., 2007). No studies have comprehensively analysed and combined all the attributes that encourage or discourage internet shopping, nor have they reported the lifestyle characteristics of online shoppers and how they differ from non-shoppers (Swinyard and Smith, 2003). To a limited extent Monsuwé et al. (2004) has been able to achieve this by developing an integrated framework outlining the key drivers behind the intent of European and US consumers to shop online. This framework was the first of its kind as it was created by conducting a thorough literature review of all the existing research and pulling it together into a succinct model. It indicated that attitudes toward online shopping and intention to shop were affected by the Technology Acceptance Model (TAM). Thus, it is built on the premise that consumers' attitudes towards e-commerce are not only influenced by utilitarian aspects, but also by hedonic factors such as 'enjoyment'. It also took exogenous factors such as customer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping into account (Monsuwé et al., 2004).

The Monsuwé et al. (2004) model was tested and utilised to a limited extent by Hirst and Omar (2007) as a framework to evaluate British women's attitudes towards apparel shopping online. Their research found that women who shop for apparel online are aware of some of the negative features of online shopping; however, these features did not deter purchase. It rather indicated that online retailers should refocus on improving the shopping experience, ensuring an easy and user-friendly experience. Respondents indicated that the positive features of the online shopping experience, in this case convenience, usefulness, ease of use and efficiency, were more important than the negative features of security, privacy of information and online fraud. Thus, this reiterated the earlier statement by

Monsuwé et al. (2004) that internet retailers should ensure consumers have a positive shopping experience every time that they visit the online store.

Figure 1-1 outlines the Monsuwé et al. (2004) framework which this study utilises and tests against the apparel online shopping market in South Africa.

Figure 1-1: (repeated): Framework for consumers' intentions to shop online (Monsuwé et al., 2004)

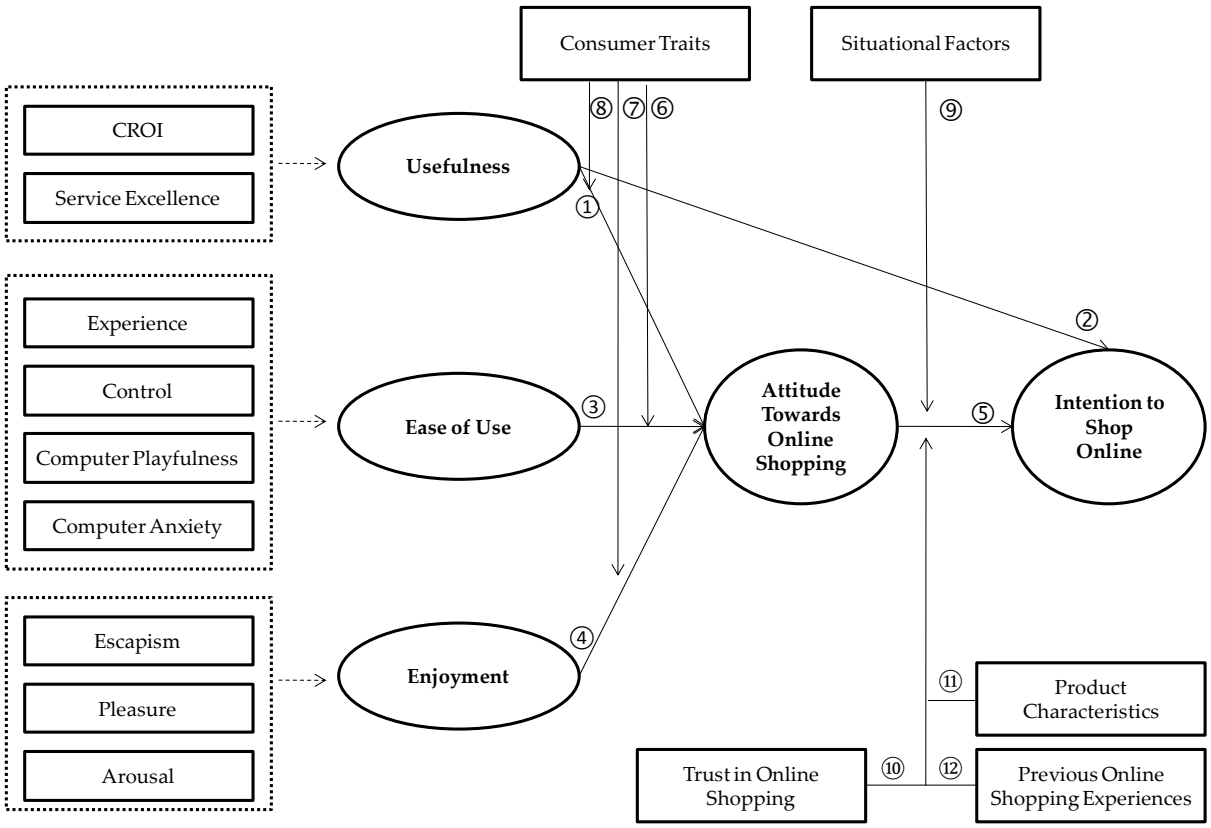


Figure 1-1 will now be analysed in greater detail by exploring the literature that is relevant to the various components within the model. It will be analysed as per the numbers that appear alongside the various factors.

2.3.2. Technology Acceptance Model

Hypothesis: TAM ⇨ Attitude ⇨ Intent

2.3.2.1. ①②③ Ease of Use and Usefulness

The Technology Acceptance Model (TAM) was developed by Davis, Bagozzi and Warshaw (1989). They developed this framework to explain the adoption of new technologies so that managers could better predict, explain and increase user acceptance of new technology platforms in organisations, proving that consumer attitudes towards new technologies affected the use and adoption of the technology. They identified two belief variables, *ease of use* and *usefulness*, as primary influencers (Koufaris, 2003).

Davis et al. (1989) defined the *perceived usefulness* of a technology as the degree to which one believes that using the technology will enhance one's performance. The *ease of use* of technology was defined as the belief that using the technology would be effortless. Their research stated that both were predictors of the adoption of a new technology; however, *perceived usefulness* could be considered the primary predictor.

According to Davis et al. (1989), and later Yoon and Kim (2007), convenience and simplicity are significant factors determining ease of use and thus the successful adoption of new technologies. Convenience, according to Brown (1993), has five dimensions being time, place, use, acquisition and execution which need to be considered.

This TAM model is significant for developers of new technologies such as online retail channels who are required to attract new users. Due to the robust nature of this model, scholars have used it to describe the adoption of online shopping (Gefen, 2003b; Gefen et al., 2003; Koufaris, 2003; Shih, 2004). Shih (2004) proved that ease of use and usefulness significantly determined respondents' attitudes towards online shopping. The resulting attitudes were a strong indicator for user acceptance and a consumer's willingness to shop online.

However, Vijaysarathy (2004) has an alternative perspective and he argues that the variables in TAM are better suited to decisions where only a limited number of technology usage choices exist rather than situations which involve a user's voluntary choice. Thus, his research indicates that the original TAM variables may not sufficiently capture the key

beliefs that influence consumers' attitudes towards online shopping and its subsequent adoption.

Sooprammanien and Robertson (2007) found that the TAM model is an excellent predictor of adoption of online shopping and assists in differentiating between online shoppers and those who choose not to shop online. However, it failed to provide clarity on the usage criteria behind online shopping. It furthermore failed to explain why some consumers use the internet to browse for products yet still choose to purchase in-store. Their research indicated that browsers held similar perceptions to non-online shoppers with regard to their attitudes towards the utility and convenience of online shopping. Both groups indicated that online shopping was not getting easier, whereas the online shoppers had the opposite attitude towards online shopping and placed a high value on utility and convenience. Thus, the TAM model is a useful indicator, that can be utilised by management when determining the attitudes that consumers have regarding online shopping. The model may indicate the degree to which this new technology will be adopted.

Pang and Ji (2008) studied the acceptance of the internet as a purchase channel for products they termed creative; in this case it was apparel. They utilised an extended version of the TAM model that included product involvement and product innovation. The findings indicate that perceived usefulness and ease of use of online apparel shopping had a significant effect on attitude towards online apparel purchasing and were the primary determinants of consumers' behavioural intention.

2.3.2.1.1. ① Hypothesis 1

Usefulness of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.3.2.1.2. ② Hypothesis 2

Usefulness of apparel shopping online has a positive effect toward intention to shop for apparel online.

2.3.2.1.3. ③ Hypothesis 3

Ease of use of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.3.2.2. ④ Shopping Enjoyment

Davis, Bagozzi and Warshaw (1992) took the TAM model further and included the enjoyment construct. This was then utilised by Monsuwé et al. (2004) and then by Hirst and Omar (2007) to explain women's attitudes towards intentions to shop for apparel online. Enjoyment is the extent to which one believes that shopping will provide reinforcement in its own right, going beyond performance consequences (Childers et al., 2001). In recent online marketing research enjoyment has been highlighted as one of the key factors influencing the acceptance of online shopping (Swinyard and Smith, 2003; Kulviwat, Bruner II, Kumar, Nasco and Clark, 2007).

The inclusion of enjoyment into the TAM model supports the evolution of consumer behaviour. The early history of consumer behaviour began with a focus on the consumer's rational choice, which was then supported by microeconomic theory. It then began to focus on irrational buying needs and behaviour (Holbrook and Hirschman, 1982). Holbrook et al. (1982) conducted an influential research project on the experiential nature of consumption. They viewed the consumption experience as a phenomenon directed towards the pursuit of fantasy, fun and feelings.

Song (2007) took this underlying consumer behaviour theory further into the online environment. Song, Fiore and Park (2007) is one of the first researchers to focus solely on the role of hedonic factors online as the majority of research is focused on utilitarian motives. Song, Fiore and Park (2007) stated that telepresence, which is the feeling of being present within an online store, fantasy and enjoyment had a role to play in a consumer's willingness to patronise the store. He created a model that essentially indicated that telepresence and shopping enjoyment drove willingness to purchase which drove the willingness to patronise. The $R^2 = .37$ for enjoyment, which meant that 37% of the variance for enjoyment was accounted for by its two predictor variables, fantasy and telepresence. Interestingly, Song, Fiore and Park (2007) also found evidence to support the fact that a willingness to

purchase from an apparel store led to a willingness to patronise the website. Hence, in order to encourage patronage, Song, Fiore and Park (2007) indicated that online retailers could use previously gathered information to add experiential and utilitarian value to returning customers.

Dennis, Morgan, Wright and Jayawardhene (2010) argue that shoppers are motivated by a variety of reasons, including socialising and enjoyment. However, they stated that e-retailing is not currently meeting these enjoyment and socialising needs; thus if online retailers hope to drive sales, they need to address shoppers' social and enjoyment needs. According to Koufaris (2003), emotional experiences such as enjoyment while shopping can assist in retaining customers. Thus, online retailers need to provide not only the utilitarian value to their consumers but also hedonic value. Burke (2002) stated that the future of online shopping is heavily based on hedonic aspects as it will allow shoppers to tailor their online shopping experience so that each consumer will be able to enjoy their own unique style of shopping. Evidence indicates that enjoyment of the experience has a direct effect on consumers' attitudes towards online shopping and is subsequently a determinant of its adoption by consumers (Davis et al., 1992; Childers et al., 2001; Bruner, 2005).

According to Holbrook (1994), some internet shoppers can be considered 'problem solvers' while others can be regarded as seeking, 'fun, fantasy, arousal, sensory stimulation and enjoyment'. Therefore, there are shoppers who appreciate the act of shopping online and the resulting entertainment. They are unlike their counterparts, who view online shopping as work. They have a goal and want to make their purchase in an efficient and timely manner.

Hirst and Omar (2007) found that retailers need to be more aware of their online shopping environments when selling apparel online. The enjoyment of the experience has an effect on consumers' overall satisfaction and their propensity to shop online for apparel. They state that it is an important aspect that retailers can utilise to increase consumer confidence in online apparel shopping.

2.3.2.2.1. ④ Hypothesis 4

Enjoyment of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.3.3. Attitudes and Intentions

Hypothesis: TAM ⇨ Attitude ⇨ Intent

The second sub-problem is to assess the extent to which attitudes mediate between TAM and intent to shop for apparel online. Lin (2008) defines an attitude as a general consumer feeling of *favourableness* or *unfavourableness* towards the use of online shopping. Schiffman and Kanuk (2004) state that attitudes relevant to purchase behaviour may be formed from past experience with the product, word of mouth or marketing communication. These learned attitudes have a motivational quality; thus, they may propel or deter a consumer to behave in a certain manner. Attitudes are not synonymous with behaviour, yet they are usually consistent. Consumers' behaviours and attitudes are transient. They occur within a situation and are affected by a situation that may influence the relationship between an attitude and behaviour. Thus, when measuring attitudes, it is critical to consider the situation in which they take place. The Monsuwé et al. (2004) model echoes this sentiment and states that factors such as *ease of use*, *usefulness* and *enjoyment* mediate attitudes towards online apparel shopping and the intention to shop online. The Monsuwé et al. (2004) model states that consumers' attitudes and intentions to shop online are influenced by external factors such as consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping.

Hawkins, Best and Coney (2004) explain that the components of attitudes are often integral to the marketing strategy. Marketers dedicate resources to measuring the cognitive, affective and behavioural components of attitudes. Marketers are able to use the marketing mix to implement change attitudes designed to positively influence consumers' attitudes towards products, brands and services. Ultimately, these positive attitudes are utilised to drive sales and the nature of the consumer engagement.

2.3.3.1. Theory of Planned Behaviour

Ajzen (1991) proposed the *theory of planned behavior* which links attitudes and behaviour. He concludes that attitudes toward behaviour, subjective norms with respect to behaviour and perceived control over the behaviour are usually found to predict behavioural intentions with a high degree of accuracy. Lin (2008) conducted a study which looked at the

effectiveness of the TAM model versus the *theory of planned behavior (TPB)* as consumer behaviour models which predict the intent to shop online. Lin (2008) found both the TPB and the TAM model to be excellent predictors of intent to make online purchases. It was concluded in both models that the attitudes towards online shopping were significant predictors of online purchase behaviour. For the purpose of this study, the TAM model will be utilised to assess consumers' attitudes and resulting intentions to shop online.

2.3.3.1.1. ⑤ Hypothesis 5

Attitudes towards *ease of use, usefulness* and *enjoyment* significantly and positively affect intention to shop for apparel online. Hypothesis 5 therefore infers that attitudes mediate between TAM and intent.

2.3.4. Exogenous Factors

Hypothesis: Exogenous Factors ⇨ Attitude & Intent

2.3.4.1. ⑥⑦⑧ Consumer Characteristics

Monsuwé et al. (2004) define consumer traits that affect online shopping as demographics and personality characteristics. Consumer characteristics have a significant moderating effect on the relationship between the three basic determinants of *ease of use, usefulness* and *enjoyment* as well as attitude towards online shopping (Monsuwé et al., 2004).

2.3.4.2. Demographics

The relevant demographics as per Burke (2002) are age, gender, education and income. Men shop online more frequently and make up the bulk of the shoppers (Ballad, 2006 cited in Dennis et al., 2010). They have a more favourable perception of online shopping (Stark and Meier, 2001). Burke (2002) also indicated that males had a more favourable attitude to shopping online while females preferred using catalogues to shop at home. However, those females that did prefer shopping online did so more frequently than their male counterparts did. Thus, retailers need to focus on targeting women to shop online (Dennis et al., 2010).

Studies which analyse the demographics of online shoppers indicated that they were likely to be younger individuals due to their comfort with technology (Brady, 2000; Bigne, Ruiz and Sanz, 2005). A recent study however, offers an alternative perspective and it questions the extent to which age influences purchase. It indicated that although older shoppers search for less products online, they purchase just as much as younger consumers (Sorce, Perotti and Widrick, 2005). Thus, the extent to which age influences purchase is limited.

Hirst and Omar (2007), utilising the framework as outlined by Monsuwé et al (2004), discovered that online female apparel shoppers were more likely to be mature with high incomes and they were willing to provide personal information online.

Burke (2002) indicated that consumers younger than 25 were more likely to enjoy shopping online and responded favourably to entertaining aspects of online shopping. Burke (2002) went on to indicate that education also played a moderating role in determining a consumer's attitude towards online shopping. Higher educated individuals were more comfortable shopping online due to the positive correlation that existed between education and internet literacy.

Monsuwé et al. (2004) state that a consumer's demographics have an effect on their intent to purchase online. They went on to indicate that consumers with a lower age, higher education and a high income were most likely to purchase products online. According to Internet World Stats (2010), South Africa only has a 10% internet penetration that equates to 5.3 million online users. According to Nielsen (2009) the internet population in SA boasts a similar profile to the typical online shopper as described by Monsuwé et al. (2004). Nielsen indicated that SA has a highly educated and wealthy internet population with 52 % boasting a university degree and 19% having a household income greater than R 400, 000. They are predominately youthful with 35% between the ages of 25 – 34. Hence, in South Africa the demographic profile of the internet population is in alignment with the Monsuwé et al. (2004) description of individuals most likely to shop online.

2.3.4.3. Personality

According to Donthu and Garcia (1999), there are significant differences in the psychological makeup of those who shop online and those who use the internet but do not shop online. They found that online shoppers are more likely to be innovative, risk takers, impulsive and variety seeking. According to Monsuwé et al. (2004) the personality characteristics that have a moderating effect on the relationship between *ease of use*, *usefulness*, *enjoyment* and the consumer's attitude towards online shopping are *expertise, self-efficacy* and *need for interaction.*

Expertise is the level of skill that a consumer has shopping online. This is obtained from internet literacy, practice and experience (Ratchford, Talukdar and Lee, 2001). As consumers develop the expertise to shop online, it will decrease the significance of the relationship between *ease of use* and *usefulness* and their attitude towards online shopping. This is due to the fact that it will have less influence on online users in forming positive attitudes towards online shopping.

Consumers with low *self-efficacy* have been found to be less comfortable shopping online as theory suggest that they may doubt their own skills (Monsuwé et al., 2004, cited Bandura, 1994). Monsuwé et al. (2004) stated that in order to achieve positive attitudes toward online shopping amongst those with low *self-efficacy*, *ease of use* needs to be high.

The initial adopters of online shopping generally showed higher levels of education, knowledge and experience using the internet (Li and Kuo, 1999). They were profiled as individuals who made significant use of non-traditional purchasing methods, had favourable attitudes towards technology, were innovative, compulsive and enjoyed experimenting online (Miyazaki and Fernandez, 2001; Siu and Cheng, 2001). According to Swinyard and Smith (2003) individuals who shop online are likely to be more computer literate than the average computer user and the non-user was more likely to be considerably less computer literate than the average internet user. Online shoppers were shown to be online more often than non-users. A key belief that online users have expressed as reasons for not adopting online shopping is, "I don't know how". Thus, the degree of IT literacy is likely to affect the online user's ability to shop online. It was found that online shoppers are more comfortable online and thus make regular purchases and remain loyal to their

preferred retailers. Online shoppers indicated, to an extent, that their preferred online retailers were able to offer them better value and superior customer experiences (Srinivasan, Anderson and Ponnavolu, 2002). Koufaris (2003) goes on to conclude that it is more likely that IT literate individuals may enjoy, and hence adopt, online shopping as any anxiety that stems from online usage is minimised. Thus, they have positive cognitive and emotional responses when shopping in this new retail environment.

Dabholkar and Bagozzi (2002) conducted a study which Monsuwé et al.(2004) cited to indicate the relevance of the *need for interaction* with a salesperson. Online shopping is devoid of human contact and is replaced with help buttons and service features. Thus individuals who have a high need for interaction are likely to avoid shopping online. This need will strenghten the relationship between three basic determinants of *ease of use, usefulness, enjoyment* and the consumer's attitude toward online shopping. If retailers hope to form positive atittudes even amongst those indiviudals who have a high need for interaction they need to ensure that *ease of use, usefulness* and *enjoyment* factors are high.

2.3.4.3.1. ⑥⑦⑧ Hypothesis 6

The consumer characteristics of (a) low need for interaction will lead to stronger relationships between TAM and attitudes.

2.3.4.4. ⑨ Situational Factors

Situational factors are defined as various external factors that may occur at a specific point in time and space. They are not dependent on the consumer's characteristics nor those of the online retailer (Kim, 2005).

Monsuwé et al. (2004), upon analysing the adoption of online shopping, stated that conducive situational factors exist which can have an important moderating effect on the relationship between a consumer's attitude towards online shopping and intention to shop online. They looked specifically at *time pressure, lack of mobility, geographical distance, need for special items* and *attractiveness of alternatives*.

The internet is accessible twenty-four hours a day; thus for individuals who face considerable *time pressure,* online shopping becomes an attractive option (Monsuwé et al.,

2004. citing Wolfinbarger and Gilly, 2001). *Lack of mobility* plays a motivating role for consumers to shop online when they cannot shop at traditional retail outlets due to factors such as illness. *Geographical distance* can motivate consumers to shop online when large distances exist which hinder consumers from obtaining the products that they require (Monsuwé et al., 2004. citing Avery, 1996). Online shopping becomes more attractive when consumers have a *need for special items* such as specialised clothing that is not available in large retail outlets (Monsuwé et al., 2004, citing Wolfinbarger and Gilly, 2001). *Attractiveness of alternatives* is interesting as consumers who have positive attitudes to online shopping may still be drawn to a 'brick and mortar' alternative as it may offer greater value or a superior experience (Monsuwé et al., 2004).

However, Kim (2005) conducted research which indicated that there was very little empirical evidence to support the fact that situational factors strengthen the relationship between consumers' attitudes and the intention to adopt online shopping. Kim (2005) proved that there was no interaction between situational factors and online satisfaction or trust in influencing loyalty of online consumers.

2.3.4.4.1. ⑨ Hypothesis 7

The conducive situational characteristics for online apparel shopping will moderate such that (b) strong time pressure, (c); lack of mobility; (d) large geographical distance; (e) need for special items and (f) attractiveness of alternatives will lead to stronger relationships between attitudes and intention to shop for apparel online.

2.3.4.5. ⑩ Trust in online shopping

Monsuwé et al. (2004) upon analysing the adoption of online shopping stated that trust has an important moderating effect on the relationship between a consumer's attitude towards online shopping and intention to shop online.

According to Lee and Turban (2001) a consumer's trust in internet shopping is formed by the individual's propensity to trust, their perception of the trustworthiness of the online retailer, the trustworthiness of the internet as a shopping medium as well as contextual factors. Trust is an important factor for the consumer when deciding whether or not to shop online (Gefen et al., 2003).

Suh and Han (2002) utilised the TAM model as the basis for their research and their findings indicated that the perceived usefulness influences trust. Alternatively other scholars have demonstrated the counter-argument that trust influences usefulness (Gefen et al., 2003). These inconsistencies warrant further research. However, they both agree that trust has been proven to have an effect on a consumer's choice to adopt online shopping as a viable retail channel (Ha and Stoel, 2009).

The key reason stated by consumers for not shopping online was a lack of trust (Lee and Turban, 2001; cited by Monsuwé et al., 2004). Online trust is built through a belief that the vendor has nothing to gain by cheating, that there are safety mechanisms built into the website and by having a typical interface that is easy to use. It is critical that the online retailer eliminates uncertainty wherever possible and consistently builds up trust with the consumer (Gefen et al., 2003).

Retaining loyal customers is critical to online retailers due to the increasing costs of attracting new consumers to their stores (Reichheld, 2000). Gefen (2003) stated that repeat online shoppers indicated that their intention to shop online was linked to the degree of trust that they have for the online retailer along with other variables.

Online shopping has not been adopted by the majority of online users due to the perceived risks which accompany the medium (Bhatnagar and Ghose, 2004). Perceived risk with regard to online shopping stems from the uncertainty and the consequences that a consumer takes into account when making purchase decisions (Cox and Rich, 1964).

Bhatnagar and Ghose (2004) highlighted that the perceived security risks arise due to consumers' fears that personal data could be shared or used fraudulently. Consumers' risk perceptions around security and privacy issues affect levels of trust. However, the more experience a consumer has shopping online, the lower their risk perceptions surrounding security (Miyazaki and Fernandez, 2001).

2.3.4.5.1. ⑩ Hypothesis 8

The degree of trust will moderate such that (g) the weaker the consumer's perceived security risk when shopping online for apparel the stronger the relationships between attitudes and intention to shop for apparel online.

2.3.4.6. ⑪ Product Characteristics

Online shopping is a relatively new retail channel available to consumers and thus involves more uncertainty and risk than traditional shopping (Lee and Turban, 2001). Research has indicated that the nature and type of the product is a critical motivator for online purchases (Brown et al., 2003). Many academic articles state that this is due to the perceived risk that consumers associate with various products (Bhatnagar and Ghose, 2004; Soopramanien and Robertson, 2007). Reichheld (2000) stated that consumers' fears and uncertainties were amplified by vast distances and the fact that there is no way for consumers to physically interact with sales staff or experience the products' sensory appeal. In most cases, online consumers rely on brochure-type photographs of a product and trust when making a purchasing decision. The availability of the product information did not lower the perceived risks of shopping online as consumers indicated that they were not able to process all this information (Park and Stoel, 2005). However, Hirst and Omar (2007) conducted research which supported the fact that the ability to conduct careful product evaluation was important for online shoppers. Thus, apparel retailers who want an edge over their competition should ensure that they provide easy access to superior product information and even product comparison information. This additional information will allow consumers to make informed decisions and entice them to shop online.

Park and Stoel (2005) provide additional insight as they discuss the importance of a product's brand. They indicate that the high brand familiarity lowered consumers' perceived risks and had a direct effect on their intention to purchase products online. They stated that apparel shopping was driven by sensory stimulation and not an information rich website. They indicated that online retailers should rather aggressively use their reputation and brands to drive online users to shop. Thus, retailers who have established reputations offline should leverage their existing brands online to entice online shoppers to adopt the medium.

Monsuwé et al. (2004, citing Grewal, Iyer and Levy, 2004) stated that product characteristics have an influence over consumers' intentions to shop online, indicating that certain products were perceived to be less risky to purchase and hence consumers felt more comfortable shopping for these low-risk products online. High-risk products were less likely

to be purchased online thus products that consumers felt were of a sensitive nature, products that they wanted to have physical contact with, pre-trial or required the assistance of sales personnel, were considered high risk. Standardised products on the other hand which consumers were familiar with were more likely to be purchased online such as CDs and books.

The internet is reclassifying how products are perceived. Advancements in technology have changed many traditional search products into experience products and vice versa. For example, traditional search products, such as electronics, flowers and magazines have become experience products on the internet. Conversely traditional experience products such as software, music and books, have become search products on the internet (Bhatnagar and Ghose, 2004). Thus, the type of products that consumers are motivated to purchase online may evolve with the growth of the internet.

2.3.4.6.1. ⑪ Hypothesis 9

Conducive product characteristics will moderate such that (h) strong brand equity will lead to stronger relationships between attitudes and intention to shop for apparel online.

2.3.4.7. ⑫ Past Experience

Kotler and Keller (2009) emphasises that post purchase experience has a role to play in the purchase decision. Individuals assess their experience and these resulting beliefs form attitudes which ultimately affect the intention to repurchase products online (Darley et al., 2010). Thus Monsuwé et al. (2004) emphasise the importance of a positive shopping experience to motivate consumers to adopt online shopping. They state that previous experience in shopping online is an exogenous factor affecting the consumer's decision to shop online.

A recent study conducted by Hernández, Jiménez and Martín (2009) proved that prior experience has a significant effect on repurchase intent. The use of technology may modify attitudes and perceptions towards e-commerce over time. When consumers repeat their behaviour they feel more in control and form favourable intentions about making online purchases, thus habit is a key driver in online purchase behaviour and decisions are guided

by automated cognitive responses rather than elaborate decision-making (Liao, Palvia and Lin, 2006).

Prior experience in making online purchases is also important as it reduces perceived risk and thus increases purchase intent (Park and Stoel, 2005). Thus, it is important to retain existing customers who are more comfortable making purchases online. This can be achieved through measures such as incentive schemes. The initial purchase experience should be positive to ensure repeat purchase and customer retention. Park and Stoel (2005) looked specifically at apparel shopping and confirmed that previous experience has a significant effect on perceived risk and purchase intention.

2.3.4.7.1. ⑫ Hypothesis 10

Conducive past experiences will moderate such that (i) more positive past online shopping experiences will lead to stronger relationships between attitudes and intention to shop for apparel online.

2.4. Conclusion of Literature Review

There has been tremendous growth in the online sector as a retail medium; however, there is still a shortage of academic research that explains what is motivating consumers to shop online. This study aims to address this need by testing the framework proposed by Monsuwé et al. (2004) on the South African market within the apparel industry. This framework identifies the key attitudes and exogenous factors that are significantly influencing consumers' intentions to shop online. The literature review firstly creates a context of the South African online market and the South African consumer. Existing consumer behaviour theory pertaining to the research problem is then assessed.

2.4.1.1. TAM ⇨Attitudes & Intention

The first sub-problem is to assess the extent to which the Technology Acceptance Model, which is made up of the factors of *ease of use, usefulness and enjoyment,* mediate attitudes towards online apparel shopping and the intention to shop online. Thus, the following hypotheses need to be tested to address this research problem.

2.4.1.1.1. ① Hypothesis 1

Usefulness of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.4.1.1.2. ② Hypothesis 2

Usefulness of apparel shopping online has a positive effect toward intention to purchase apparel online.

2.4.1.1.3. ③ Hypothesis 3

Ease of use of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.4.1.1.4. ④ Hypothesis 4

Enjoyment of apparel shopping online has a positive effect on attitudes towards online apparel purchases.

2.4.1.2. TAM ⇨ Attitude ⇨ Intent

The second sub-problem is to assess the extent to which attitudes mediate between TAM and intent to shop for apparel online. Thus, the following hypotheses need to be tested to address this research problem.

2.4.1.2.1. ⑤ Hypothesis 5

Attitudes towards *ease of use, usefulness and enjoyment* significantly and positively affect intention to shop for apparel online. Hypothesis 5 therefore infers that attitudes mediate between TAM and intent.

2.4.1.3. Exogenous Factors ⇨ Attitude & Intent

The third sub-problem is to assess the extent to which the exogenous factors as suggested by Monsuwé et al. (2004), consumer traits, situational factors, product

characteristics, previous online shopping experiences and trust in online shopping affect consumers' attitudes and intentions to purchase apparel online.

2.4.1.3.1. ⑥⑦⑧ Hypothesis 6

The consumer characteristics of personality traits will moderate such that (a) low need for interaction will lead to stronger relationships between TAM and attitudes.

2.4.1.3.2. ⑨ Hypothesis 7

The conducive situational characteristics for online apparel shopping will moderate such that (b) strong time pressure, (c); lack of mobility; (d) large geographical distance; (e) need for special items and (f) attractiveness of alternatives will lead to stronger relationships between attitudes and intention to shop for apparel online.

2.4.1.3.3. ⑩ Hypothesis 8

The degree of trust will moderate such that (g) the weaker the consumer's perceived security risk when shopping online for apparel the stronger the relationships between attitudes and intention to shop for apparel online.

2.4.1.3.4. ⑪ Hypothesis 9

Conducive product characteristics will moderate such that (h) strong brand equity will lead to stronger relationships between attitudes and intention to shop for apparel online.

2.4.1.3.5. ⑫ Hypothesis 10

Conducive past experiences will moderate such that (i) the more positive past online shopping experiences that occur, the stronger the relationship between attitudes and intention to shop for apparel online.

3. Chapter Three: Research methodology

A primary aim of the social and behavioural sciences is the explanation of the various aspects of human behaviour (Cramer, 2010). This study attempts to gain insight into the key motivating factors driving South Africans to adopt online shopping as a new retail channel.

3.1. Research methodology / paradigm

The research methodology is quantitative with a positivist approach. If any characteristic or property that is particular to a person or entity is measurable on a numerical scale, information on such a characteristic or property is called quantitative data (Steyn, Smit, Toit and Strasheim, 2007). According to Creswell (2009) quantitative research is a means for testing objective theories by examining the relationship among variables. Thus, this study has tested the key motivations behind online apparel shopping and the resulting relationships. The philosophical approach to the research is a positivist worldview. Paramount to the positivist is developing numeric measures of observations and studying the behaviour of individuals (Creswell, 2009).

Primary data sources and data have been utilised in this research. Thus all the data has been collected from scratch (Steyn et al., 2007). The purpose of the research study is to investigate and explain what is motivating South African consumers to shop online for apparel.

3.2. Research Design

3.2.1. Survey Research

This is a quantitative study utilising self-report standard surveys. Surveys are a means to gather data about the interests, concerns and behaviour of people (Rea and Parker, 1992). Surveys are particularly suited to the study of mass opinion, and is thus probably an appropriate choice of research design for this study (Babbie and Mouton, 2001). It is appropriate as it is widely used and considered a credible research technique by academic institutions to gather primary data (Rea and Parker, 1992). There was enough general information known about online apparel shopping through academic literature from which

specific questions were formulated. Sample survey research allows this study to make accurate generalisations about the motivations driving the adoption of online apparel shopping amongst South Africans. It allowed for the collection of attitudes, preferences and behavioural data which was then used to determine the key drivers which are motivating the adoption of online apparel shopping (Rea and Parker, 1992) in South Africa.

Please see **Appendix A** outlining the key advantages and disadvantages of self-administered survey research.

3.3. Population and sample

3.3.1. Population

A population is all items of interest for a particular decision or investigation (Evans, 2010). The population consists of South African white-collared professionals who have access to the internet at home or at work. However, due to similarities in age, gender and education of white-collared professionals across many contexts it is possible that the population may extrapolate to a broader international demographic.

The population has been split into three distinct user groups. Firstly, online users who had purchased apparel online. Secondly, online users who shopped online but never for apparel, and thirdly users who have never shopped online. This population helped provide us with a greater understanding of the different online users and each user group's key motivators to adopt online apparel shopping.

3.3.2. Sample and sampling method

A sample as defined by Evans (2010) is a subset of the population. A sample is utilised to infer something about a larger group (Churchill, 1995). It is also utilised, as it is often difficult or impossible to obtain complete information about the population. Whether the sample is representative of the population is debatable and largely depends on how the data will be utilised (Evans, 2010).

The snowball sampling method used to collect information targeted business professionals in large corporates. These individuals were encouraged to forward the questionnaire to their working colleagues and personal networks. Accordingly, the sampling frame consists of business professionals and their private networks who have access to the internet at work or at home, but due to the snowball sampling methodology the exact sampling frame cannot be quantified.

Hence, a non-probability sample was utilised in the form of a convenience and snowball sampling method. A non-probability sample is defined as sample elements that have been handpicked because they are expected to serve the research purpose (Blanche and Durrheim, 2002). According to Babbie and Mouton, (2001) snowball sampling is the process whereby subjects refer other subjects and is best utilised when there is difficulty in locating the desired sample. This method was appropriate as it was used to gain access to a large sample of individuals and utilised the viral nature of the internet.

This study drew an initial sample from various large organisations in various industries across South Africa in the following provinces: Gauteng, Pretoria, Western Cape and KwaZulu Natal. Respondents were then encouraged to forward the link of the online questionnaire to fellow South Africans. This included colleagues, family and friends with internet access. This was done in order to gain access to a larger sample size. The online survey, due to its relevance within the South African online community, was blogged about on several Facebook and Twitter profiles by high profile online publishers. The research reached the required number of respondents with 1800 respondents attempting, and 1360 completing, the survey.

3.3.3. Participant statistics

According to Nielsen (2009) the internet population in SA boasts a similar profile to the typical global online shopper as described by Monsuwé et al (2004). There is a skew towards English- centric users at 56% and male users at 58%. SA has a highly educated and wealthy internet population with 52 % boasting a university degree and 19% having a household income greater than R 400,000 per annum. They are predominately youthful with 35% aged

25 – 34. However, there has been a growth in the mainstream market, which is evident with 36% falling between the ages of 35 to 49.

This research has a similar respondent demographic profile as identified by Nielsen (2009); however it is not identical due to sampling and non-response bias. An examination of the demographic information shows an inter-quartile age range of 18 to 32, resides in Gauteng and highly educated with a university degree. Table 3-1, displays the respondents' demographics.

Table 3-1. Respondent demographics

Demographic	M	SD	Median	Inter-quartile range	Mode (% population)
Gender	-	-	Female	-	Female (59%)
Age (Years)	26	10.43	23	18 – 32	19 (6%)
Education	-		University degree	-	University degree (22%)
Province	-	-	Gauteng	-	Gauteng (73%)
Race	-	-	White	-	White (69%)

3.4. Overall survey design

The research instrument utilised to collect the primary data was an e-mail questionnaire. E-mail questionnaires are a standardised technique for data collection that is widely utilised. Best practice for web surveys was utilised in order to avoid alienating respondents who are uncomfortable with the internet (Bosnjak and Tuten, 2001).

According to Wright (2005), the primary advantages of using an online questionnaire is that one has access to individuals instantaneously in various locations, it allows for automated data collection and the reduction of the researcher's time. He goes on to outline the disadvantages that include a degree of uncertainty over the validity of the data and sampling issues such as respondents engaging in misrepresentation. Low response rates are increasingly becoming a disadvantage due to the increased amount of junk mail reaching individuals' mailboxes, thus desensitising participants to survey requests. Due to the the snowball sampling method that was utilised no response rate could be calculated.

According to Babbie and Mouton (2001), no matter how well the questionnaire is designed there will always be a degree of error. In order to combat this they suggest pre-testing the questionnaire. Hence, five individuals for each of the three subgroups were identified and tasked with pre-testing the questionnaire for this study. They provided valuable feedback on any confusion or difficulties encountered in completing the questionnaire. The questionnaire was subsequently adapted to include the test respondents' feedback and improvements were made prior to being sent out to the identified sample.

3.5. Research Instrument Measures

The research instrument was designed to measure attitudes and exogenous factors significantly influencing consumers' intentions to shop online. Existing measurements were sourced from academic journals when appropriate to measure the various factors within the Monsuwé et al. (2004) model. Due to the magnitude of the research, in some cases, the existing measures where adapted to ensure brevity. This was done to ensure that respondents did not find the completion of the questionnaire too onerous and abandon it midway. The online system used to design the questionnaire had a slider option that measured responses between two poles such as strongly agree to disagree. The slider tool allowed for the capturing of continuous data as responses fell within the range of 1 to 100. The sliding scale was the primary scale utilised in the questionnaire. However, where appropriate, other scales and data capturing techniques were also used. Please refer to Appendix B for a copy of the online survey.

Many measurements have been proposed to assess the effectiveness of TAM. However, this study identified Tong (2010) as having the most appropriate measures for ease of use and usefulness as they have already been adapted from Davis (1989) for the apparel sector.

Ease of use is measured using a shorter version of Tongs (2010) scale who utilised a five-point likert-type scale from *strongly disagree* to *strongly agree* with (α = .7). Ease of use within the research questionnaire is measured on a scale which had a range from 1- 100 from *strongly disagree* to *strongly agree* with (α = .73). A sample item is "I think online shopping is simple and easy to understand".

Usefulness is measured using a shorter version of Tongs (2010) scale who utilised a five-point likert-type scale from *strongly disagree* to *strongly agree* with (α = .68). Ease of use within the research questionnaire is measured on a scale which had a range from 1- 100 from *strongly disagree* to *strongly agree* with (α = .73). A sample item is "Online shopping enables me to be a more effective shopper".

Enjoyment is measured using a modified version of the Dabholkar and Bagozzi (2002) four item seven-point likert-type scale from *strongly disagree* to *strongly agree*. Enjoyment within the research questionnaire is measured on a scale which had a range from 1- 100 from *strongly disagree* to *strongly agree* with (α = .76). A sample item is "Online shopping is exciting and entertaining".

Attitude is measured using a modified version of Kulviwat, Bruner II, Kumar, Nasco and Clark (2007) scale who adapted it from Bagozzi, Baumgartner, and Yi (1992). Kulviwat et al. (2007) identified a four item scale with (α=.93) with a construct reliability of (.85). Attitude within the research questionnaire is measured on a scale which had a range from 1-100 from *strongly disagree* to *strongly agree* and (α = .84). A sample item is "I generally have a positive attitude towards shopping online".

Intent to shop online is measured using a modified version of Kulviwat, Bruner II, Kumar, Nasco and Clark (2007) scale who adapted it from MacKenzie, Lutz, and Belch (1986). Kulviwat et al. (2007) identified three items (α=.93) with a construct reliability of (.85). Intent to shop online within the research questionnaire is measured on a five-point likert scale from *not like me at all* to *just like me* with (α = .86). A sample item is "Shopping online for clothing, jewellery and accessories is something that I would do often".

The personality trait of a need for interaction when shopping was measured using an adapted version of the four items identified by Dabholkar and Bagozzi (2002). Debholkar et al. (2002) used a seven-point likert-type scale from *strongly disagree* to *strongly agree* with (α=.83). The need for interaction within the research questionnaire is measured on a five-point likert scale from *not like me at all* to *just like me* with (α = .69). A sample item is "I like human interaction when shopping".

The conducive situational factors of strong time pressure, lack of mobility, large geographical distance, need for special items and attractiveness of alternatives were measured using an modified scale from Kim (2005). Kim (2005) used a five-point likert-type

scale from *strongly disagree* to *strongly agree*. The situational factors within the research questionnaire are measured on a five-point likert scale from, *not like me at all* to *just like me*. A sample item for large geographic distance is "I normally have to travel large distances to buy clothes".

The trust trait of a perceived risk when shopping online was measured using an adapted version of Omar and Hirst's (2006) four items. Omar et al. (2006) uses a seven-point likert-type scale from *strongly disagree* to *strongly agree* to measure perceived risk (α=.82). The level of perceived risk when shopping online within the research questionnaire is measured on a five point likert scale from *strongly disagree* to *strongly agree* and (α = .85). A sample item is "retailers offer secure payment options."

The product characteristics of a strong brand equity within the research questionnaire is measured on a four item scale. A five point likert scale from *very unimportant* to *very important* is used to measure the importance of strong brand equity when shopping online with (α = .81). A sample item is "when shopping online how important is it to you to use an established clothing brand?"

Past experiences within the research questionnaire is measured on a two item scale. The past experiences shopping online for apparel is measured using a five point likert scale from *strongly disagree* to *strongly agree* with (α = .7). A sample item is "I have had positive past experiences shopping online".

3.6. Data analysis and interpretation

The data was analysed using correlations to gain an understanding of the relationship of the various variables within the Monsuwé et al. (2004) model. Structural Equation Modelling is a statistical technique that is used by researchers to test and quantify scientific theories (Pugesek and Grace, 1998). It was utilised to accept or reject the Monsuwé et al. (2004) model and test the primary relationships using SAS PROC CALIS .

Multiple regression was applied using SAS for moderator relationships. Multiple regression was utilised to learn more about the relationships between several independent variables and a dependent variable (Cohen, 2003). Thus, the research measured the extent to which the exogenous factors such as consumer traits, situational factors, product

characteristics, previous online shopping experiences and trust in online shopping were significantly affecting consumers' attitudes and their intentions to shop for apparel online. All regression techniques are limited as they cannot determine the underlying causal mechanism but only ascertain relationships (Hill and Lewicki, 2007). However, Mendenhall, Sincich and Boudreau (1996) state that it is one of the most widely accepted statistical procedures for academic and marketing research. They attribute its popularity to the fact that it is applicable to various types of data and problems, it is easy to interpret, considered robust to the violations of the underlying assumptions and is widely available.

3.7. Limitations of the study

- The use of positivist quantitative research limits the study as it does not provide information as to the context of the situation where the studied phenomenon of online shopping for apparel occurs.
- Quantitiative research does not encourage the evolving and continuous investigation of a research phenomenon, in this case online shopping for apparel. The results are limited as they provide numerical descriptions rather than detailed narrative that generally provide less elaborate accounts of human perception than qualitative research.
- The outcomes of the research findings are limited to only those originally outlined in the original research proposal due to closed type questions and the structured format of the online survey.
- Due to the lack of availability of a list that represents the population a convenience sample was utilised which cannot be assumed to represent the population.
- The self-report measures inherent in the online survey may have made the results subject to individual differences. Thus, the patterns observed in this study may only be limited to the study sample. The study is further limited by its inability to control the environment in which the respondents provide the answers to the questions in the survey. The disadvantages of using an online questionnaire include a degree of uncertainty over the validity of the data and sampling issues such as respondents engaging in misrepresentation.

- Systematic bias originates when using an online questionnaire as some individuals have a tendency to respond and participate in surveys while others ignore them. Response bias and convenience samples are therefore key weaknesses that detract from the applicability of the results to represent the entire population of internet users in South Africa.
- The development of standard questions by the researcher limits the research as it is weakened by 'structural' bias and false representation, where the data may actually reflect the view of the researcher instead of the participating subject.
- There are also questionnaire design implementation and evaluation limitations that are due to the use of an online questionnaire. These limitations were minimised by following best practice when designing the online questionnaire and using superior software to create and host the online questionnaire. The questionnaire was captured in an online format using Qualtrics software. The software is considered best in its class and is recommended by the Wits Business School. The questionnaire was hosted online to ensure that the respondents met the basic criteria of being individuals who have access to the internet at work or at home.
- Low response rates were a limitation that were addressed through the use of a cash prize incentive. However, online questionnaires have a lower response rate than other research instruments.
- The online questionnaire limits the depth and topics covered in the research results as the format is limited to shorter questions and is best suited to studies with clear and non-complex objectives. The questions are also limited by the fact that they need to stand alone as there is no interviewer who may provide clarity and additional instructions. To reduce this, best practice with regard to questionnaire design was adapted and the research made use of a pilot study to avoid confusion and drop-off rates due to a complex questionnaire.
- The questions are close-ended questions thus some questions could have gone unanswered. The order of questions is also a limitation of this method. However, by using a computerised mail survey these disadvantages were limited to a small extent as it has the ability to prompt respondents to complete all sections of the questionnaire and only allow them to do so in a specific order. One critical

disadvantage is that there is no direct control over who responds or that the respondents do not consult with others when completing it, which detracts from the applicability of the survey to the population.

3.8. Validity and reliability

According to Fink (1995) a reliable survey instrument is consistent and a valid one is accurate. This research attempts to be both consistent and accurate. Consistency is achieved using a standardised online survey and accuracy is ensured as the method adopted is based on existing research and on key learnings from global academic literature. Thus, the research method chosen accurately assesses the key factors that are affecting South Africans' adoption of online shopping and can be considered valid. In conventional usage, the term validity refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration. In this case, what is driving online shopping (Babbie and Mouton, 2001). Internal reliability and validity of measures are assessed in the general factor analysis stage.

3.8.1. Reliability

Reliability is a matter of whether a particular technique applied repeatedly to the same object would yield the same result each time. Reliability does not however, ensure accuracy (Babbie and Mouton, 2001). Fink (1995) states that a reliable survey instrument is one that is free from measurement error. He goes on to state that there are four types of reliability concerns: stability, equivalence, homogeneity and inter-reliability.

To ensure reliability a large sample size was selected and they answered the questionnaire within the same time period. The survey ensures that the data collection process is to a large extent stable and homogeneous.

3.8.2. External validity

External validity is also known as content validity and it refers to the extent to which a measure thoroughly and appropriately assesses the skills or characteristics it is intended to

measure (Fink, 1995). Thus, existing literature was utilised to ensure the external validity of the study.

3.8.3. Internal validity

Golafshani (2003) states that internal validity is critical as it ensures consistency throughout the data collection process. This study ensures validity though the use of a standardised online questionnaire that duplicates the research collection process for every participant. The research study was conducted with great rigour in order to decrease internal validity.

3.9. Testing Factor Structure of Variables

3.9.1. Confirmatory Factor Analysis

In order to test the factor structure of the data, a confirmatory factor analysis was conducted in SAS using structural equation modelling (SEM; by means of the PROC CALIS statement). Preparation of the data is required before analysis. Therefore, each factor's measurement items were aggregated and averaged to create one variable representing each factor. An example of this would be the responses of the five items measuring the concept of *trust* are aggregated and averaged to produce one variable representing *trust* for each respondent.

3.9.1.1. Internal Reliability, Convergent and Divergent Validity

Preceding the creation of a confirmatory factor structure, a test of the reliability and validity of the data was conducted. The correlations and Cronbach's alphas were therefore generated to provide an indication of internal reliability and validity. The correlations were generated using the PROC CORR procedure in SAS, and are presented in Table 4-1 on page 51.

The Cronbach's alpha for each factor has been given in brackets on the diagonal of the correlations. All of the alphas are at acceptable levels, between .60 - .70 or above. However,

the alpha of the situational characteristics variables, are an exception and are lower than the acceptable level as per Hair, Black, Babin & Anderson (2010).

The situational characteristics variables produced an unacceptably low Cronbach's alpha, indicating that the measurement items had insufficient internal reliability to represent the situational variables as one factor. Upon consideration that individuals have very different situational factors, this finding is not surprising as some individuals may have a lack of mobility while others may choose to live outside city centres and have to travel large distances to retail outlets. Owing to low internal reliability, the situational variables were analysed individually, and therefore no Cronbach's alphas are given in brackets after the situational variables in Table 4-1 on page 51. The Cronbach's alpha of the variable *past experience* is the alpha of the items measuring 'past experience of online shopping for people who *have* bought clothes'. This alpha is a proxy for this factor and the factor of 'past experience of online shopping for people who *have never* bought clothes'

The variables with acceptable Cronbach's alphas suggest these variables may be accepted as internally reliable, and as Table 4-1 on page 51 shows, there are generally low correlations between variables, suggesting acceptable convergent and divergent validity. (Hair et al., 2010).

Once the variables were accepted as internally reliable and valid, the factor structure was assessed by fitting the data to a predefined factor structure in SAS, using SEM. Broadly, the basic predefined factor structure included the factors of *usefulness*, *ease of use*, *enjoyment*, attitude towards online shopping (*attitude*) and intention to adopt online shopping (*adoption*). This factor structure comprises the main factors of the core Technology Acceptance Model (TAM).

In SEM, a standard set of model assumptions and fit checks are used as indicators of model normality and fit. These assumptions and checks were used during confirmatory factor analysis to assess whether the data had acceptable normality and fit.

Table 3-2 on page 46, presents the standard model assumptions (Hair et al., 2010), and Table 3-3 on page 46, gives the statistics indicating acceptable global model fit (SAS/STAT user's guide, 2010).

Table 3-2. Diagnostics and Indicators

	Diagnostic	Indication
1.	The normalised Mardia estimate	Multivariate normality
2.	Acceptably low variance inflation factors (VIFs), condition indices and proportion of variation eigenvectors	Low multicollinearity
3.	Residual plots	Minimal heteroscedasticity
4.	Linearity of equations	Predictor variables are homogenous and additive
5.	Check for outliers and delete	To prevent skewed data and poor normality

Table 3-3 outlines the global model fit statistics used during model fit checks.

Table 3-3. Global Model Fit Statistics

	Statistics	Symbol/ Abbreviation	Indicates	'Good' fit cut-offs [a]
1.	Chi Square (Degrees of Freedom Given In Brackets)	$\mathcal{X}^2(df)$	Goodness-of-fit	Non-significance [b]
2.	Standardised Root Mean Square Residual	SRMSR	Absolute model fit	<.10 ; < .05 preferable
3.	Root Mean Square Error Approximation	RMSEA	Model parsimony	< .10 preferable; < .05 - .08
4.	RMSEA Confidence Intervals	90% CI	Accuracy of RMSEA	Lower: .05 or below Upper: .10 or below
5.	Bentler Comparative Fit Index	CFI	Goodness-of-fit	> .90 - .95
6.	Bentler-Bonnet Non-Normed Fit Index	NNFI	Individual fit	> .90 - .95
7.	Akaike's Information Criterion	AIC	Model parsimony	Lower = better model

	Statistics	Symbol/ Abbreviation	Indicates	'Good' fit cut-offs [a]
8.	Bozdogan Consistent Akaike's Information Criterion	CAIC	Model parsimony	Lower = better model
9.	Schwarz Bayesian Criterion	SBC	Model parsimony & good fit	Lower = better model

Note: [a] Cut-offs are based on discussions such as those in Hair et al. (2010), and the SAS/STAT user's guide (2010), and are debateable. [b] Significance in the Chi-square is highly sample-size sensitive so is typically not taken as poor fit necessarily.

During the confirmatory factor analysis, some aspects of the data were adjusted in order to provide an acceptable fit of the dataset to the predefined factor structure:

- The variables measuring attitude towards online shopping for clothing, jewellery and accessories were removed, and only the variables measuring attitude towards general online shopping were included.
- The concept of enjoyment was created as a composite variable in the structure, rather than a factor of all of the items measuring enjoyment.

The confirmatory factor structure was considered to have acceptable normality once the normalised Mardia estimate was acceptable. Furthermore, the VIFs, condition indices and proportion of variance eigenvectors showed low multicollinearity and the residual plots indicated minimal heteroscedasticity. The linearity of equations was acceptable, and outliers skewing the data were removed.

The overall fit of the factor structure appeared acceptable. The chi-squared value was accepted ($\mathcal{X}^2$ = 318.09 (54), p < .01). The SRMSR value was at an acceptable level (.04), and the RMSEA point value and confidence intervals were also considered acceptable (.06; CI: .06 - .07). The Bentler CFI (.97) and Bentler-Bonnet NNFI (.96) were above the cut-off.

The factor structure produced from the confirmatory factor analysis appeared to fulfil the SEM model assumptions, and was considered to have reasonably acceptable model fit with the predefined factor structure. Therefore, the confirmatory factor structure was accepted.

3.9.2. Structural Model

Once the confirmatory factor analysis yielded an acceptable factor structure, the factor structure could be tested by means of various SEMs. Three SEMs were created in SAS using the PROC CALIS statement.

3.9.2.1. Model 1: Core TAM

The first model represents the core TAM, where the three exogenous[1] factors (*usefulness, ease of use* and *enjoyment*) are modelled to have a direct effect on the endogenous[2] factor of *attitude*, and *usefulness* and *attitude* are modelled to have a direct effect on the endogenous factor intent to shop online (*adoption)*.

3.9.2.2. Model 2: Core TAM Model Including Contextual Variables

This model was created by fitting the exogenous factors of *trust*, *consumer traits*, *product characteristics* and the individual *situational variables* to the core TAM model (Model 1). The factor of *consumer traits* was modelled to have a direct effect on *attitude* and on *adoption*. The factors of *trust*, *product characteristics* and the individual *situational variables* were modelled to have direct effects on *intent to shop online*. For brevity, this model is henceforth referred to as *Core TAM & Contextual Variables*.

3.9.2.3. Model 3: Model 2 Categorised By Previous Online Purchasing Experience

This model was created by categorising the *Core TAM & Contextual Variables* model by previous online shopping experience.

For brevity, this model is henceforth referred to as *Core TAM & Contextual Variables Categorised by Purchase Experience*. The sample was divided into three purchase experience categories:

- 'Never purchased online'

[1] Exogenous variables are variables with values that are determined outside of the model (SAS/STAT user's guide 2010).

[2] Endogenous variables are variables that are caused by one or more variables in the model (SAS/STAT user's guide 2010).

- 'Previously purchased apparel which includes clothing, jewelry and accessories online'
- 'Previously purchased other items online'

Each of the three SEMs tested in SAS, *Core TAM, Core TAM & Contextual Variables,* and *Core TAM & Contextual Variables Categorised by Purchase Experience* were checked for normality and fit as per Table 3-2 and Table 3-3 respectively. The fitting of each SEM is discussed in detail in the results chapter.

3.9.2.4. Testing for Moderators

The factors of *past experience*, *trust,* and *product characteristics* and each *situational variable* were additionally tested as potential moderators as per Monsuwé et al. (2004) framework . The individual situational variables include travelling distance (*distance*), little amount of time to shop (*busy*), lack of mobility due to illness or transportation (*lack of mobility*), purchased online due to non-availability at local shopping centre (*availability*) and preference of online shopping over local shopping centre (*prefer online*).

The variables were centred to reduce potential multicollinearity. Each possible moderator was tested individually in the *Core TAM & Contextual Variables* SEM, by creating an interaction variable specific to that potential moderator. The interaction variable was created by multiplying the independent variable (e.g. *intent to shop*) by the moderator variable (e.g. *trust*).

The potential moderators were tested in SAS by creating factor scores of the interaction variable and the selected structural equation model variables (using the PROC SCORE statement). The factor scores generated were then regressed on the dependent variable using the PROC REG statement to establish whether the interaction variable had any moderating effect on the relationship between the dependent and independent variables. The effect of the interaction variable was established by assessing the size and significance of the slope of the interaction variable, as well as the improvement to the dependent variable's R^2 value made by the interaction variable.

4. Chapter Four: Results

4.1. Correlations and Descriptive Statistics

The correlations and descriptive statistics of the variables are presented in Table 4-1 below. The TAM factors of *ease of use* and *usefulness* have a moderate to strong correlation with *general attitude* (r=.69, $p < .01$) and (r = .68, $p < .01$) respectively. While *enjoyment* has a moderate correlation with *general attitude* (r = .49, $p < .01$). Furthermore, all three of the correlations are highly significant. Conversely, *ease of use* and *usefulness* have weak to moderate correlations with *intent to shop online* (r = .26, $p < .01$) *and* ($r = .27$, $p < .01$) respectively while *enjoyment* has a moderate correlation with *intent to shop online* (r = .42, $p < .01$). All three of these correlations are also highly significant.

Of the exogenous variables, *past experience, consumer traits personality* (henceforth labelled 'consumer personality') and the *situational variables* have the most interesting correlations. *Past experience* has a highly significant, moderate correlation with *general attitude* (r = .52, $p < .01$). *Consumer personality* correlates negatively at a weak to moderate level with the majority of the other factors/variables. All of these negative correlations are highly significant.

Broadly, most of the situational variables (*travel distance, busy / limited time* and *lack of mobility*) have weak correlations with all other factors. However, *availability of product* and *prefer online shopping* largely have stronger (moderate) and more significant correlations with most of the other variables.

With respect to the additional measures, *likelihood of purchase* has a moderate and highly significant correlation with *attitude towards clothes* (r = .72, $p < .01$), and with *intention to shop online* (r = .74, $p < .01$).. The factor of *South African retailers* correlates highly significantly and strongly with factors of *trust* (r = .83, $p < .01$). and *product characteristics* (r = .84, $p < .01$).

The correlations and descriptive statistics can be seen in Table 4-1.

Table 4-1. Correlations and Descriptive Statistics

	M	SD	1	2	3	4	5	6	7	8
TAM										
1. Ease of Use	74.33	17.62	(.73)							
2. Usefulness	67.70	18.61	.54***	(.73)						
3. Enjoyment	54.81	19.50	.36***	.47***	(.76)					
4. Attitude General	70.71	20.00	.69***	.68***	.49***	(.84)				
5. Attitude Clothes	49.84	25.23	.29***	.30***	.47***	.35***	(.88)			
6. Intent to Shop (Adoption)	46.75	25.69	.26***	.27***	.42***	.29***	.89***	(.86)		
Exogenous Factors / Moderators										
7. Past Shopping Experiences	3.91	.78	.30***	.36***	.21***	.52***	.11***	.09***	(.70)	
8. Consumer Traits Personality	3.81	.82	-.19***	-.19***	-.18***	-.29***	-.35***	-.33***	-.14***	(.69)
9. Trust	2.73	.76	.26***	.20***	.20***	.26***	.11***	.07**	.22***	-.10***
10. Product Characteristics	2.75	.79	.14***	.11***	.13***	.08***	.06**	.05*	.08***	.02
Situational Characteristics										
11. Travel Distance	2.07	1.03	-.02	.05*	.10***	.00	.11***	.10***	.05*	-.05*
12. Busy / Limited Time	3.47	1.15	.06**	.16***	.01	.14***	.04	.03	.10***	-.10***
13. Lack of Mobility	1.29	.73	-.09***	-.03	.06**	-.12***	.11***	.12***	-.05*	.01
14. Availability of Product	2.67	1.45	.25***	.20***	.24***	.25***	.48***	.52***	.07**	-.29***
15. Prefer Online Shopping	2.36	1.10	.24***	.33***	.28***	.40***	.40***	.39***	.23***	-.41***
Additional Measurements										
16. Likelihood of purchase	33.41	20.90	.23***	.25***	.41***	.26***	.72***	.74***	.06**	-.30***
17. Importance of Attributes	4.30	.55	.05**	.10***	.15***	.01	.11***	.12***	.04	.14***
18. South African Retailers	2.61	.66	.20***	.15***	.18***	.15***	.10***	.07***	.14***	-.03

*Note: *** p < .01, ** p < .05, * p < .10*

Correlations and Descriptive Statistics Continued

	9	10	11	12	13	14	15	16	17	18
9. Trust	(.85)									
10. Product Characteristics	.59***	(.81)								
Situational Characteristics										
11. Travel Distance	-.02	-.01								
12. Busy / Limited Time	-.05*	-.02	.18***							
13. Lack of Mobility	.01	.02	.17***	.03						
14. Availability of Productivity	-.03	-.07***	.13***	.06**	.09***					
15. Prefer Online Shopping	.12***	.04	.12***	.18***	.10***	.39***				
Additional Measurements										
16. Likelihood of Purchase	.05	.03	.11***	.04	.12***	.44***	.36***	(.87)		
17. Importance of Attributes	-.03	.02	.04	.02	.03	.09***	.03	.12***	(.92)	
18. South African Retailers	.83***	.84***	.01	-.07***	.04*	-.06**	.07***	.05*	.01	(.94)

*Note: *** p < .01, ** p < .05, * p < .10*

4.2. *Structural Equation and Moderation Models*

As discussed in section 3.9.2. Structural Model, using the PROC CALIS statement, three SEMs were tested in SAS:

- Core TAM,
- Core TAM & Contextual Variables, and
- Core TAM & Contextual Variables Categorised by Purchase Experience

In addition, the moderating effect of past experience, need for interaction, trust, product characteristics and situational variables were tested using regression as previously stated in the method section. A separate discussion of each model follows in the subsections below. The model fit comparison table is introduced in the discussion of the Core TAM model. The fit of each model is discussed in the relevant subsections. Each discussion also includes a diagram depicting the SEM and standardised path co-efficients, as well as a decomposition effects table, both of which are discussed.

4.2.1. Core TAM Model

As hypothesised in Figure 1-1, on page 2, the Core TAM Model, *usefulness, ease of use* and *enjoyment* were modelled to have direct effects on *attitude*, and *usefulness* and *attitude* were modelled to have direct effects on *intent to shop online (adoption.)* During model fitting, the SAS modification indices suggested that *enjoyment* should be modelled to have a direct effect on *adoption*. The modification was made to the model, and fit was improved. In addition this change makes sense because it indicates that the hedonic motives, which have driven consumers to shop for centuries, remain relevant and are present within the online sales channel. This relationship is also evident in research conducted by Song, Fiore and Park (2007) who found that *enjoyment* has a direct effect on *intent to shop online*. Therefore the additional direct path of *enjoyment* to *adoption* was maintained in the Core TAM Model.

As discussed in the methodology, Table 3-3 on page 46, gives the standard SEM model fit checks. The final model fit statistics appear in Table 4-2 on page 54, which compares the fit of all three SEMs tested (*Core TAM, Core TAM & Contextual Variables,* and *Core TAM & Contextual Variables Categorised by Purchase Experience*).

Table 4-2. Model Fit Comparisons

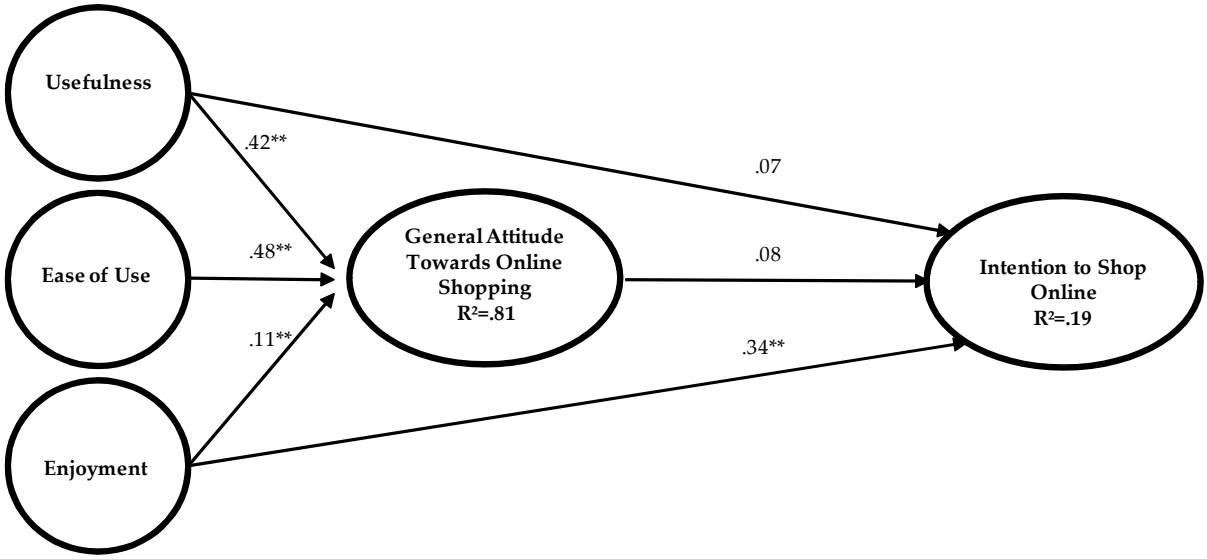
	Core TAM	Core TAM & Contextual Variables	Core TAM & Contextual Variables Categorised by Purchase Experience
χ^2	264.08 (55) †	1121.72 (312) †	1767 (936) †
SRMSR	.04	.04	.04
RMSEA	.06 (.05 - .06)	.05 (.05 - .05)	.05 (.05 - .05)
CFI	.97	.94	.94
NNFI	.96	.92	.92
AIC	336.08	1367.72	2679.36
CAIC	553.80	2106.43	5423.75
SBC	517.80	1983.43	4967.75

Note: Degrees of freedom are given brackets after the chi-square statistic, † = p < .01, The RMSEA confidence interval in brackets after RMSEA point value

Table 4-2 below shows the model fit comparisons. Table 4-2 indicates that the global fit of the Core TAM Model appears to be acceptable. The SRMSR statistic (.04) suggests good fit, and the RMSEA point statistic (.06), and confidence interval (.05 - .06) are acceptable. The CFI and NNFI are above .95, indicating acceptable fit.

The Core TAM Model is depicted in Figure 4-1 and it **s**hows the standardised path co-efficients, which indicate the size of the direct effects the exogenous factors have on the endogenous factors. The R^2 values of the two endogenous variables are also provided.

Figure 4-1. Core TAM Model SEM and Standardized Path Co-efficients (Model 1)



A decomposition effects table shows direct, indirect and total effect sizes and significances. Table 4.3 gives the decomposition effects of the *Core TAM Model*.

Table 4-3. Decomposition Effects Table of Core TAM Model

		Endogenous Variables			
		Attitude		Intent to Adopt	
Exogenous Variables		**B**	**B**	**B**	**B**
TAM					
Usefulness					
	Direct	.55** (.40 - .72)	.42** (.32 - .54)	.08 (-.12 - .30)	.07 (-.10 - .24)
	Indirect	-	-	.04 (-.03 - .13)	.03 (-.03 - .10)
	Total	.55** (.40 - .72)	.42** (.32 - .54)	.12 (-.02 - .27)	.10 (-.02 - .22)
Ease of Use					
	Direct	1.08** (.81 - 1.40)	.48** (.37 - .58)	-	-
	Indirect	-	-	.08 (-.07 - .24)	.04 (-.03 - .11)
	Total	1.08** (.81 - 1.40)	.48** (.37 - .58)	.08 (-.07 - .24)	.04 (-.03 - .11)
Enjoyment					
	Direct	.12** (.05 - .20)	.11** (.04 - .17)	.36** (.26 - .46)	.34** (.25 - .42)
	Indirect	-	-	.01 (-.01 - .03)	.01 (-.01 - .03)
	Total	.12** (.05 - .20)	.11** (.04 - .17)	.37** (.27 - .46)	.34** (.26 - .43)
Attitude					
	Direct	-	-	.07 (-.07 - .21)	.08 (-.08 - .23)
	Total	-	-	.07 (-.07 - .21)	.08 (-.08 - .23)
R^2		.81		.19	

Table 4-3 shows that usefulness (β=.42, $p < .05$) and ease of use (β=.48, $p < .05$) have a moderate total effect on attitude, while enjoyment has only a weak total effect on attitude

(β=.11, $p < .05$) With respect to online shopping intent, enjoyment has the only reasonably influential total effect, with a moderate total effect of (β=.34, $p < .05$). These effects are all significant at the 95% level. The confidence intervals of the significant factors appear acceptably narrow to indicate that the effects of the factors on the endogenous variables are reasonably accurate. The R^2 =.81 for attitudes is very high and may indicate that a large percentage of the variance of attitudes is explained by model 1 as seen in Figure 4-1 on page 55. Model 1 helps to explain a weak to moderate percentage of the variance of intent to shop online with an R^2 =.19 which could be considered to be a decent size when accounting for a behavioural variable. More detail is provided in the discussion section of the research.

4.2.2. Core TAM & Contextual Variables

4.2.2.1. SEM Tests for Direct Effects of Context Variables

4.2.2.1.1. Moderation of Context Variables

First, the moderating effects of *past experience, trust, product characteristics* and *situational variables* were tested using the method discussed in section 3.9.2.4 on page 49. None of the interaction variables was large enough, significant, or made a significant change to the size of the R^2. This suggests that the factors of *past experience*, *trust* or *product characteristics* and the individual *situational variables* could not have been fitted as moderators in the *Core TAM & Contextual Variables* SEM.

4.2.2.1.2. SEM Tests for Direct Effects of Context Variables

The Core TAM and Contextual Variables model was created by fitting *trust*, *consumer traits*, *product characteristics* and the individual *situational variables* to the Core TAM Model. *Consumer traits* was modelled to have a direct effect on *attitude* and on *intent to shop online (adoption). Trust, product characteristics* and the individual *situational variables* were modelled to have direct effects on *intent to shop online*.

During model fitting, the following modifications were required:

- Only three of the five measurement items of *consumer traits personality* allowed for acceptable model fit. All three of the items measured the *consumer traits personality* characteristics of *need for interaction*. Therefore, this factor is henceforth referred to as *need for interaction*.

- As discussed in the methodology chapter, the low Cronbach's alpha of the *situational characteristics* factor required the situational variables to be held separately, and incorporated into the model as individual variables, rather than one composite variable.
- Once the situational variables were incorporated into the SEM, the model showed poor fit. Therefore, in order to incorporate the situational variables into the model without compromising the fit, a MIMIC model was created in SAS. The MIMIC model allows the situational variables to be incorporated directly into the structural path of adoption, rather than including the variables into the SEM, and the paths.

The global fit for the *Core TAM & Contextual Variables* model is presented in Table 4-5 on page 61. The fit appears acceptable - the SRMSR (.04) is at a suitable level. The RMSEA point statistic (.05) and confidence interval (.05 - .05) are acceptable. The CFI (.94) and NNFI (.92) also indicate acceptable fit. The AIC (1367.72), CAIC (2106.43) and SBC (1983.43) are all larger than the values for the Core TAM Model, however, this is expected due to the nature of the SEM modelling process. Figure 4-2 on page 58 shows the SEM and standardised path co-efficients of this model, and Table 4-4 on page 59 shows the decomposition effects.

Figure 4-2. Core TAM & Contextual Variables SEM and Standardised Path Co-efficients (Model 2)

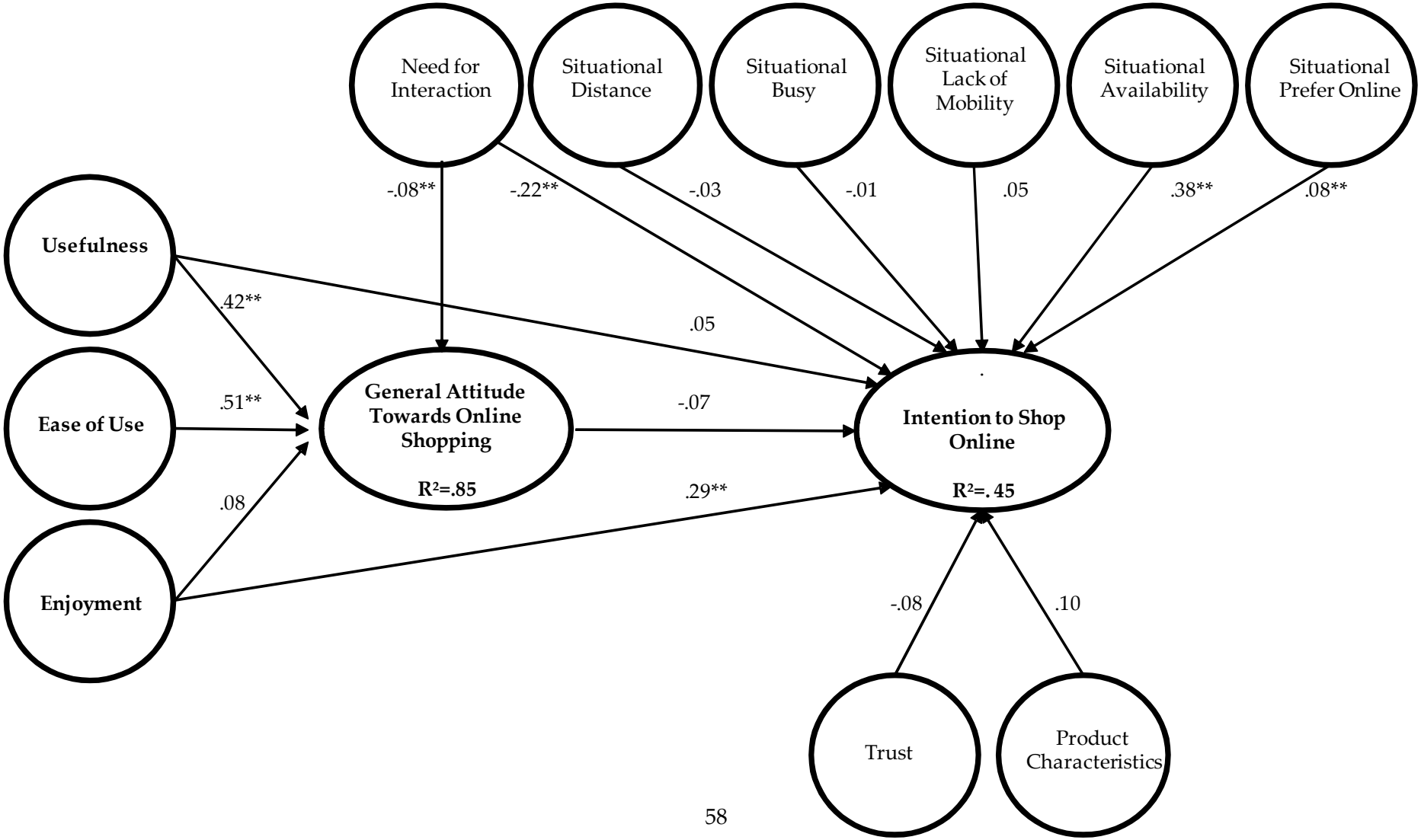


Table 4-4. Decomposition Effects Table of Core TAM & Contextual Variables

		Endogenous Variables			
		Attitude		Intent to Shop	
Exogenous Variables		B	B	B	B
TAM					
Usefulness					
	Direct	.56** (.38 - .79)	.42** (.30 - .56)	.06 (-.16 - .33)	.05 (-.12 - .25)
	Indirect	-	-	-.04 (-.15 - .04)	-.03 (-.11 - .03)
	Total	.56** (.38 - .79)	.42** (.30 - .56)	.03 (-.13 - .20)	.02 (-.10 - .15)
Ease of Use					
	Direct	1.19** (.87 – 1.54)	.51** (.39 - .62)	-	-
	Indirect	-	-	-.08 (-.27 - .08)	-.04 (-.12 - .04)
	Total	1.19** (.87 – 1.54)	.51** (.39 - .62)	-.08 (-.27 - .08)	-.04 (-.12 - .04)
Enjoyment					
	Direct	.09 (.00 - .17)	.08 (.00 - .15)	.32** (.22 - .42)	.29** (.20 - .37)
	Indirect	-	-	-.01 (-.03 - .00)	-.01 (-.03 - .00)
	Total	.09 (.00 - .17)	.08 (.00 - .15)	.31** (.21 - .42)	.28** (.19 - .37)
Attitude					
	Direct	-	-	-.07 (-.22 - .07)	-.07 (-.23 - .08)
	Total	-	-	-.07 (-.22 - .07)	-.07 (-.23 - .08)
Exogenous Factors					
Trust					
	Direct	-	-	-2.45 (-5.93 - .87)	-.08 (-.20 - .03)
	Total	-	-	-2.45(-5.93 - .87)	-.08 (-.20 - .03)
Need for Interaction					
	Direct	-1.98** (-3 .28 - -.69)	-.08** (-.13 - -.03)	-5.22** (-7.09 – -3.43)	-.22** (-.29 – -.14)
	Indirect	-	-	.14 (-.11 - .56)	.01 (.00 - .02)
	Total	-1.98** (-3.28 - -.69)	-.08** (-.13 - -.03)	-5.08** (-6.90 – -3.34)	-.21** (-.29 - -.14)
Product Characteristics					
	Direct	-	-	2.45 (-.06 – 5.11)	.10 (.00 - .20)
	Total	-	-	2.45 (-.06 – 5.11)	.10 (.00 - .20)
Situational Characteristics					
Distance					
	Direct	-	-	-.55 (-1.54 - .47)	-.03 (-.08 - .02)
	Total	-	-	-.55 (-1.54 - .47)	-.03 (-.08 - .02)
Busy					
	Direct	-	-	-.19 (-1.15 - .75)	-.01 (-.07 - .04)
	Total	-	-	-.19 (-1.15 - .75)	-.01 (-.07 - .04)
Lack of Mobility					
	Direct	-	-	1.19 (-.08 - 2.44)	.05 (.00 - .10)
	Total	-	-	1.19 (-.08 - 2.44)	.05 (.00 - .10)
Availability					
	Direct	-	-	5.00** (4.16 – 5.87)	.38** (.32 - .44)
	Total	-	-	5.00** (4.16 – 5.87)	.38** (.32 - .44)
Prefer Online					
	Direct	-	-	1.36** (.20 – 2.48)	.08** (.01 - .14)
	Total	-	-	1.36** (.20 – 2.48)	.08** (.01 - .14)
R^2		.85		.45	

*Note: **p < .05 Confidence intervals are given in brackets after the point value, based on BCA bootstrapping with 10,000 resamples.*

As Table 4-4 shows, the factors of *usefulness* and *ease of use* appear to have the most interesting total effects on *attitude*. *Usefulness* has a weak to moderate total effect (β=.42, $p < .05$), while *ease of use* has a moderate to strong total effect (β=.51, $p < .05$) on *attitude*, and both are significant at the 95% level. The confidence intervals for both factors appear relatively narrow, suggesting that the prediction of the effects are reasonably accurate.

Similar to the effect on Model 1, *enjoyment* appears to have a weak to moderate total effect on *intent to shop online* (β=.28, $p < .05$). The majority of the exogenous factors have a weak total effect on intent to shop online. The two exceptions are *need for interaction* and the situational variable of *availability*. While *need for interaction* has a fairly weak total effect on *intent to shop online* (β=.21, $p < .05$), this effect is negative and significant at the 95% level. *Availability* has a weak to moderate total effect on *intent to shop online* (β=.38, $p < .05$) which is also significant at the 95% level. Largely, the confidence intervals of the effects are relatively narrow, indicating the possibility of reasonable predictive accuracy.

The R^2=.85 for attitudes is very high and may indicate that a large percentage of the variance of attitudes is explained by model 2 as seen in Figure 4-2 on page 58. Model 2 helps to explain a moderate percentage of the variance of intent to shop online with an R^2=.45. Thus by including the exogeneous factors the model is now able to explain 24 % more of the variance which is 2.5 times greater than model 1 with an R^2=.18. This can be considered a decent size when accounting for a behavioural variable of this nature. More detail is provided in the discussion section of the research.

4.2.3. Core TAM & Contextual Variables Categorised by Purchase Experience

The previous online shopping experience measurement items proved difficult to fit to the model, therefore the Core TAM & Contextual Variables model was divided into three groups, categorising the dataset by previous online purchasing experience:

- 'Never purchased online' (Never)
- 'Previously purchased apparel (clothing/jewellery/accessories) online' (Previously Purchased)
- 'Previously purchased other items online' (Other)

Each of the categories is discussed separately. The global fit of the *Core TAM & Contextual Variables Categorised by Purchasing Experience* model is presented in Table 4-2 on

page 54. The SRMSR (.04), RMSEA point statistic (.05) and confidence interval (.05 - .05) are all at acceptable levels. The CFI (.94) and NNFI (.92) are also acceptable. The AIC (2679.36), CAIC (5423.75) and SBC (4967.75) have increased in comparison to the *Core TAM & Contextual Variables* model; however, this is expected because of the large number of variables added.

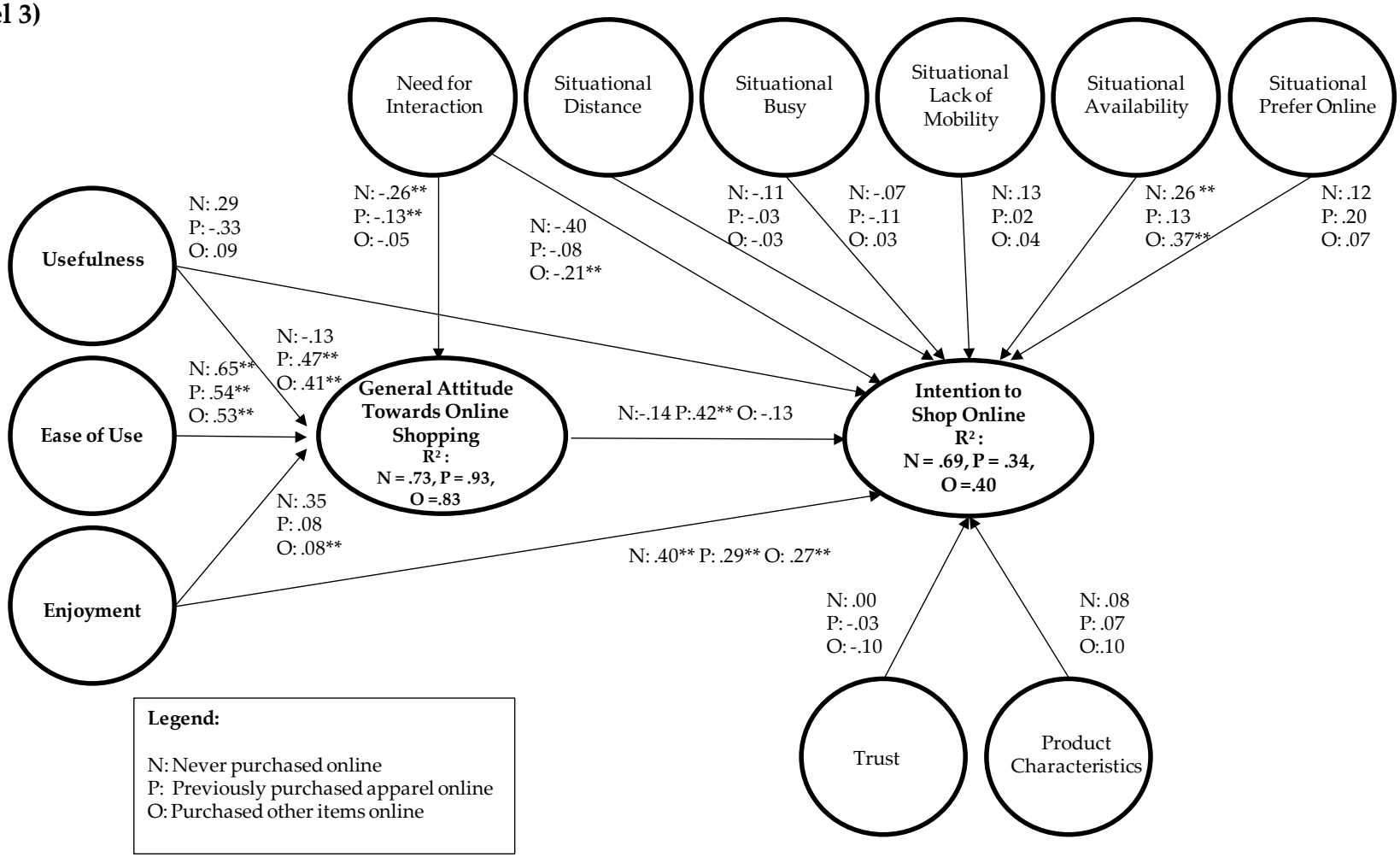
The fit of each of the three sub-models within the *Core TAM & Contextual Variables Categorised by Purchasing Experience* model is presented in Table 4-5.

Table 4-5. Fit Comparison between Overall, Never, Clothes and Other

Fit Comparison Among Groups				
	Overall	**Never**	**Previously Purchased**	**Other**
N	1117	63	199	855
Baseline Model Chi-Square	14062.79 (1218)	1231.41 (406)	2538.86 (406)	10292.52 (406)
Fit Function	1.59	6.18	2.41	1.06
Percent Contribution to Chi-Square	100	22	27	51
Root Mean Square Residual (RMSR)	11.49	28.30	9.92	9.55
Standardized RMSR (SRMSR)	.04	.07	.05	.04
Goodness of Fit Index (GFI)	.98	.92	.97	.98
Bentler-Bonett NFI	.87	.69	.81	.91

The SEM of the *Core TAM & Contextual Variables Categorised by Purchasing Experience* model is depicted in Figure 4-3. The standardised path co-efficient of each category is included on each path. The R^2 values for the exogenous variables of *attitude* and *purchase intention* are also given in the figure.

Figure 4-3. Core TAM & Contextual Variables Categorised by Purchasing Experience SEM and Standardised Path Co-efficients (Model 3)



4.2.3.1. Never Purchased Online

Table 4-6 gives the decomposition effects for the category 'never purchased online'.

Table 4-6. Decomposition Effects Table of Category: Never

	Endogenous Variables			
	Attitude		Intent to Shop	
Exogenous Variables	B	β	B	B
TAM				
Usefulness				
Direct	-.16 (-.98; .67)	-.13 (-.84; .57)	.32 (-.36; 1.01)	.27 (-.29; .83)
Indirect	-	-	.02 (-.11; .16)	.02 (-.09; .13)
Total	-.16 (-.98; .67)	-.13 (-.84; .57)	.34 (-.39; 1.08)	.29 (-.32; .89)
Ease of Use				
Direct	.85** (.16; 1.54)	.65** (.21; 1.10)	-	-
Indirect	-	-	-.12 (-.52; .28)	-.09 (-.39; .20)
Total	.85** (.16; 1.54)	.65** (.21; 1.10)	-.12 (-.52; .28)	-.09 (-.39; .20)
Enjoyment				
Direct	.36 (-.09; .82)	.35 (-.08; .79)	.43** (.01; .85)	.40** (.02; .78)
Indirect	-	-	-.05 (-.23; .13)	-.05 (-.22; .12)
Total	.36 (-.09; .82)	.35 (-.08; .79)	.37 (-.08; .83)	.35 (-.07; .77)
Attitude				
Direct	-	-	-.15 (-.61; .32)	-.14 (-.59; .31)
Indirect	-	-	-	-
Total	-	-	-.15 (-.61; .32)	-.14 (-.59; .31)
Exogenous factors				
Trust				
Direct	-		-.08 (-10.82; 10.98)	.00 (-.31; .31)
Total	-		-.08 (-10.82; 10.98)	.00 (-.31; .31)
Need for Interaction				
Direct	-10.17 (-20.34; .01)	-.26** (-.50; -.02)	-15.85 (-34.71; 3.00)	-.40 (-.82; .03)
Indirect	-	-	1.48 (-3.64; 6.61)	.04 (-.09; .16)
Total	-10.17 (-20.34; .01)	-.26** (-.50; -.02)	-14.37 (- 32.51; 3.77)	-.36 (-.77; .06)
Product Characteristics				
Direct	-	-	2.95 (-9.41; 15.31)	.08 (-.26; .43)
Total	-	-	2.95 (-9.41; 15.31)	.08 (-.26; .43)
Situational Characteristics				
Distance				
Direct	-	-	-2.25 (-7.50; 3.00)	-.11 (-.36; .15)
Total	-	-	-2.25 (-7.50; 3.00)	-.11 (-.36; .15)
Busy				
Direct	-	-	-1.13 (-5.42; 3.17)	-.07 (-.34; .20)
Total	-	-	-1.13 (3.17 - -5.42)	-.07 (-.34; .20)
Lack of Mobility				
Direct	-	-	2.47 (-2.01; 6.96)	.13 (-.11; .38)
Total	-	-	2. 47 (6.96 - -2.01)	.13 (-.11; .38)
Availability				
Direct	-	-	4.06** (.43; 7.68)	.26** (.03; .49)
Total	-	-	4.06** (7.68 -.43)	.26** (.03; .49)
Prefer Online				
Direct	-	-	2.81 (-3.60; 9.21)	.12 (-.15; .38)
Total	-	-	2. 81 (-3.60; 9.21)	.12 (-.15; .38)
R^2	.73		.69	

*Note: ** p < .05 Confidence intervals are given in brackets after the point value, based on BCA bootstrapping with 10,000 resamples.*

Table 4-6 shows that *ease of use* and *enjoyment* have the largest total effects on *attitude*. *Ease of use* has a moderate to strong total effect of (β=.65, p < .05), while *enjoyment* has a weak to moderate total effect of (β=.35, p < .05) on attitudes. While *attitude* has a notably weak total effect on *intent to shop online* (β= -.14).

Enjoyment has an equivalent weak to moderate total effect of (β=.35) on *intent to shop online*. *Need for Interaction* is another factor with a notable negative weak to moderate total effect of (β=.-.36) on *intent to shop online*. The situational variables have weak total effects on *intent to shop online* except for situational availability which has a weak to moderate effect of (β=.26, p < .05)on intent to shop online.

4.2.3.2. Previously Purchased Apparel (Clothing/Jewellery/Accessories) Online

The decomposition effects for the category 'previously purchased apparel online' are given in Table 4-7.

Table 4-7. Decomposition Effects Table of Category: Previously Purchased Apparel Online

		Endogenous Variables			
		Attitude		Intent to Shop	
Exogenous Variables		B	B	B	B
TAM					
Usefulness					
	Direct	.50** (.29; .71)	.47** (.32; .62)	-.40 (-.92; .12)	-.33 (-.74; .09)
	Indirect	-	-	.24 (-.03; .50)	.19 (-.01; .40)
	Total	.50** (.29; .71)	.47** (.32; .62)	-.16 (-.50; .17)	-.13 (-.40; .14)
Ease of Use					
	Direct	1.43** (.77; 2.09)	.54** (.41; .67)	-	-
	Indirect	-	-	.68 (-.02; 1.38)	.22** (.02; .43)
	Total	1. 43** (.77; 2.09)	.54** (.41; .67)	.68 (-.02; 1.38)	.22** (.02; .43)
Enjoyment					
	Direct	.07 (-.03; .17)	.08 (-.03; .20)	.27** (.07; .47)	.29** (.09; .49)
	Indirect	-	-	.03 (-.02; .09)	.03 (-.02; .09)
	Total	.07 (-.03; .17)	.08 (-.03; .20)	.31** (.11; .51)	.32** (.13; .52)
Attitude					
	Direct	-	-	.48** (.01; .95)	.42** (.02; .81)
	Total	-	-	.48** (.01; .95)	42** (.02; .81)
Exogenous factors					
Trust					
	Direct	-	-	-.57 (-7.05; 5.91)	-.03 (-.34; .29)
	Total	-	-	-.57 (-7.05; 5.91)	-.03 (-.34; .29)

	Endogenous Variables			
	Attitude		Intent to Shop	
Exogenous Variables	B	B	B	B
Need for Interaction				
Direct	-2.37** (-4.27; -.46)	-.13** (-.23; -.03)	-1.66 (-5.62; 2.30)	-.08 (-.26; .11)
Indirect	-	-	-1.13 (-2.54; .27)	-.05 (-.12; .01)
Total	-2.37** (-4.27-.46)	-.13** (-.23; -.03)	-2.79 (-6.64; 1.06)	-.13 (-.30; .05)
Product Characteristics				
Direct	-	-	1.31 (-3.96; 6.59)	.07 (-.20; .34)
Total	-	-	1.31 (-3.96; 6.59)	.07 (-.20; .34)
Situational Characteristics				
Distance				
Direct	-	-	-.40 (-2.82; 2.01)	-.03 (-.18; .13)
Total	-	-	-.40 (-2.82; 2.01)	-.03 (-.18; .13)
Busy				
Direct	-	-	-1.60 (-3.68; .49)	-.11 (-.26; .03)
Total	-	-	-1.60 (-3.68; .49)	-.11 (-.26; .03)
Lack of Mobility				
Direct	-	-	.39 (-2.69; 3.47)	.02 (-.13; .16)
Total	-	-	.39 (-2.69; 3.47)	.02 (-.13; .16)
Availability				
Direct	-	-	1.72 (-.39; 3.82)	.13 (-.03; .28)
Total	-	-	1.72 (-.39; 3.82)	.13 (-.03; .28)
Prefer Online				
Direct	-	-	2.99 (-.01; 5.99)	.20 (.00; .39)
Total	-	-	2.99 (-.01; 5.99)	.20 (.00; .39)
R^2	.93		.34	

*Note: ** p < .05 Confidence intervals are given in brackets after the point value, based on BCA bootstrapping with 10,000 resamples.*

Table 4-7 shows that *usefulness* and *ease of use* have the two largest total effects on *attitude*. *Usefulness* has a moderate total effect of (β=.47, $p < .05$) on *attitude*, significant at the 95% confidence level. The total effect size of *ease of use* on *attitude* is moderate to strong (β=.54, $p < .05$) and significant. The confidence intervals of the direct effects of both *usefulness* and *ease of use* are relatively narrow, suggesting a fairly accurate prediction of the effects.

Attitude has a weak to moderate total effect of (β=.42, $p < .05$) on *intent to shop online*, which is also significant at the 95% level. The direct effect sizes of *ease of use* (β=.22, $p < .05$) and *enjoyment* (β=.32, $p < .05$) on *intent to shop online* are weak, although both are significant at the 95% level. All of the exogenous factors and situational characteristics have weak total effects on *intent to shop online*.

4.2.3.3. Previously Purchased Other Items Online

The decomposition effects for the category 'previously purchased other items online' are given in Table 4-8.

Table 4-8. Decomposition Effects Table of Category: Purchased Other

		Endogenous Variables			
		Attitude		Intent to Shop	
Exogenous Variables		B	B	B	B
TAM					
Usefulness					
	Direct	.51** (.38; .64)	.41** (.32; .51)	.11 (-.10; .32)	.09 (-.08; .26)
	Indirect	-	-	-.06 (-.14; .01)	-.05 (-.12; .01)
	Total	.51** (.38; .64)	.41** (.32; .51)	.05 (-.11; .20)	.04 (-.09; .16)
Ease of Use					
	Direct	1.25** (.95; 1.54)	.53** (.46; .61)	-	-
	Indirect	-	-	-.15 (-.34; .03)	-.07 (-.15; .01)
	Total	1.25** (.95; 1.54)	.53** (.46; .61)	-.15 (-.34; .03)	-.07 (-.15; .01)
Enjoyment					
	Direct	.09** (.02; .15)	.08** (.02; .14)	.29** (.20; .38)	.27** (.19; .36)
	Indirect	-	-	-.01 (-.03; .00)	-.01 (-.02; .00)
	Total	.09** (.02; .15)	08** (.02; .14)	.28**(.19; .37)	.26** (.18; .35)
Attitude					
	Direct	-	-	-.12 (-.27; .02)	-.13 (-.28; .02)
	Total	-	-	-.12 (-.27; .02)	-.13 (-.28; .02)
Exogenous factors					
Trust					
	Direct	-	-	-2.95 (-6.63; .74)	-.10 (-.23; .02)
	Total	-	-	-2.95 (-6.63; .74)	-.10 (-.23; .02)
Need for Interaction					
	Direct	-1.16 (-2.32; .00)	-.05 (-.10; .00)	-4.79** (-6.54; -3.04)	-.21** (-.29; -.14)
	Indirect	-	-	.14 (-.08; .37)	.01 (.00; .02)
	Total	-1.16 (-2.32; .00)	-.05 (-.10; .00)	-4.65** (-6.37; -2.93)	-.21** (-.28; -.13)
Product Characteristics					
	Direct	-	-	2.40 (-.30; 5.09)	.10 (-.01; .22)
	Total	-	-	2.40 (-.30; 5.09)	.10 (-.01; .22)
Situational Characteristics					
Distance					
	Direct	-	-	-.57 (-1.61; .46)	-.03 (-.09; .03)
	Total	-	-	-.57 (-1.61; .46)	-.03 (-.09; .03)
Busy					
	Direct	-	-	.49 (-.49; 1.48)	.03 (-.03; .09)
	Total	-	-	.49 (-.49; 1.48)	.03 (-.03; .09)
Lack of Mobility					
	Direct	-	-	.97 (-.58; 2.52)	.04 (-.02; .10)
	Total	-	-	.97 (-.58; 2.52)	.04 (-.02; .10)
Availability					
	Direct	-	-	4.63** (3.74; 5.52)	.37** (.31; .43)
	Total	-	-	4.63** (3.74; 5.52)	.37** (.31; .43)
Prefer Online					
	Direct	-	-	1.13 (-.05; 2.31)	.07 (.00; .14)
	Total	-	-	1.13 (-.05; 2.31)	.07 (.00; .14)
R^2		.83		.40	

*Note: ** p < .05 Confidence intervals are given in brackets after the point value, based on BCA bootstrapping with 10,000 resamples.*

The decomposition effects shown in Table 4-8 indicate that the factors of *usefulness* and *ease of use* have weak to moderate total effects on *attitude* for the category 'previously purchased other items online', with effect sizes of (β=.41, $p < .05$) and (β=.53, $p < .05$) respectively. Both of these total effects are significant at the 95% level, and have fairly narrow confidence intervals that suggest that the effect predictions are reasonably accurate. These effect sizes are similar to sizes for the category 'previously purchased clothing/jewellery/accessories online'.

Enjoyment has a weak total effect of (β=. 26, $p < .05$) on *intent to shop online*, which is significant. The need for interaction has a weak effect size of (β=. 21, $p < .05$). The majority of factors have weak total effects on *intent to shop online*, although the situational characteristic of *availability* has a weak to moderate effect of (β=. 37, $p < .05$) on *intent to shop online*, which is significant. This total effect statistic also has a comparatively narrow confidence interval, suggesting a reasonably accurate prediction of the effect.

4.2.3.4. Comparison of Models

Attitude has a weak to moderate total effect on *intent to shop online* in the *Previously Purchased Apparel* model (β=.42), which is significant at the 95% level. Whereas, *attitude* has only a weak, negative total effect on *intent to shop online* in the *Never* (β= -.14) and *Other* models (β= -.13).

Ease of use has a consistently moderate total effect on *attitude* for all three subgroup models,*Never, Previously Purchased,* and *Other* with (β=.65, β=.54, β=.53) respectively and all are significant at the 95% confidence level. *Usefulness* has weak to moderate total effects on *attitude* in both the *Other* (β=.41) and *Previous* (β=.47) models, which are significant at the 95% confidence level. Similarly, *enjoyment* has a weak to moderate total effect on *intent to shop online* in the *Never* (β=.35) and *Previously Purchased* (β=.32) models, with a weak total effect on *intent to shop online* in the *Other* model.

Largely, with the exception of the weak to moderate, significant total effect of *availability* in the *Other* model (β=.37, $p < .05$) the situational variables appear to have weak total effects across all three subgroup models.

With reference to the *Never* model, the R^2 statistic of *intent to shop online* is moderate to strong (.69), indicating a relatively good fit and that the model explains the majority of the data. The R^2 statistic of *attitude* is somewhat stronger (.73), also suggesting reasonably good fit.

The *Previous* model R^2 statistic for *intent to shop online* is weak (.34), suggesting that the data is only partially explained by this model. The R^2 value for *attitude* is strong (.93), suggesting that this portion of the model appears to explain the data fairly well.

With reference to the *Other* model, the R^2 statistic of *intent to shop online* is weak to moderate (.40), suggesting only a portion of the data is explained by this model. However, the R^2 of attitude is strong (.83), suggesting this portion of the model explains the data reasonably well.

5. Chapter Five: Discussion

5.1. Introduction

The purpose of the research is to provide insight into what is motivating South African consumers to adopt online shopping and more specifically, within the apparel sector. The research problem is to investigate online apparel shopping in SA by using the Monsuwé et al. (2004) framework which outlines key attitudes and exogenous factors which may drive consumers' intentions to shop online. The research findings attempt to achieve this purpose as they outline the strength of the relationships between the variables of the Monsuwé et al (2004) model and their importance within the South African e-commerce environment. The findings also identify new variables which drive consumers to shop online. The discussion section outlines the following.

- Three models are discussed as per the research findings, which outline the various factors that potentially help to explain the adoption of online shopping in South Africa. The models are reviewed from the perspective of three distinct subgroups of online shoppers.
- The various hypothesis are outlined and reviewed within the context of the research findings.
- The importance of the hedonic motivations around online shopping and specifically the potential impact that enjoyment has on intent to adopt online shopping.
- The potential need for human interaction when shopping online is explored and the ability of online retailers to address this.
- Situational factors seem to have little effect on online shopping except for the situational availability of the apparel sold online which impacts retailers product sourcing strategies.

The research results are summarised within the three models. Model 1 is Figure 4-1 on page 55, model 2 is Figure 4-2 as seen on page 58 and model 3 is Figure 4-3 on page 62. In moving from model 1 to 3, new levels of complexity are added to explain the effect that a consumer's *attitudes* as well as the effect of exogenous factors all have on a consumer's *intent to shop* for apparel online.

Model 1 focuses on the TAM model, which through this process is relatively robust except for the effect of attitudes on intent to shop online which is very weak (β = .08). The results of the statistical tests indicate that the factors of *ease of use, enjoyment* and *usefulness* within the model may explain 81% of consumers *attitudes* towards online shopping and 19% of their *intent to shop online*.

Model 2 includes the impact that the exogenous factors of trust, product characteristics, situational factors and consumer traits have on a consumer's intent to shop online. Model 2 attempts to explain 85% of online users' attitudes towards online shopping and 45% of their intent to shop online. This would indicate that the exogenous factors in model 2 explain 26% of a consumer's intention to shop online.

Model 3 builds on model 2 by viewing it from the perspective of the three subgroups of South African online users, thus attempting to identify the key factors which motivate them shop online. These include individuals who have never shopped before, shoppers who have purchased products but have never purchased apparel and finally, shoppers who have purchased apparel. These profiles can be utilised by online apparel retailers to tailor their adoption strategies for the various consumer groups. The results of the statistical tests indicate that model 3 may explain 73% of non-shoppers' *attitudes* towards online shopping and 69% of their *intention* to shop for apparel online. It may explain 93% of apparel shoppers' *attitude* towards online shopping and 34% of their *intention* to shop. Finally, it is attempts to explain 83% of consumers *attitudes* who shop online but have never purchased apparel and 40% of their *intention to shop*. Hence all three models attempt to explain the key reasons consumers shop online.

The results of the statistical tests suggest that a consumer's *enjoyment* during online shopping has a direct effect on their *intention to shop*. This relationship was not previously captured within the Monsuwé et al (2004) model and potentially plays a more direct and important role. This relationship might suggest that enjoyment is common to both online and traditional in-store retail. E-commerce has been viewed to an extent as a completely different commercial vehicle with its own set of rules (Peterson, 1997). However, this research would suggest that there are similarities. The research results suggest that perhaps the hedonic motives, which have driven consumers to shop for centuries, remains relevant and are present within the online sales channel. Online retailers should consider integrating *enjoyment* into the online shopping process as a method to drive purchase. Song, Fiore and Park (2007) found similar findings which indicates that *enjoyment* has a direct effect on purchase intent and ultimately online store patronage. Model 1 provides evidence to suggest that the hedonic factor of *enjoyment* has a slightly larger total effect (β = .34) on *intent to shop* online than the total effect of *usefulness* (β = .10) and *attitudes* (β = .08) on *intent to shop* online. Considering the low adoption rate of online shopping in SA, one might conclude that perhaps one

reason for this may be that retailers are failing to utilise the variable of *enjoyment*, which is the human pursuit for pleasure, arousal and escapism to entice consumers to shop online.

In the past, the utilitarian motivations behind the adoption of e-commerce have been the primary focus of many academic researchers (Davis et al., 1989; Gefen, 2003; Koufaris, 2003; Yoon and Kim, 2007). Further research is required to develop a better understanding of the hedonic motivations driving consumers to shop online. Current research is beginning to hint at the importance of hedonic motivations within the e-commerce environment (Babin, Darden and Griffin, 1994; Childers et al., 2001; Lin, 2010).

The results of the statistical tests indicate that the need for interaction is possibly significant albeit not a moderately overly strong direct effect (β = -.22, $p < 0.05$) on *intent to shop online*. This research suggests that perhaps within the online retail environment, the need for human interaction may be an important factor that drives purchase intent. Human interaction has always been part of the retail shopping process and this research would indicate that it has its place in the online environment. Online apparel trends indicate that online retailers are increasingly finding ways to achieve a higher level of interaction with the consumer through real-time human engagement and virtual product experiences. Swinyard and Smith (2003) found similar results as they indicate that the inability to experience the product may lead to a reluctance to purchase online. Song, Fiore and Park (2007) provide evidence that indicates that 34% of a consumer's intent to purchase can be explained by two key variables namely shopping enjoyment and a virtual product experience termed telepresence.

Perhaps online retailers could consider the possibility of allowing for a level of human interaction where consumers who prefer human interaction can experience it for instance through a live chat window. Online retailers could also consider forming specific targeting strategies for those consumers who do not enjoy human interaction when shopping online.

Additional factors which are not part of the original Monsuwé et al. (2004) framework are also potentially identified such as the various situational factors which have been isolated and their effect found to be minimal on *purchase intent.* Model 2 indicates that perhaps situational availability of apparel may have a moderate direct total effect (β = .38, $p < .05$) on intent to shop online. Online apparel retailers should perhaps drive a small portion of purchase intent by identifying and selling unique products which are not available in brick and mortar retail stores.

The research results are potentially significant to all online retailers, specifically apparel as it is the first time that research attempts to gain a holistic understanding of the key motivations driving the adoption of online apparel shopping in SA. This knowledge, if utilised, has the potential to stimulate growth within the e-commerce environment. However, it is important to remember that ongoing research is required to develop a thorough understanding of e-commerce in SA, as online apparel shopping is an evolving and growing sector both globally and within SA.

The various hypotheses as identified in the conclusion of the literature review within section 2.4 on page 31 will now be reviewed against the research findings in Chapter 4.

5.2. Results pertaining to sub-problem one

TAM ⇨Attitudes & Intention

The first sub-problem is to assess the extent to which the Technology Acceptance Model (TAM), which is made up of the factors of *ease of use, usefulness* and *enjoyment,* mediate a consumer's attitude towards online apparel shopping and their intention to shop online.

When fitting the data collected to the TAM model, a superior fit was found when using the data collected for all online shopping experiences. Hence, this research does not only review the TAM model in the context of apparel online shopping but is relevant within the context of all online shopping in South Africa. The Monsuwé et al. (2004) framework is based on the Davis et al. (1992) latest adjustments to the TAM model which indicate that *enjoyment* may be an integral factor driving the adoption of a new technology. Evidence as seen in model 1 may exist to indicate that the factors of *ease of use, usefulness* and *enjoyment* affect a consumer's *attitude* towards online shopping which subsequently may effects their *intention to shop* online. Therefore, attitudes possibly will mediate between intention to shop online and the factors of *ease of use, usefulness and enjoyment.*

When accounting for the extent to which these factors explain attitudes towards online shopping model 1 might explain 81% of the variance in attitudes. When accounting for the effect that these factors and attitudes have on a consumer's *intent to shop online* the model attempts to explain 19% of the variance in purchase intent. The research findings support the finding that TAM can potentially be used as a predictor of an adoption of a new technology such as online shopping however it also indicates that there are other factors which need to be considered when assessing what is driving intent to shop online. Previous uses of TAM explained between 17% and 33% of

variance in behavioural intent (Davis, 1989; Davis, Bagozzi, & Warshaw, 1989; Chau & Hu, 2001 as cited in Kulviwat et al., 2007). Hence, this research goes a long way in attempting to explain attitudes towards online shopping as well as its adoption.

The managerial implications are significant. To drive the adoption of online shopping in SA, online businesses should consider integrating the factors of *ease of use, usefulness* and *enjoyment* into their online business models and use these factors to drive engagement strategies with consumers. Further research needs to be conducted however to develop an understanding of the extent to which these factors that drive intent actually translate into purchase.

5.2.1. Hypothesis one: Usefulness ⇨Attitudes (Path ①)

Hypothesis one, states that *usefulness* of apparel shopping online has a positive effect on *attitudes* towards online apparel purchases. The research findings within the report support this hypothesis to an extent. Model 1 and 2 indicate that a moderate relationship exists between the *usefulness* of the online shopping medium and *attitudes* towards shopping online. *Usefulness* in model 1 and 2 both have a direct moderate positive effect on *attitudes* (β = .42 and $p < .05$).This supports research findings that the more *useful* online shopping is perceived to be, the more positive consumers' *attitudes* are towards online shopping (Koufaris, 2002; Gefen, 2003; Shih, 2004).

However, the effect of the factor of *usefulness* on a consumer's *attitude* differs dramatically between the three subgroups in model 3. *Usefulness* has a negative, albeit weak, relationship effect (β = -.13) on the *attitudes* of shoppers who had never shopped online. Regular online shoppers who have never purchased apparel online demonstrate that *usefulness* has a moderate total effect (β = .41) on *attitudes* towards online shopping. Online apparel shoppers exhibit a similar positive relationship with a moderate total effect of *usefulness* (β = .47) on their *attitudes* towards online shopping.

These findings suggest that online retailers, who want to build positive attitudes to attract consumers who have never shopped online before, should potentially not necessarily focus marketing communication on the usefulness of online shopping such as the fact that it may save the consumer time, money or improve their shopping performance. Perhaps they should rather focus on ease of use and enjoyment, which seem to have moderate effects on non-shoppers attitudes. The research findings indicate that the attitudes of consumers who have never shopped online before

are more influenced by enjoyment and ease of use. Perhaps the usefulness of online shopping needs to be experienced before it can have a positive effect on attitudes as one sees amongst consumers who have purchased apparel or other items online.

The research does indicate that perhaps usefulness has a weak to moderate effect (β = .29) on intent to shop online amongst non-shoppers. This relationship could indicate that online retailers should not ignore the effect of usefulness but consider integrating it into the actual purchase process. Hence, online retailers can find ways to save the consumer time, money and improve their shopping performance in order to drive purchase intent. These would include competitive pricing, same-day delivery and speed with which a consumer moves through the purchase process.

Individuals who had shopped online before seem more motivated by utilitarian motivations such as usefulness, which have a positive direct effect on attitudes. Thus, they are motivated by the fact that online shopping could save them time, money or improve their shopping performance. This may be due to their past positive experiences.

However, additional research is required to better understand how South African retailers are performing, how effectively they save consumers' time and money, or improve their shopping performance. The attitudes of online South Africans across all three subgroups should be measured so that there is a better understanding as to why South Africans are not all adopting online apparel shopping.

5.2.2. Hypothesis two: Usefulness ⇨Intent to shop online (Path ②)

Hypothesis two states that *usefulness* of apparel shopping online has a positive effect towards intention to shop for apparel online. The research findings within the report suggest far more subtle group-based effects. In model 1 the direct path between *usefulness* and *intention to purchase* online has little to no effect (β = .07) and is statistically indistinguishable from zero or positive. *Usefulness* has little to no total effect (β = .10) on intent to shop online when one takes into account the indirect effect of *attitudes*. These findings using the entire sample as seen in model 2, suggest a preliminary finding of little or no effect of *usefulnes*s (β = .02 and $p > .05$) on *intent to shop*.

However, in model 3, a dynamic relationship between *usefulness* and *intention to shop* online amongst the various subgroups is identified. This may to some extent help to explain results in model 1 and 2.

When a consumer has never shopped online, the factor of *usefulness* has a moderate direct effect on their intention to shop online (β = .27) and a similar total effect (β = .29). However, *usefulnes*s for subgroups which had previously shopped online but not for apparel has little to no direct effect on their intent to shop for apparel online (β = .09) and a similar total effect (β = .04). *Usefulnes*s amongst consumers who had shopped online for apparel has a moderate negative direct effect (β = -.33) but a weak total effect (β = -.13).

This may indicate that if retailers want to drive adoption of online shopping amongst consumers who have never shopped online they could potentially integrate usefulness into the purchasing process which may help to drive purchase intent amongst first time shoppers. Hence, the online retailer should consider ways to save first-time shoppers time, money and generally make them more effective shoppers.

The results show that some experienced online shoppers who are not yet purchasing apparel, may find the *usefulness* of the medium not to be a motivating factor driving their *intent to shop* online. It may be that when considering purchasing apparel they are more concerned with factors such as the fit of the garment and returns, and less about the *usefulness* of the shopping experience as they have already experienced the benefits of shopping online. Online retailers should still cater for consumers who find *usefulness* to be a motivating factor driving purchase *intent* and ensure that the purchase process does include *usefulness*, thus ensuring that the process is not time consuming.

Amongst users who had previously shopped for apparel the effect of *usefulness* on purchase, *intent* is negative and has a moderate effect. Perhaps this is due to the fact that individuals who are currently shopping for apparel online may be more interested in the hedonic factors such as the *enjoyment* of shopping and the *interaction* with the garment and the human interaction. Therefore, online retailers could perhaps find ways to integrate the hedonic factors into the shopping experience. To achieve this, online retailers may have to adopt very different strategies to attract new and existing online shoppers. They should perhaps even consider creating customised website experiences for different users. Hence, a new user to online apparel shopping may be prompted with messages focused on the advantages of shopping online whereas an experienced user may require messages based on hedonic motivations or require a personalised journey. Amazon.com does this effectively for books and DVDs as they recognise each consumer and suggest future purchases based on their online shopping history.

There may be occasions when online retailers are faced with the fact that the utilitarian motivations compete with hedonic motivations, hence online retailers have a challenge to find a balance between these and create the optimal e-commerce sales funnel for various consumers. Online retailers will need to track consumer behaviour on their websites to assist them when creating these online strategies. Additional research is also required to assess the effectiveness of customising a user's journey as well as the online retailer's ability to utilise the factor of *usefulness* to drive actual purchase within the apparel online sector.

5.2.3. Hypothesis three: Ease of Use ⇨Attitudes (Path ③)

Hypothesis three states that, *ease of use* of apparel shopping online has a positive effect on *attitudes* towards online apparel purchases. Evidence within the findings is found to indicate that a moderate relationship exists between *ease of use* and *attitudes* toward online shopping. In model 1 *ease of use* has a medium direct effect (β = .48, $p < .05$) on *attitudes*. Further evidence in model 2 indicates that *ease of use* has a direct moderate effect (β = .51, $p < .05$) on *attitudes*. This supports research findings that attest to the robust nature of TAM. It is supported by academic research that states that *ease of use* has a positive effect on determining *attitudes* towards online apparel purchases (Koufaris, 2002; Gefen, 2003; Shih, 2004).

Model 3 provides further evidence to support hypothesis 3, as it indicates that *ease of use* has a direct moderate effect on *intent to shop online* for all three subgroups. *Ease of use* has a moderate to strong direct effect (β = .65, $p > .05$) on *attitudes* towards online shopping for the subgroup which had never shopped online before. The relationship is evident again with shoppers who had shopped online before (β = .53, $p > .05$) and in shoppers who had bought apparel online (β = .54, $p > .05$.)

If online retailers want to develop strong positive *attitudes* towards online shopping their primary focus should perhaps be ensuring the *ease of use* of the online shopping channel as the research results indicate that it may account for 53% to 65% of the variance in consumers' *attitudes.* Online retailers should possibly continue to invest in streamlining and simplifying the online shopping processes as this will ensure that those consumers who do purchase may leave with strong positive *attitudes* towards their online shopping platform. Online retailers should perhaps continuously build the perception amongst new users that shopping online for products or apparel

is easy. To achieve this, retailers need to manage the entire online shopping experience. They need to act as a guide with clear instructions and confirmations as the consumer moves through the process of discovering the online storefront through to purchase. Further research is required to better understand what needs to be in place to ensure that the consumer finds online shopping easy to use from discovery through to purchase.

Retailers who are attempting to attract and grow their user base should tap into the subgroup of non-online shoppers who are more likely to have a positive *attitude* towards online shopping. Individuals with medium to heavy online usage behaviour are an easy target as they are already comfortable with using technology.

However, this research adds further complexity for the online retailers as it also indicates that the positive perceptions around *ease of use* do not always strongly translate into *intent to shop* online. Thus, retailers are faced with a challenging dilemma, although they may build positive *attitudes* towards the *ease* with which one can shop online, it may not directly translate into *purchase*.

5.2.4. Hypothesis four: Enjoyment ⇨Attitudes (Path ④)

Hypothesis four states that, *enjoyment* of apparel shopping online has a positive effect on *attitudes* towards online apparel purchases. Evidence is found in all three models to support the existence of a positive, albeit weak, relationship between *enjoyment* and *attitudes* towards online shopping in general.

Model 1 shows that *enjoyment* has a weak to no effect (β = .11, $p < 0.05$) on *attitudes* towards online shopping. Model 2 has similar results with *enjoyment* having a weak to no effect (β = .08, $p > 0.05$) on *attitudes.* Although this may seem small, within the context of a subject as complex as online retail this may be significant and the impact of *enjoyment* on *attitude*s while shopping online needs to be considered. Perhaps the effect of *enjoyment* on *attitudes* for some consumers is small because South Africans do not regularly experience enjoyment while shopping online. SA is constrained by bandwidth limitations that hinder the ability of apparel retailers to add functionality to their websites, which to some extent limits their ability to allow the user to experience fantasy, arousal and pleasure whilst shopping which results in *enjoyment*. If this is the case, online retailers should revisit their online store design to ensure that *enjoyment* is integrated. The ability to integrate enjoyment into the online shopping environment may change as internet speeds and accessibility

improves. Currently only small online retailers are online; however the ability to experience enjoyment may also improve as large apparel retailers begin to go online and invest considerable capital in the development of their online storefronts.

Model 3 outlines the various responses for the different subgroups. The impact of *enjoyment* on *attitudes* amongst the subgroup of online users who have never shopped online before has a larger moderate effect (β = .35) on *attitudes* towards online shopping than those subgroups that had previously made purchases online. This may indicate that some of the early adopters of online shopping in SA may have been influenced by utilitarian factors such as *usefulness* and less so by the hedonic factor of *enjoyment*. Hence, as the SA market grows, online retailers may have to change their attraction strategies to include pleasure, arousal and fantasy as it may help to develop positive *attitudes* around online shopping. Online retailers should perhaps also consider marketing the hedonic aspects of online shopping to attract some of this new potential consumer base.

This study possibly offers unique insight into adoption of online shopping in South Africa as it identifies a new strong path linking *enjoyment* and *intent to shop online* directly. This new path is found to exist within all three models amongst all three subgroups of users with β's ranging from .28 – .39. Previous research has begun to hint at the importance of *enjoyment* on *intent* (Davis et al., 1992; Babin et al., 1994; Childers et al., 2001; Lin, 2010). This is however the first time that a direct relationship between *enjoyment* and *intent to shop* has been identified within the Monsuwé et al. (2004) and the TAM models. Hirst and Omar (2007), who tested the Monsuwé et al. (2004) model amongst female apparel shoppers, did not find a direct link between *enjoyment* and *intent to shop online*. However, they emphasised the importance of *enjoyment* and the hedonic shopping motivations as outlined by Holbrook (1994).

Song, Fiore and Park (2007) conducted research that supports the finding that a direct positive relationship exists between *enjoyment* and *intent to shop online.* Song, Fiore and Park (2007) provides evidence that indicates that 34% of a consumer's *intent to purchase* can be explained by two key variables namely shopping enjoyment and a virtual product experience, telepresence. Hence, it is becoming increasingly apparent that the importance of *enjoyment* on *intent* needs to be taken seriously by retailers and advancements need to be made to integrate *enjoyment* into the shopping experience.

The importance of *enjoyment* has increased over time alongside the growth of the internet, technological advancements and a rise in social media. Swinyard and Smith (2003) were the first researchers to profile online shoppers according to their online lifestyles. Online lifestyles have become more dynamic and engaging, empowering consumers to share information in real time. The hedonic aspects that are derived online have seen an increase that is evident in the social media phenomena of Facebook, Twitter and YouTube. Hence, it could be considered that generating *enjoyment* through entertainment such as real time engagement and sociability within e-commerce may have a similar effect and drive *intent to shop online.*

The results clearly indicate that *enjoyment* has a greater influence over *intent to shop online* than *attitude* and *usefulness*. As outlined in model 1, *enjoyment* has a moderate total effect (β = .34, $p < .05$) on *intent to shop online*. This requires a shift in thinking as previous research has highlighted the cognitive factors of *ease of use* and *usefulness* driving positive *attitudes* that in turn drive the *intent to purchase online.* Babin, Darden and Griffin (1994) classified shoppers as utilitarian shoppers. These shoppers use cognitive processing to achieve their shopping goals. Alternatively, there are also hedonic shoppers who shop for emotional entertainment. This may indicate that online shopping is not that different from in-store retailing as previously documented. The importance of *enjoyment* in the conventional retail environment has been emphasised for decades (Martineau, 1958; Tauber, 1972). Dennis et al. (2009) goes on to highlight the social aspects around shopping, which include impulse buying, the pleasure of shopping, discovering new shops, shopping as a topic of casual conversation and a focal point for planned and unplanned activities with other people.

These findings are in alignment with (Kulviwat et al., 2007) who proved that it is critical to not only base one's behavioural predictions on cognition alone as per the original TAM model, but also to take into account factors such as arousal and pleasure. Previous uses of TAM explained between 17% and 33% of variance in behavioural intent (Davis, 1989; Davis, Bagozzi, & Warshaw, 1989; Chau & Hu, 2001 as cited in Kulviwat et al., 2007). Model 1 explains 81% of online users' *attitudes* and 19% of their *intention* to adopt online shopping. The impact of these findings can be profound if utilised by online retailers to create a positive perception around online shopping and drive adoption of the medium across SA. Further research is required to better understand if there are other hedonic factors that drive *intent to purchase* and if these align with traditional retail theory.

5.3. Sub-problem Two: TAM ⇨ Attitude ⇨ Intent

The second sub-problem is to assess the extent to which *attitudes* mediate between TAM and *intent to shop online* for apparel. Thus, the following hypotheses were tested to address this research problem.

5.3.1. Hypothesis five: TAM ⇨ Attitude ⇨ Intent (Path ⑤)

Hypothesis five states that attitudes towards *ease of use, usefulness* and *enjoyment* significantly and positively affect *intention to shop* for apparel online. Hypothesis 5 therefore infers that attitudes mediate between TAM and intent.

Evidence is found to support the fact that *ease of use, usefulness* and *enjoyment* significantly and positively affect *attitudes*. Although little to no evidence exists to support the fact that *attitudes* positively affect *intent to purchase* in all three models. The only exception is the subgroup of users who had shopped online for apparel as their *attitudes* have a strong direct effect (β = .42, p > .05) on their *intent to shop online* Perhaps this is because this group represents early adopters who are more experienced and pioneering shoppers. It may also indicate that in the case of apparel shoppers *attitudes* are more effective at driving purchase. If apparel retailers are able to leverage this and couple it with the power of impulse purchase and enjoyment, they may have an effective strategy to increase sales and generally the adoption of this new sales channel.

However, the fact that *attitudes* do not drive *purchase intent* amongst non-shoppers and shoppers who are not purchasing apparel, retailers should perhaps rather focus on *enjoyment* that drives *intent* across all three subgroups. They should also consider using *usefulness* to drive *intent* for those online users who have never shopped as it may entice these consumers to attempt online shopping.

5.4. Sub-problem Three: Exogenous Factors ⇨ Attitude and Intent

The third sub-problem is to assess the extent to which the exogenous factors as suggested by Monsuwé et al. (2004), consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping affect consumers' *attitudes* and *intent to shop online* for apparel. These factors were tested in model 2 and then again for the various subgroups in

model 3. These factors have been analysed within the apparel shopping framework and not simply general online shopping which the TAM model allows us to analyse.

5.4.1. Hypothesis Six: Low Need for Interaction ⇨ Attitude and Intent (Paths ⑥, ⑦, ⑧)

Hypothesis six states that the consumer characteristic of (a) a low *need for interaction* will lead to stronger relationships between TAM and *attitudes*. Minimal evidence is found to support this hypothesis in model 2 where consumers' *need for interaction* has a low direct effect (β = -.08, $p < .05$) on consumers' *attitudes* towards online shopping. In model 3 the *need for interaction* has a significant, albeit small, effect on attitudes for the group of consumers who have never purchased online (β = -.26, $p < .05$) and similarly for consumers who have purchased items online but never apparel (β = -.13, $p < .05$). Online shoppers' attitudes are therefore to a small extent affected by their various *needs for interaction,* which includes their potential need to fit garments prior to purchase, human interaction and the need to touch and feel a garment prior to purchase.

Unique to the existing Monsuwé et al. (2004) model it is found that the consumers' *need for interaction* has a weak to moderate negative direct effect (β = -.22, $p < .05$) on their *intent to shop online*. Model 3 provides evidence to support the possibility that consumers who have never shopped online before have a stronger negative direct effect (β = -.40) on their *intent to shop online* than the other subgroups. Although, consumers who have purchased other items online also exhibit the result that their *need for interaction* has a negative, albeit weak, effect (β = -.21, $p < .05$) on *purchase intent*.

Hence, we can conclude that for some consumers the lower their *need for interaction* the stronger their *intent to shop online*. Online retailers need to consider that for some consumers the lack of interaction is the reason they may choose to shop online rather than in a store. There is therefore consumers who do not have a strong need to fit a garment or touch it prior to purchase. These consumers would seem the most likely to shop online and online apparel retailers should consider investing in identifying and then profiling these individuals. This will allow retailers to better target and attract these individuals to shop online as they may represent a market of individuals who are more likely to be early adopters of online shopping.

The apparel online sector is still in its infancy and the research results, to some extent, indicate that online retailers should make provisions for those consumers who have never shopped online

and have a high need for interaction as they may have grown accustomed to shopping in-store. The ability of online retailers to meet this need for interaction is changing with technological improvements and online apparel trends indicate that online retailers are increasingly finding ways to achieve a higher level of interaction with the consumer through real-time human engagement and virtual product experiences.

Swinyard and Smith (2003) found similar results as they indicated that the inability to experience the product leads to reluctance to purchase online. Song, Fiore and Park (2007) provide evidence that indicates that 34% of a consumer's intent to purchase can be explained by two key variables namely shopping enjoyment and a virtual product experience termed telepresence. Song, Fiore and Park (2007) indicate that a direct product experience leads to stronger beliefs and attitudes towards the product versus a retailer that has an indirect product experience through text information and images. There is an emerging body of research which highlights the positive effect that a simulated product experience, or telepresence, has on consumers' attitudes and beliefs (Fiore et al., 2005; Klenin, 2003; Shih, 1998). The virtual consumer experience indirectly affects a consumer's intent to shop online, as it is an integral part of a consumer's ability to assess a product's hedonic and utilitarian value (Fiore et al., 2005). Further research is required to better understand how these virtual product experiences are able to meet the consumers' *need for interaction*. Further research is also required to better understand which online strategies have successfully met consumers' high or low *need for interaction* and the extent to which these strategies successfully resulted in increased sales.

In conclusion, retailers that successfully address the varying degrees of *interaction* required through their online strategies and consumer engagements are most likely to attract and retain new consumers to shop for apparel online.

5.4.2. Hypothesis Seven: Situational Factors ⇨ Intent (Path ⑨)

Hypothesis seven states that, the conducive situational characteristics for online apparel shopping will moderate such that (b) *strong time pressure*, (c); *lack of mobility*; (d) *large geographical distance*; (e) *need for special items* (availability) and (f) *attractiveness of alternatives* (prefer online) will lead to stronger relationships between *attitudes* and *intent to shop* for apparel online.

Evidence was not found to support the hypothesis in most cases except for the situational factors of *availability* and *preference for online*. Model 2 provides evidence to suggest that the situational availability which is the need for special items is by far strongest situational and exogenous factor influencing intent to shop online. Hence, situational availability has a direct moderate effect ($\beta = .38$ $p < .05$) on intent to shop online. Hence, if online apparel retailers want to drive intent to shop online they need to sell products that the consumer requires and cannot find in brick-and-mortar stores. The research would suggest that online retailers able to meet this need are more likely to attract consumers to shop. Online retailers should consider sourcing a product offering which is unique, desired and not readily available in brick-and-mortar stores.

Model 3 outlines the impact that the motivating factor of situational availability has on the three subgroups. Situational availability has a moderate effect on the purchase intent of individuals who had never shopped online ($\beta = .26$ $p < .05$) and similarly for individuals that had shopped online but never purchased apparel ($\beta = .37$ $p < .05$). The research results may indicate that consumers who have never purchased apparel have the perception that they will receive greater value if they purchase unique items online. The fact that experienced shoppers are not as motivated by the uniqueness and need for the items being sold may indicate that those who have purchased apparel could potentially have experienced a downside to purchasing apparel online, such as the difficulty in returning items in SA and long lead times for delivery.

These research results seem to indicate that the reason that some users are shopping online is that they are seeking to purchase items that are not available in traditional retail stores. Online apparel retailers should consider targeting the subgroup of consumers who are already comfortable with making purchases online. The situational availability of the product has the greatest impact on this subgroup's purchase intent. Online retailers should further research what consumers would classify as special items so that they are able to meet these needs and perhaps entice consumers to shop online for the first time. An example of this may be international sportswear for cyclists that is not found in traditional retail outlets or international apparel brands that are not available in SA brick and mortar stores.

Online apparel retailers in SA are still in their infancy and may not currently always sell the unique apparel online that consumers demand. This may be one of the reasons that the sector is small, albeit growing. The bigger SA apparel retailers have to a large extent, not yet taken their

storefronts online. Even though some of the smaller apparel retailers have an online presence, they are not able to compete with the large chains' stock availability or variety. This research would indicate that if smaller retailers are able to improve the uniqueness of their product offering they may be better able to compete against the large chains.

The situational effect of *time pressure* as seen in model 2, has no effect on *intent to shop online*. Hence, the lack of time and a busy lifestyle may not be key motivator driving *intent to shop online*. The management implication is that online retailers can no longer assume that online shoppers are shopping online because they live busy lives and are increasingly under time pressure. Traditional in-store apparel shopping is at times seen as an escape from this pressure and online retailers could consider integrating this learning into their online store experiences and strategies.

In model 2 the effect of (f) *attractiveness of alternatives* has a small effect (β = .08 with $p < .05$) on *intent to shop online*. This would indicate that there are individuals who have preferences when it comes to their preferred method of shopping be it at their local shopping centre or online. Thus, online retailers should potentially identify those individuals who prefer shopping online and target them, as they are more likely to adopt online shopping. In model 3 it is evident that the effect of the *attractiveness of alternatives* is strongest amongst online apparel shoppers with a weak to moderate direct effect (β = .20) on *intent to shop online.* Therefore, one may assume that some individuals purchasing apparel are doing so because they do not find shopping in a physical store as attractive as shopping online. Online retailers are competing with physical retailers and if they hope to attract new consumers, they need to understand what makes the online store location more attractive to the consumer. Once they understand this, they will then be able to focus on accentuating these features.

Thus, online retailers, when considering the impact that situational factors can have on purchase intent, should potentially focus less on time pressure, mobility and geographical distance and rather consider the fact that there are consumers who prefer to shop online and they should ensure that they have a compelling product that is not easily available elsewhere.

5.4.3. Hypothesis eight: Trust ⇨ Intent (Path ⑩)

Hypothesis eight states that the degree of *trust* will moderate such that (g) the weaker the consumer's *perceived security risk* when shopping online for apparel the stronger the relationships

between *attitudes* and *intention to shop* for apparel online. No evidence is found within this research to support this hypothesis. This contradicts the importance of trust as a key determining factor when shopping online which has been emphasised by numerous researchers (Hoffman, Novak and Peralta, 1999; Lee and Turban, 2001; McKnight, 2002; Dahlberg, Mallat and Öörni, 2003; Gefen, 2003a).

The research findings within model 2 indicate that a consumer's (g) *perceived security risk* has a small and negative effect (β = -.08) on their *intent to shop online*. The negative effect of *perceived security risk* on *intent to shop online* is found to hold true across all three subgroups as seen in model 3. The research may indicate a fundamental mind shift for the South African consumer when shopping online. It may indicate that some South Africans no longer view online transactions as risky. Hence, trust within the online purchasing process may no longer be the key motivating factor discouraging online users from adopting online shopping and specifically apparel purchases.

As per Micaela Flores-Araoz (2011) internet shopping is on the rise due to the strides that online retailers have made in terms of credit card security and payment options. Examples include First National Bank's partnership with PayPal or encryption and credit card validation technologies that have all helped make online transactions more secure, as well as legislation such as SA's e-commerce regulated by the Electronic Communications and Transactions (ECT) Act of 2002 and by the Consumer Protection Act (CPA) of 2010. Many retailers and banks have a fraud protection policy that guarantees that consumers who are the victims of credit card fraud are not held responsible. Online retailers as a result may have significantly changed the perceptions around financial risk that used to surround the medium of e-commerce. This research would indicate that perhaps consumers are better educated on the protection offered to them and are comfortable purchasing online.

This evidence would indicate that online retailers can no longer blame slow adoption rates on the belief that SA customers don't shop online because they view it as a high risk retail channel. The managerial implications are such that online retailers could consider investing in the factors that drive online purchase in the same manner as they have invested in ensuring safe payment options for consumers. The fact that online retailers have been able to overcome this hurdle potentially indicates that consumers are becoming increasingly more comfortable shopping online. As a result managers need to focus on integrating key motivating factors into their online business models,

website design and consumer communication. This research would indicate that they need to ensure that enjoyment is a by-product of the shopping process, that they sell items that are not available in-store which have strong brand equity, and that they maximise the degree of interaction with the online consumer.

Online retailers should continue to offer secure payment options to the consumer, as this has become a hygiene factor that some consumers may have come to expect when shopping online. Further research is required to measure the extent of this mental shift amongst consumers and their level of comfort when making purchases online in SA.

5.4.4. Hypothesis Nine: Product Characteristics ⇨ Intent (Path ⑪)

Hypothesis nine states that conducive *product characteristics* will moderate such that (h) *strong brand equity* will lead to stronger relationships between *attitudes* and *intent to shop* for apparel online. Little evidence is found in model 2 to support this hypothesis, as *strong brand equity* is found to have a weak to non-existent effect (β= .10) on consumers' *intent to shop online.* This finding is repeated in model 3 amongst all the subgroups.

This finding may indicate that the product characteristics such as the brand equity, the reputation of the retailer, the quality merchandise and the stock availability of the product should not necessarily be the key focus of retailers looking to drive purchase intent. However, further research is required as product characteristics may be the reason that consumers return and become loyal patrons, in which case they are critical to online retail strategy.

A reason for this weak finding may be that the importance of product characteristics could be less important amongst the early adopters of online shopping. Early adopters are unlikely to have chosen to shop online if they were overly concerned with brand equity as the majority of apparel retailers online in SA are relatively small and unknown. This finding may also be due to the fact that there are not many strong brands online and as a result some SA consumers may not be fully aware of the benefits of a compelling product offering.

As the online environment matures so might the online consumer who shops online. This mature consumer may become more discerning with whom they choose to shop and which product characteristics they prefer. The ability to compete, using product characteristics, is likely to increase in importance as the growth and profitability of the sector attract established brick- and-mortar

retailers such as Woolworths, Truworths and Edgars. These stores will use their strong brand equity and established logistics chains to offer shorter lead times and stock availability. Thus, online retailers who are seeking ways to build an early lead over the competition should consider securing a compelling product offering. They can attempt to build strong brands amongst the early adopters of online shopping. They can also improve their product sourcing and sell products that consumers value. They may need to improve their operational strategies to ensure that their products are always available through their online storefronts as consumers who view merchandise online but who are not able to purchase due to stock unavailability or long lead times may leave the store disappointed and unwilling to return. This early lead may allow them to compete with the larger chains in the future.

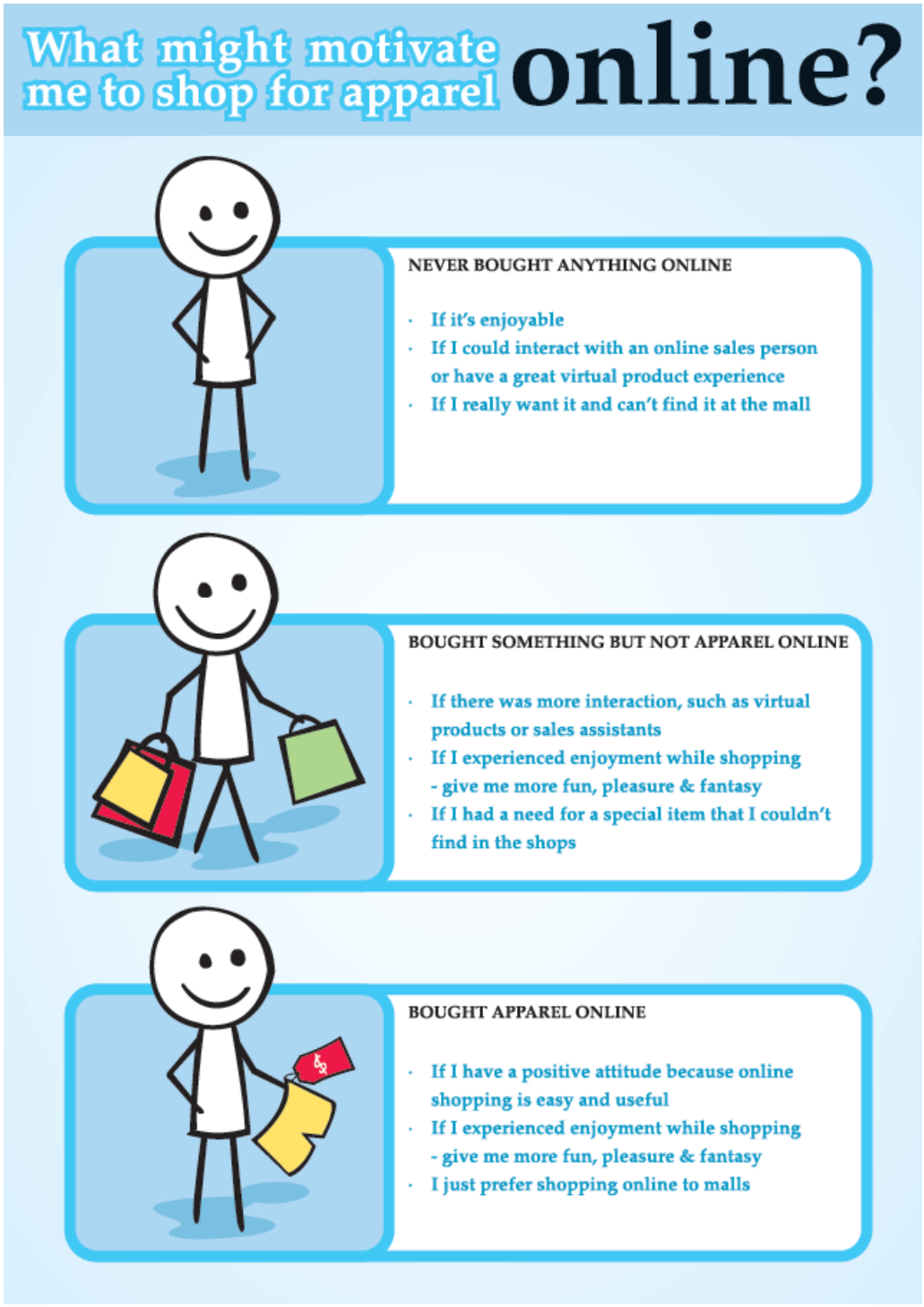
Thus, in conclusion, further research is required to understand what the most critical product characteristics are going forward. The importance of product characteristics may change over time and its impact on purchase intent should be measured again in the future.

5.4.5. Hypothesis Ten: Past Experiences ⇨ Intent (Path ⑫)

Hypothesis ten states that conducive *past experiences* will moderate such that (l) the more positive past *online shopping experiences* that occur, the stronger the relationship between *attitudes* and *intention to shop online* for apparel. The data collected on the continuous *past experiences* variable does not fit into any of the models comfortably and hence a direct moderation was not tested. However, an original variable was included separately, which as discussed, allowed for a split within the models using a consumer's past experience and hence, the research is able to test group-based effects.

Model 3 therefore outlines how *intent to shop online* is influenced by various effects of TAM, *attitudes* and exogenous factors for the three subgroups of online users. The various subgroups are defined by their past online *shopping experiences* and product choices. This past experience provides unique insight into why different factors motivate the various groups differently. Figure 5-1, summaries what might motivate consumers to shop online. It distinguishes consumers who have never shopped online from those who shop online and those who have purchased apparel online.

Figure 5-1: Motivations Behind Online Shopping



Online users with no online shopping experience develop positive *attitudes*; however, it does not translate into *intent to shop online*. This may be due to the fact that their *attitudes* are based on perceptions and not on a real experience of shopping online. Model 3 attempts to explain 69% of

their *intent to shop online*. These non-shoppers seem to be motivated to shop online by how useful they perceive the medium. They are not currently shopping online which would indicate that some may not believe that shopping online is useful. Thus, some consumers might not believe that it saves them time, money or improves their shopping performance. The research also indicates that some consumers do not currently shop online due to their high need for interaction. In some cases their need for interaction strongly and negatively influences their *attitudes* and their *intent to shop online*. If online retailers hope to encourage these users to attempt online shopping so that they can change their perceptions to real experiences, they should consider focusing on the following factors. Online retailers should consider communicating the usefulness of shopping online for apparel as well as creating enjoyable shopping experiences that allow for high levels of interaction between the consumers and the products when the consumer requires it. They also need to perhaps sell apparel products that the consumer cannot find in a local store.

Online users who have at least attempted online shopping but who have not shopped for apparel are the most common group of online users in the sample. Model 3 attempts to explain 40% of their *intent to shop online* and 83% of their *attitudes*. Their shopping experience has to some extent informed what motivates them to continue to shop online and what will lead them to purchase apparel online.

According to the research findings their *attitudes* are not the most important factor driving their *intent to shop online*. They seem to be motivated to shop online by factors such as enjoyment and product availability. The fact that they are shopping online would indicate that online retailers in SA are to some extent able to meet these requirements. Their *need for interaction* is likely to be one of the reasons that that they are not purchasing apparel online. They may also be motivated by the fact that they prefer shopping online rather than in their local shopping centre. Online apparel retailers should consider finding ways to target this group of consumers who, due to their positive past shopping experiences, may be more likely to attempt apparel shopping online. They should continue to improve the online shopping experience by ensuring that enjoyment and high levels of consumer interaction are integrated into the purchasing process. They should also attempt to ensure positive past experiences by improving their product offerings.

Online users who have purchased apparel online are a niche group of consumers, and some of these early adopters do not exhibit a high need for interaction. The fact that this group is relatively

small may potentially indicate that online apparel retailers are not investing enough to attract this group of potential customers to their storefronts. Model 3 attempts to explain 93% of their *attitudes* and 34% of their *intent to shop online*. Their *attitudes* are significant indicators of their *intent to shop online;* hence online retailers should invest in building positive attitudes in order to increase adoption. The fact that they have shopped online for apparel before may indicate that they have positive attitudes based on their past experiences and have found online shopping to be easy to use and very useful. Perhaps they are similar to traditional shoppers who perceive shopping to be a leisure activity as they are not affected by the fact that they live busy lifestyles. These individuals are encouraged to purchase apparel online if they have enjoyable experiences. Thus, online retailers need to revisit their digital strategies to include the hedonic aspects of shopping online.

All three subgroups of online users are motivated to varying degrees by different factors. Online retailers should therefore target the various groups by identifying their past online shopping experiences. Hence, they need to treat repeat visitors slightly differently to new users who have never shopped online. This could result in positive experiences when shopping online. Further research is required to better understand how cognitive dissonance, consumption, satisfaction levels and disinvestment as outlined by Darley et al. (2010) in Figure 2-1 on page 15 drive attitudes, beliefs and intentions that result in repeat purchase.

6. Chapter Six: Conclusion

6.1. Summary

E-commerce in SA is expected to boom with 4.6 million local internet users ready to shop online by 2013 according to World Wide Worx (2010). Although SA is still in the early phases of e-commerce adoption with low penetration, it is becoming increasingly important for online retailers to understand what is driving consumers to shop online. The research findings attempt to provide evidence to provide a holistic view of the key factors motivating consumers to shop online, specifically for apparel. It identifies the factors that have positive and negative effects on consumers' attitudes towards online shopping and those factors that directly affect intent to shop online.

Understanding the online consumer is critical to driving the adoption rate of online retail within SA. Hence, this research begins with an extensive literature review that seeks to build an understanding of international and local knowledge within the field of e-commerce. The literature outlines the unique nature of the South African online landscape, characterised by its small size, rapid growth, high mobile penetration and local investments into connectivity infrastructure. The literature provides an understanding of the existing retail environment that is dominated by large brick-and-mortar retailers and a small number of online apparel retailers. The nature and size of the retail sector highlights the fact that tremendous growth potential exists for the online retail sector. It adds to the complexity with the fact that there is a new generation of consumers for whom technology is a pervasive part of their lives. Friedrich et al. (2011) termed these consumers Generation C and indicated that these individuals will transform the retail industry and online retailers will be required to adapt. The literature continious to outline the key consumer behaviour theories and the consumer decision-making processes as these constructs provide a context that indicates that a consumer's attitude helps to drive their intent to shop online.

Although academics have begun to research online purchases in recent years, the research has been fragmented on individual factors such as trust, risk, customer traits, hedonic and utilitarian motives, and even website characteristics. There is very little evidence to suggest what is driving consumers to shop online. Monsuwé et al. (2004) however, proposes a framework that outlines the key drivers behind the intent of online European and US shoppers. This framework was the first of

its kind and was created by conducting an extensive literature review. The model was first tested by Hirst and Omar (2007) as a framework to evaluate British women's attitudes towards apparel shopping online. They found that women who shop online were aware of negative features when shopping online; however, this did not deter purchase. Hence, they indicate that online retailers should focus on improving the shopping experience by creating one that is easy to do and is user friendly.

The literature presents an understanding of the Monsuwé et al. (2004) framework and the various factors within it which drive the formation of attitudes towards online shopping amongst online users as well as those factors which drive consumers to shop online. The Monsuwé et al. (2004) framework uses the constructs of the Technology Acceptance Model (TAM) which states that *ease of use, usefulness* and *enjoyment* affect consumers' attitudes towards online shopping. The literature shows the robust nature of the TAM model and then goes into detail around the factors of *ease of use, usefulness* and *enjoyment* and their impact on *attitudes* towards online shopping.

The literature provides alternative perspectives by outlining the various theories of leading authors in this field and the exogenous factors that drive intent to shop online. Monsuwé et al. (2004) indicate that *situational* factors such as time pressure, lack of mobility, geographical distance, need for special items and attractiveness of alternatives are also exogenous factors driving intent to shop online. Trust is explored as a leading factor as it has been researched extensively in the online shopping context as a determinant of a consumer's attitude and intent to shop. Product characteristics, such as the nature and type of products sold online, have also been cited as an exogenous factor by Monsuwé et al. (2004) motivating a consumer's purchase decision. The literature outlines the power of strong brand equity and the perception of risk behind the product purchase. Finally, the literature explores the impact of past experiences when shopping online and their importantance in driving loyalty and repurchase intent.

This research conducted within this study used the Monsuwé et al. (2004) framework to gain an understanding of the primary factors driving SA consumers to adopt online shopping. Key hypotheses were identified as per the literatures which were best able to test the various aspects of the Monsuwé et al. (2004) model on the SA consumer. The Monsuwé et al. (2004) framework uses the constructs of the Technology Acceptance Model (TAM) which states that *ease of use, usefulness* and *enjoyment* affect consumers' attitudes towards online shopping. It also states that consumer

traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping are all positive factors that affect consumers' intentions to shop online. The research findings achieve this purpose as they outline the strength of the relationships between the variables of the Monsuwé et al. (2004) model and their importance within the South African e-commerce environment. The research findings identify relationships which are not captured in the Monsuwé et al. (2004) model such as the factors of *enjoyment* and *usefulness* and their effect on a consumer's *intent to shop* online.

The research results suggest that online shopping theory is not so different from traditional shopping theory. It suggests that hedonic motivations which have traditionally driven the shopping medium may be relevant within the e-commerce environment. The implications for online retailers are that they should consider integrating the social aspects of shopping, with a focus on enjoyment, into the online purchasing process. Similarly, they should attempt not to neglect the utilitarian factors that drive adoption of online shopping such as *ease of use* and *usefulness*. Online retailers that are more adept at meeting consumers' hedonic and utilitarian motivations may be better equipped to command competitive positions in the SA market. Hence, online retailers who want to drive adoption of apparel shopping should consider integrating the factors of enjoyment, need for interaction, usefulness and ease of use into their online business models.

The results of the research study provide evidence that shows that *usefulness, ease of use* and *enjoyment* may explain 81% of consumers' attitudes towards online shopping. *Usefulness* and *ease of use*, are both utilitarian motivators, which for some consumers are the most important factors in determining attitude. This may be due to the fact that if a consumer can rationalise how they feel towards online shopping with reasons such as 'it is more convenient' and 'saves me money' they are more likely to form a positive *attitude* towards online shopping. Although attitudes towards online shopping in some cases may positively influence a consumer's *intent to shop*, they are not always as influential as other exogenous factors such as their *need for interaction* and *enjoyment*. *Usefulness* is also found to have a direct effect on *intent to shop online*. Amongst some users who had never shopped online, *usefulness* has a positive effect on intent to shop online, while users who had shopped online for apparel found *usefulness* to have a negative relationship on intent to shop online. This may be due to the fact that those consumers purchasing apparel are simply not motivated by the usefulness of shopping; however, those who have never shopped may have the perception that

usefulness would be a key driver in their intent to shop online. This would suggest that online retailers who focus primarily on creating *usefulness* to motivate consumers to shop online might be unsuccessful amongst consumers who are motivated to purchase by the hedonic aspects that surround online shopping. Hence, online retailers should also attempt to find ways to integrate *enjoyment* and a level of interaction into the online apparel environment.

Enjoyment is found within the research findings to have one of the greatest direct effects on *intent to shop online*. This is in alignment with traditional shopping theory that states that consumers are driven to shop by hedonic motivations and the social aspects around shopping. These include impulse buying, the pleasure of shopping, discovering new shops, shopping as a topic of casual conversation and a focal point for planned and unplanned activities with other people. Hence, this research would indicate that online consumers are motivated by hedonic aspects in the same way that they would be in a brick-and-mortar store. Interestingly, enjoyment of the shopping experience has the strongest effect on consumers who have never shopped online before.

Need for interaction such as human engagement, touching the garment and fitting the garment prior to purchase is found to have a strong negative effect on *intent to shop* online. Hence, online apparel retailers who are able to find methods to achieve a higher level of interaction with those consumers who require it, through real time human engagement and virtual product experiences, may be better able to compete with brick-and-mortar stores. It would also indicate that one of the reasons consumers are not shopping online for apparel is the lack of interaction they receive online. However, conversely, there are consumers who are shopping online because they do not enjoy interaction when shopping online. The challenge for retailers is finding ways to balance these two types of consumers by ensuring that interaction with sales staff through live chat windows is optional and not intrusive.

The majority of the exogenous situational factors are not found to have a significant effect on intent to shop online, although a need for special items and a preference for online shopping are found to have a positive effect on intent to shop online. Hence, online retailers who source and sell unique products that are not available in brick-and-mortar stores may be more likely to attract consumers to purchase apparel. Online retailers therefore need to do sufficient research and product testing before they take a product to market.

Surprisingly *Trust* is found to have no real effect on *intent to shop* online. This finding goes against existing academic research and it may potentially indicate that trust within the online purchasing process is no longer the primary reason some consumers refuse to shop online. This may be due to the strides that online retailers have made in terms of credit card security and payment options that have all helped make online transactions more secure. Hence, these findings may indicate that online retailers could potentially have changed some of the perceptions around financial risk that used to surround the medium of e-commerce. It may be a positive indication that consumer perception and ease with which consumers transact online is no longer preventing the online apparel market from growing. It may support the finding that 4.6 million local internet users may be ready to shop and transact online by 2013 as per World Wide Worx (2010).

Thus, in conclusion, the various models proposed in these research findings can potentially be used by online retailers in SA to drive positive *attitudes* and *intent to shop* online. The research models can be used to help gain a better understanding of what is motivating consumers to shop online in SA. They show the various online shopping profiles and the varying effects that the TAM model and exogenous factors have in driving consumers to purchase. Hence, online apparel retailers who attempt to adapt their online business models and purchasing processes to attract the different consumer segments may have a more effective sales strategy and competitive business model. This research makes a small contribution to the shortage of academic research within this field in SA and further research is required on an ongoing basis to ensure that SA's online retailers are able to grow this new e-commerce sales channel as it continues to grow in importance globally. If the knowledge within this research is used by online retailers to improve the online commercial environment, it may make a tiny contribution to help increase the adoption of online shopping in SA.

6.2. Limitations

The research scope is limited to what is motivating South African consumers to shop online for apparel. The research is able to meet its objectives to a certain extent; however, there are limitations and shortcomings within the research. The primary limitation is that the research measures intent to shop online and not actual purchase. Hence, further research is required to measure actual purchase.

The research is limited by is its time sensitive nature which is due to the fact that the online e-commerce environment is one that is continually adapting and evolving. The factors that have been identified to drive intent to shop online and attitudes have proven to be consistent over time. However, the impact of their effects may change as the e-commerce environment adapts. An example of this is the shift in the importance of trust amongst some consumers who previously would not transact online but are now comfortable purchasing items online.

Hence, the output models within the research can potentially serve as a framework to identify the key motivations behind intent to shop online in SA and possibly, due to similarities, may have implications for the Western World. However, the limitation is that the sample cannot be generalised across persons, settings and times within the Western World and as a result can be said to lack external validity. As technology evolves in the e-commerce environment one might discover new motivations that drive online purchase; hence, future researchers should be aware of the shortcomings and consider testing the impact of other factors on attitudes and adoption intent in online apparel shopping.

Additional limitations within the research are its external validity and applicability to the South African public. This is due to the fact that a non-probability sample was utilised in the form of a convenience and snowball sampling method. This study uses a convenience sample as it draws its sample from various large organisations in multiple industries across South Africa to gain a sample that is representative of the South African public. Respondents were encouraged to share the survey with their private and professional networks. The online survey, due to its relevancy within the South African online community, was blogged about on Facebook and Twitter by several high profile online publishers. This helped widen the reach of the online survey and increase the random nature of the sample. The survey was also exposed to response bias, meaning that the sample may not entirely represent the population. The fact that convenience sampling and sampling bias were used may have resulted in the research results not being representative of the entire population, hence the generalisations and inference made about the SA online consumers are questionable.

The sample is split into three distinct subgroups, firstly users who had purchased apparel online, secondly users who shopped online but never for apparel, and thirdly users who have never shopped online. This provides a greater understanding of the different online subgroups that could

potentially purchase apparel online. However, due to the relatively low adoption rates of online shopping, the sample size of apparel shoppers is much smaller than the group of consumers who had at least purchased something online. This a threat to the power and stability of the statistics. Hence, as more online users shop online for apparel they may gain new perspectives on their key motivation behind online apparel shopping. As a result, the results for the subgroup of online apparel shoppers is time sensitive and may alter as South African consumers gain more experience in shopping for apparel online.

The research study attempts to minimise any issues that compromise the internal reliability, convergent and divergent validity. Preceding the creation of a confirmatory factor structure, a test of the reliability and validity of the data was conducted. The correlations and Cronbach's alphas were generated to provide an indication of internal reliability and validity. These were found to be at acceptable levels, between .60 - .70 or above. However, the alpha of the situational characteristics variables were lower than the acceptable level as per Hair, Black, Babin & Anderson (2010) thus due to low internal reliability, the situational variables were analysed individually, and no Cronbach's alphas given.

Although best practise was employed, the research study is also limited by common method bias due to the research instrument used. The fact that multiple constructs were measured, using a common method, such as the multiple item scales presented in the survey, may have lead to spurious effects due to the measurement instruments rather that the constructs being measured (Podsakoff, MacKenzie and Lee, 2003).

Overall, the research study is limited by its scope that is focused on the key motivations driving SA consumers to shop online for apparel. The Monsuwé et al. (2004) model that is the basis for the research was designed to capture motivations behind general online shopping and not specifically apparel. This research may be applied successfully in the future to the apparel sector, however in order to be applied across other online sectors further research is required.

6.3. Recommendations

The Business Day (2010) indicates that online retailers have a long way to go as they have failed to attract large numbers of online shoppers. Online retails in 2009 were worth R1,6bn, which equates to less than one percent of total retail sales. Leading retailers have stated that there are

significant costs to set up online commercial channels and that South Africa's low internet penetration is the reason that retailers do not engage in e-commerce. However, according to the World Wide Worx (2010) Annual Online Retail Survey, online shopping has become a profitable sales channel. As our country's internet penetration continues to grow and South Africans become more comfortable shopping online, the larger apparel retailers will be attracted to open online stores. This research aims to provide online retailers with some insight into what is motivating South Africans to purchase apparel online. Hence, retailers who are able to integrate this knowledge into their online business models may be able to drive adoption of the sales channel.

This research has identified consumer *attitudes*, *enjoyment* and the *need for interaction* and *situational availability* (need for special items) as key factors driving South Africans to shop online. It is recommended that online retailers utilise this knowledge to create business models that take these factors into account. These factors could be integrated into retailers' online store environments and utilised to develop more effective customer acquisition strategies.

Online retailers who want to develop positive attitudes towards online shopping amongst some consumers should consider integrating usefulness and ease of use into their business models. They may choose to do this as attitudes may be important in driving purchase intent amongst the subgroup of consumers who have previously shopped online, but never for apparel. Conceivably one of the key insights for online retailers may be that they should consider taking learnings from traditional brick-and-mortar stores into the online sales channel. They should attempt to find ways to tap into the key hedonic and utilitarian motivations that have driven consumers to shop for apparel for centuries and not re-invent the shopping process simply because it happens online. This study offers unique insight into the importance of *enjoyment* for online apparel retailers and the role that it can play in driving the mass adoption of online shopping in SA.

Enjoyment has the potential to create positive *attitudes* towards online shopping and drive *intent to shop* online across all three subgroups. Hence, online retailers should use this learning and effectively communicate their ability to integrate *enjoyment* into their online stores.

Online shopping has not yet reached 'mainstream' status and is competing against an established in-store retail channel (Soopramanien and Robertson, 2007). Many retailers, despite predictions and signs of steady growth in the sector, are concerned that the sales conversion rates from their websites are still very low (Johnson et al., 2004). Perhaps online retailers can integrate

enjoyment into their online business models in an attempt to drive conversion. Perhaps the individuals who are shopping for apparel online are early adopters, some of whom may well have been influenced by the utilitarian factors inherent in online shopping. Furthermore, they may have had a low need for interaction as catered for by the online environment. As the South African market grows and online retailers attempt to attract large numbers, they should consider reviewing their online storefronts to include pleasure, arousal and fantasy, which could result in enjoyment for some consumers, which in turn may drive sales. The importance of enjoyment has increased over time alongside the growth of the internet, technological advancements and a rise in social media, which has seen online lifestyles become more dynamic, more engaging and has empowered consumers to share information in real time. Hence, online retailers should consider generating *enjoyment* through entertainment such as real time engagement and sociability within the online store environment. Online retailers should identify methods to drive impulse purchases through the use of *enjoyment*.

Online apparel retailers should be aware that consumers' *need for interaction* may be a motivator for some consumers when they are deciding whether or not to purchase apparel online. *This need for interaction* is difficult to address in the online shopping environment. As a result, consumers who do not have this high *need for interaction* are more likely to adopt online shopping at this stage. This research indicates that the need for human interaction, coupled with the need to fit and feel a garment prior to purchase, may be just as important to some consumers in the online context as it has historically been in traditional shopping. This research indicates that online retailers should consider seeking ways to meet this need if they hope to drive intent to shop online, without alienating those consumers who prefer the online sales channel because it does not offer a high level of interaction that they may not enjoy. Hence, online retailers should seek a balance through the better use of technology. They could consider integrating a level of human interaction into the online shopping process such as product reviews by fellow customers or creating a call centre where consumers can call a sales assistant for guidance. The need for interaction with the product can be addressed by creating virtual product experiences in which the consumer can view the product from various angles or view themselves wearing the item. Global online apparel trends indicate that online retailers are increasingly finding ways to achieve a higher level of interaction with the consumer through real time human engagement and virtual product experiences. South

African retailers can learn from their international counterparts who have a more developed online apparel industry.

The research findings also provide new insight into the role that trust plays in the online shopping environment. It would suggest that due to the strides that online retailers have made in decreasing the perception of risk in online transactions, they have perhaps altered the negative perceptions that had previously discouraged online purchases amongst some consumers. It may indicate that some consumers are becoming comfortable shopping online and retailers may no longer be able to blame the slow adoption rates on the belief that South Africans do not shop online because they view it as a high-risk retail channel. Online retailers should perhaps invest in the factors that drive online purchase in the same manner as they have invested in ensuring safe payment options for consumers. Online retailers need to continue to offer secure payment options to the consumer, as it has become something consumers have come to expect when shopping online.

One of the motivating factors driving some consumers to adopt online shopping is situational availability, which is a need for special items. This insight could potentially guide a retailer's product strategy. Hence, retailers should consider sourcing apparel products that consumers need and want but cannot currently find in traditional brick-and-mortar stores. There are those consumers who may be more motivated to purchase these items online for the first time if they are rare. Interestingly, brand equity was not seen as a primary factor driving purchase intent amongst some consumers. This may indicate that small apparel retailers will be able to compete against larger more established retail brands. However, it is recommended that they do not abandon efforts to build online brands that will be able to compete as the market grows and increasing product parity is experienced.

The research findings seem to indicate that the various subgroups of consumers are motivated differently by the same factors. Hence, online retailers hoping to attract the three subgroups to shop online for apparel should consider alternating the user experience and tap into the motivating factors across the subgroups. Online retailers should consider adopting very different strategies to attract new and existing online shoppers. They should perhaps even consider creating customised website experiences for different users. Hence, a new user may be prompted with communication that is focused on the advantages of shopping online, such as the ease and enjoyment of the entire

online shopping environment. An experienced user, however, may require the same easy to use and enjoyable shopping experience but the communication that they are exposed to should be focused on hedonic motivations and not utilitarian factors that motivate new shoppers. To increase the enjoyment that a consumer experiences, online apparel retailers may consider creating a more personalised journey. Amazon.com has been able to do this effectively, as they recognise each consumer and are able to suggest movies and books that the user might find enjoyable based on their previous purchases.

In conclusion, online apparel retailers should realise that they are competing with the large retail outlets and attempt to ensure that the online shopping experience is preferable to brick-and-mortar stores. They should take learnings from traditional retail theory and understand the key motivating factors that potentially drive consumers to make purchases online and adopt the online sales channel. Online retailers should aim to build positive consumer attitudes and they should consider finding ways to integrate enjoyment into the purchasing process. They may need to integrate levels of human and product interaction into their online storefronts. Retailers should also continually revisit their product and ensure that they are able to offer a more compelling product, than those offered by brick-and-mortar stores, in order to attract consumers to shop online. Thus, online retailers should attempt to integrate the key hedonistic and utilitarian motivations that have driven consumers to shop online for centuries into their online sales channels.

6.4. Suggestions for future research

The field of e-commerce requires ongoing research. There is currently a shortage of academic research in SA regarding the e-commerce sector. Due to the fast pace at which change occurs, research in this field is time sensitive. In order for retailers to be a part of the tremendous growth that the online sector is set to experience, they need to develop a greater understanding of the sector.

Currently, the sector is still in its infancy and it is dominated by smaller retailers who do not have the R&D budgets required to develop a thorough understanding of the online retail environment. However, the tremendous growth expected in the sector as discussed in chapter 2 and the resulting commercial potential may attract SA's larger retailers to open online stores and invest in R&D so that the online shopping environment is better understood. New entrants will

fundamentally alter the competitive landscape and improve the quality of goods and services sold online. It will also create requirements for further research as the sector moves from its infancy into a growth cycle. Hence, the online environment is a rich area for future research.

The speed of progress in the online sector may cause findings within this research study to change or become redundant. Hence, this research encourages future researchers to duplicate this research process. This will ensure that online retailers are aware of the key drivers behind some consumers' attitudes and their intention to shop online. This knowledge will allow online retailers to alter their business strategies on an ongoing basis as the online consumer and environment adapts and changes. This research encourages academics in other countries and other industries to test and improve upon the research models so that a universal standard can be developed that identifies the key underlying motivators driving consumers to shop online.

Enjoyment is discovered for the first time within the TAM model to drive intent to shop online directly. The majority of online research is centred on the cognitive processes of utilitarian shoppers. Further research is therefore required to develop a better understanding of the hedonic motivations driving intent to shop online. As previously mentioned, current research is beginning to hint at the importance of hedonic motivations within the e-commerce environment (Babin et al., 1994; Childers et al., 2001; Lin, 2010). This research is the first time that a direct relationship between *enjoyment* and *intent to shop* has been identified within the Monsuwé et al. (2004) and the TAM model. Thus, further research is required to better understand the effect that e*njoyment* has on intent to shop online. Research is also required to develop an understanding of when in the purchasing process *enjoyment* becomes a critical factor in driving purchase. Case studies that outline how online retailers have utilised *enjoyment* to drive purchase would facilitate the learning process that is occurring within the online environment.

Further research is required to identify similarities between the hedonic and utilitarian motivations that have driven consumers to shop within the traditional retail environment and what is motivating consumers to shop online. These insights could potentially guide the growth of the online sector. Retailers should seek ways to synchronise their retail strategies across their online and brick-and-mortar sales channels. Hence, research is required to better understand mixed channel strategies in SA.

The research identifies the *need for interaction* that the consumer has when purchasing apparel online. As previously mentioned, further research is required to better understand how retailers can use virtual product experiences to meet the need for interaction amongst some consumers. Researchers should consider identifying and documenting online strategies that have successfully met this *need for interaction* and the extent to which they have resulted in increased sales.

Further research is required to better understand how South African retailers, and specifically apparel retailers, are performing against the key factors identified within the research study. Retailers should perhaps track and measure their own ability to drive consumers to purchase. They should look at indicators such as how useful, easy to use and enjoyable consumers find shopping online. Existing attitudes towards online shopping should be measured and tracked on an ongoing basis. External indicators could potentially be measured such as the level of trust that consumers have when transacting online, the value of the retailer's product offering, the consumer's perception around product quality and availability. Retailers should consider measuring their ability to optimise the level of interaction that consumers have when they purchase products online. These indicators will guide retailers to focus and improve on capabilities of their online stores, which directly influence sales and the bottom line.

Further research is also required to gain a better understanding of the gaps in the South African apparel market and how retailers can best position themselves to capitalise on this growing commercial market. Further research is required from these established apparel brands to learn from their international counterparts. They should attempt to benchmark themselves against the competition and gain learnings that they can integrate into their online stores.

The online environment has become an important commercial channel that demands attention. Hence, further research into the various aspects driving adoption and purchase will continue to remain a rich area for further research. The dynamic and ever-changing nature of the sector requires ongoing research. Hopefully the shortage of academic research within the sector will be addressed as the sector booms and it begins to attract the attention of the academic community.

7. References

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8. Appendix A

8.1. Survey Research

8.1.1. Disadvantages of Survey Research

The disadvantages of mail and self administered questionnaires can be grouped under three general headings: sample related, questionnaire construction and administration (Bourque and Fielder, 1995).

A key sample related disadvantage is the availability of lists that represent the population, without which the data obtained from the sample cannot be assumed to represent the population. Thus convenience sampling techniques will need to be utilised. Response rates are low, an average of 20 percent, thus a large sample needs to be identified to counter. Incentives such as a large cash prize was utilised to increase the response rate, however, it will still be lower than other techniques. Language barriers are a disadvantage in South Africa where multiple language populations occur which therefore makes it difficult for all respondents to complete the survey.

Self administered surveys are best utilised for studies with clear and non-complex objectives. The format is also limited to shorter questions thus limiting the topics that can be covered. It also needs to stand alone as there is no interviewer who may provide clarity and additional instructions. However, software programs were utilised in this questionnaire to ensure the respondent has clarity as to the questionnaire. A pilot study will be used to avoid many of these disadvantages to and correct all matters of format to limit disadvantages to the study.

The questions are close-ended questions and as such some questions may go unanswered. The order of questions is also a disadvantage of this method as one set of questions may be considered to influence other questions if not answered in a specific order. However, by using a computerised mail survey these disadvantages may be limited as it has the ability to prompt respondents to complete all sections of the questionnaire and only allow them to do so in a specific order. One critical disadvantage is that there is no direct control over who responds or that the respondents do not consult with others in completing the questionnaire.

8.1.2. Advantages of Survey Research

A key advantage to self administered survey research is that it allows researchers to describe the characteristics of a large population (Babbie and Mouton, 2001). In this case, what is driving online shopping among the five million South Africans with internet access .

Bourque and Fielder (1995) identified a number of advantages to mail self administered surveys which are discussed below within the context of the study. The greatest advantage that they identified is the low cost. Sending a mass e-mailer to a large population is a great deal cheaper than interviewing each respondent separately. The largest cost involved in administering the research is an incentive in the form of a competition in which one of the respondents will win a cash prize of a R1000. E-mail surveys also allow for wider geographic coverage thus enabling this study to gather information from respondents throughout the Johannesburg area. Due to the financial viability of this study it is conducive to utilising a greater sample size than other techniques. Thus in this case we were targeting 2000 respondents, aiming for an estimated 400 completed surveys, considering an average response rate of 20 percent . Due to the convenience of an e-mail questionnaire more respondents are able to respond as they are not restricted to a specific time thus increasing response rates. To ensure that the survey is not forgotten, reminders were sent to the sample to complete the questionnaire before a due date. Timing is also a major advantage as e-mail allows the researcher to reach their sample simultaneously and is one of the quickest methods to conduct research. The e-mail questionnaire format increases the likelihood that respondents provide complete and truthful information as there is no interviewer bias or influence.

9. Appendix B

9.1. Figure 1-1 (repeated): Framework for consumers' intentions to shop online (Monsuwé et al., 2004)

