

BEHAVIOUR OF ONLINE SHOPPING CUSTOMERS

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ABSTRACT

This study aims to explore the influence of artificial intelligence (AI) on the impulse buying behavior of online shopping customers. With the increasing integration of AI technologies in e-commerce platforms, understanding its impact on consumer behavior is crucial. Additionally, the study investigates the interplay between AI and impulse buying behaviour of the online shopping customers. The findings will provide insights into how AI-driven personalized recommendations, chatbots, and targeted advertising affect impulse buying tendencies. Understanding these dynamics is essential for businesses to optimize their AI strategies and enhance customer satisfaction.

KEYWORDS

Artificial Intelligence, Impulse Buying Behaviour, Online Shopping, Impact, Consumer behaviour.

INTRODUCTION

AI provides the salesperson with accurate predictions and intelligent recommendations through analyzing the past data and priorities that are likely to convert (Avinaash, 2018). AI is related to computers with capabilities that can think and act more efficiently than humans do.

It can recognize image or voice, decision-making and translate language (CXPA, 2018). AI can detect, decide and develop (Sterne, 2017). Detection is the ability of AI to identify the most expected and predominant characteristics in a subject matter. Decision is the ability of AI to decide after evaluating a huge number of characteristics and then determine the most important one. Development refers to the power AI has to program by taking into account new data and the analysis of research along with how it evaluates each factor and then modify its view. As AI algorithms collect and analyze vast amounts of personal data to predict consumer behaviour, there is a growing concern

about the potential misuse of this information for manipulative marketing tactics. Striking a balance between leveraging AI for enhancing customer experiences and respecting consumer privacy rights is crucial to building trust and maintaining ethical standards in the e-commerce landscape.

Ultimately, understanding the interplay between AI and impulse buying behaviour is key to unlocking the full potential of technology in driving the sales and enhancing the customer satisfaction in digital age.

MATERIALS AND METHODS

Dang(2019) in his research paper “ The influence of Artificial Intelligence, Augmented Reality and Virtual Reality on Shopping Experiences of the Indian Buyers” explore the effect and implications of (AI) artificial intelligence, (AR) Augmented Reality and (VR) Virtual Reality on the shopping experience of the Indian consumers and to know whether AI is changing their shopping behaviour. Though AI (Artificial Intelligence) is not new terminology for the internet savvy people but it is totally new for the general consumer who purchase a variety of goods and services through online platforms with the assistance of artificial Intelligence technology. This paper will explore the new facts and new knowledge about the relationship between AI (Artificial Intelligence) and Shopping experience.

Anli Suresh (2020) in his study “Consumer perception towards artificial intelligence in E-commerce with reference to Chennai city, India” stated that, in the modern era, people are much closer to technology and peoples mind are expecting new and innovative things which make their works easier and save time. Artificial Intelligence (AI) is one among those technologies which helps almost in all areas of individual’s routine life. AI is the simulation of human intelligence process by machines, especially computer systems. The main aim of the study is to identify the consumer preferences towards the applications of AI in different areas of e-commerce. The concluding observations are that there is no relationship between usage and

recompenses factors while there is significant relationship between the techniques factors. The most influencing areas of AI in e-commerce are real time product targeting, voice powered search and virtual personal shoppers.

Samah Abdelsalam (2020) in his study “Understanding online impulse buying behaviour in social commerce: a systematic literature review” stated that, online impulse purchase has garnered attention from researchers in various fields, especially noted in the relatively new field of Social Commerce (S-commerce). This interactive environment is a full of impulse buying stimulators. However, no previous studies have been conducted to evaluate the status of the research about online impulse buying behaviour (IBB) in S-Commerce. Hence, the authors reviewed studies published between 2005 and 2019, to gain an insight into IBB. The authors used an input-moderator-mediator-output model for identifying and classifying factors that influence consumer's online IBB in S-Commerce. The systematic review results indicated that survey-based studies (83%) and experiment methods (17%) were prevalent in online IBB in S- Commerce. The authors also noted that a majority of existing studies adopted stimulus- organism-response. In this study, the factors that influence online IBB in S-Commerce were classified, and a causal-chain framework for online impulse buying was developed.

Shaifali Chauhan (2020) his study “An analytical study on impulse buying for online shopping during COVID-19” highlights the role of utilitarian shopping, hedonic shopping, and online advertisement on cognitive dissonance. Impulse Buying plays a role as a mediator. The objective of this research is to investigate how utilitarian shopping value, hedonic shopping value, and online advertising influence the cognitive dissonance of customers. The simulation result shows that utilitarian shopping value, hedonic shopping value, and online ads are found to be important in predicting cognitive dissonance and impulse buying, whereas impulse buying is impeccable in terms of predicting positive relationships with cognitive dissonance. Moreover, Impulse buying is playing as positive mediating effect in relation with constructs.

Hence, this research suggests that a complex representation which may better understanding about consumer shopping behaviour.

Conclusively, this research's major contribution towards knowledge, and help the marketing expert to focus on important parameter of consumer buying behaviour.

AA Nimbalkar (2021) in his study “The Increasing Importance Of AI Applications In E- Commerce” pointed out that Artificial intelligence (AI) is a wide-ranging part of computer science concerned about building smart machines equipped for performing tasks that normally require human intelligence. Aside from product recommendations, artificial intelligence in e- commerce industry is being used by online retailers for providing chatbot services, analyzing customer comments, and providing personalized services to online shoppers. The key applications of AI in e-commerce are use of chatbots or virtual assistants, intelligent product recommendations, personalization and inventory management. Summarily, AI has several important uses in e-commerce and retailers are investing heavily in technology to stay competitive and relevant.

Abdulsadek Hassan (2022) in his study “Key Factors Determining the Expected Benefits of Customers When Using Artificial Intelligence” identified the relationship of Artificial Intelligence (AI) with the field of e-commerce; The relationship of AI with the e- commerce sector is about broad technologies such as data analysis and machine learning to make better and smarter actions to improve the experience of today's digital shoppers. Given the importance of the mechanisms of Artificial Intelligence (AI) and the Internet of Things (IoT) in improving the e-commerce process, it was necessary to learn about the images of the use of AI techniques and how to use them to provide an easier and smarter shopping experience through the online Store.

Muhammad Sabbir Rahman (2023) in his study “The new wave of AI-powered luxury brands online shopping experience: The role of digital multisensory cues and customers' engagement” stated that, academic literature retains a dearth of empirical evidence of the cutting- edge aspect of artificial intelligence (AI)-powered digital assistance and digital multisensory cues, despite the prospect of these factors on real-

life customers' luxury brand online shopping experience. Thus, the aim of this study is to examine the significant pathway and effects of AI- powered digital assistance toward customers' luxury brand online shopping experience. Research findings also suggest that customer engagement plays a mediation role in the relationship between AI-powered digital assistance and customers' luxury brand online shopping experience. Besides, digital multisensory cues moderate the relationship between AI-powered digital assistance and customer engagement.

Rohit Bhagat (2023) in his research paper “Investigating the impact of artificial intelligence on consumer’s purchase intention in e-retailing” identifies that, technology has been witnessing a rapid growth. The advent of artificial intelligence has further enhanced the satisfaction level of consumers, which makes it even more vital in the current scenario. This paper aims to explore the factors affecting practical implacability of artificial intelligence and its impact on consumers’ online purchase intention. This study shows that artificial intelligence positively influences consumers’ buying behaviour. This study through a model also shows that integration of artificial intelligence enhances consumers’ purchase intention.

STATEMENT OF THE PROBLEM

Artificial intelligence (AI) has been rapidly developing, and its integration in online shopping platforms has completely changed how customers interact with e-commerce websites. However, as artificial intelligence (AI) algorithms become more accurate in predicting and influencing consumer behaviour, there is increasing uncertainty about their impact on impulse buying. The concept of impulse buying, characterized by sudden, unplanned purchases driven by emotions and immediate desires, has long been a significant factor in consumer behaviour. With AI technologies such as personalized product recommendations, targeted advertising, and dynamic pricing strategies, there is a need to understand how these tools influence consumers' impulse buying behaviour in online shopping environments.

Despite the potential benefits of AI in enhancing the efficiency and convenience of

online shopping, there is a lack of comprehensive research on its specific effects on impulse buying behaviour. With the increasing reliance on AI-powered recommendation systems and targeted advertisements, consumers are exposed to a constant stream of personalized product suggestions and promotions. To which extent AI algorithms manipulate consumer preferences and trigger impulsive purchases.

As Artificial Intelligence (AI) technology continues to evolve, there may be a need for new regulations and legal frameworks to address these challenges. By exploring the underlying mechanisms through which AI influences impulse buying behaviour, this study aims to provide valuable insights into the ethical implications and consumer welfare concerns associated with AI- driven online shopping experiences.

OBJECTIVES OF THE STUDY

- To examine the role of Artificial Intelligence in online shopping platforms and its impact on consumer decision-making processes.
- To understand the perception and experience of online shoppers with AI driven features and their influence on impulse buying.
- To analyze the impact of Artificial Intelligence on consumer buying behaviour.
- To demonstrate a connection between consumer behaviour and Artificial Intelligence.

METHODOLOGY

The present study is analytical and descriptive in nature. The questionnaire was constructed to elicit the required information from the respondents. Structured questionnaire was framed and collected using Google form. Primary data was collected from a sample of 150 customers. Secondary data were collected from articles, journals, and websites for a better understanding of the issue area from the perspectives of other authors.

LIMITATIONS OF THE STUDY

- The study is mainly based on the information given by the sample respondents and the factors given by them are subject to their beliefs and attitudes.
- Due to time and economic constraints of research, number of respondents has been limited to 150.
- The suggestions are not constant because the mindset of the respondent may

be changed.

RESULTS AND DISCUSSION

TABLE 1

Frequency of online shopping by the respondents

Classification	No of respondents	Percentage (%)
Daily	1	0.7
Weekly	20	13.3
Monthly	102	68
Rarely	27	18
Total	150	100

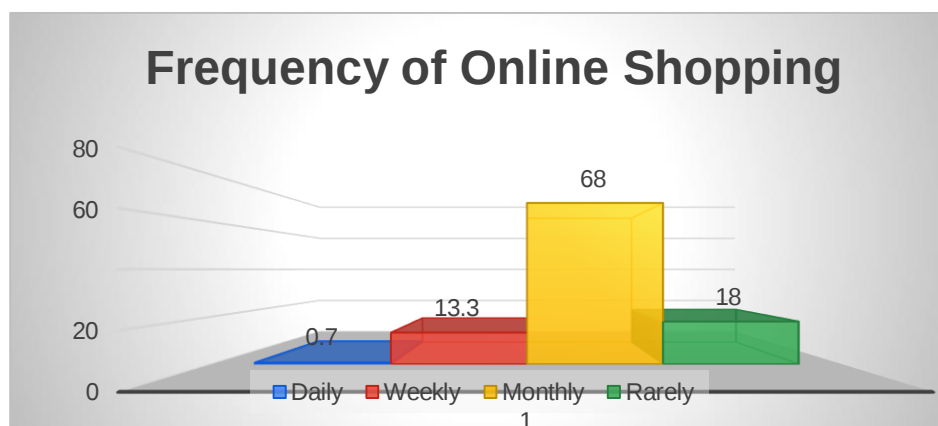
Source: Primary data

From the above table 1 represents the frequency of using online shopping 68% of the respondents using online shopping monthly, 18% of the respondents using online shopping rarely, 13.3% of the respondents using online shopping weekly and 0.7% of the respondents use online shopping daily.

Inference

It is inferred that majority of the respondents (68%) are using online shopping monthly.

FIGURE 1



Source: Primary data

TABLE 2**Average Spending On Online Shopping By The Respondents**

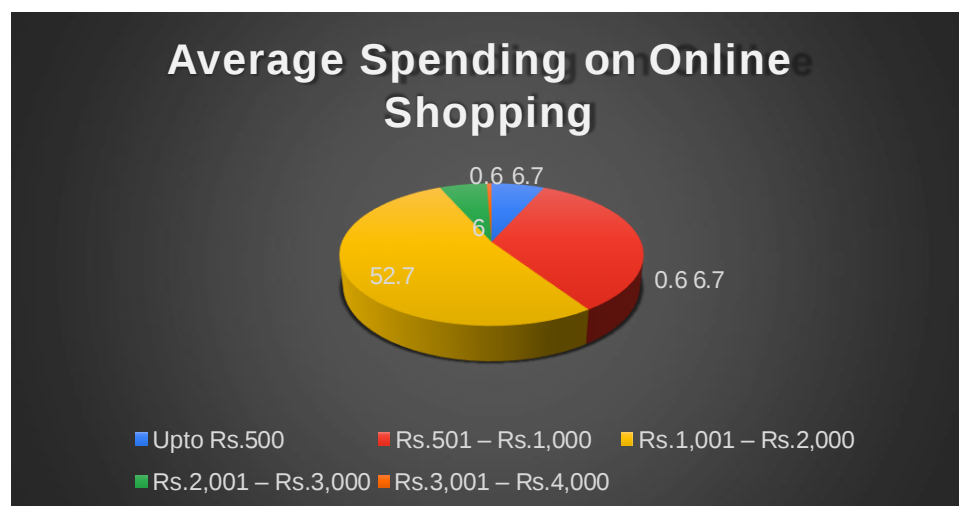
Average spending	No of respondents	Percentage (%)
Upto Rs.500	10	6.7
Rs.501 – Rs.1,000	51	34
Rs.1,001 – Rs.2,000	79	52.7
Rs.2,001 – Rs.3,000	9	6
Rs.3,001 – Rs.4,000	1	0.6
Total	150	100

Source: Primary data

From the above table 2 shows that 52.7 % of the respondents have average spending of Rs.1, 001 – Rs.2, 000, 34% of the respondents spend in between Rs.501 – Rs.1, 000, 6.7% of the respondents spend uptoRs.500, 6% of the respondents spend in between Rs.2, 001 – Rs.3, 000 and 0.6% of the respondents spend average of Rs.3, 001 – Rs.4, 000 in online shopping.

Inference

It is inferred that the majority of the respondents (52.7%) are spending average of Rs.1, 001 –Rs.2, 000 in online shopping.

FIGURE 2

Source: Primary data

TABLE 3**Influence of AI in online shopping behaviour by the respondents**

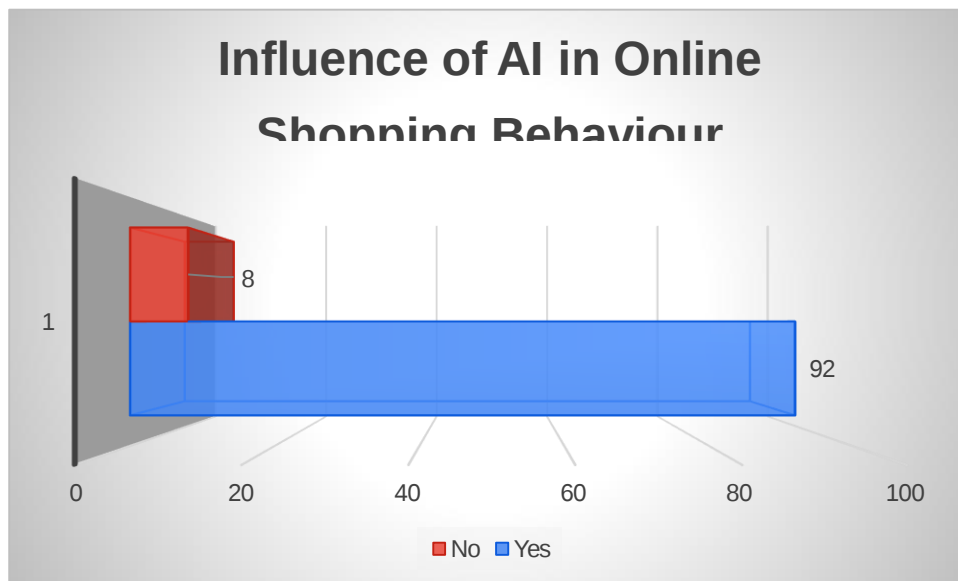
Influence of AI	No of respondents	Percentage (%)
Yes	138	92
No	12	8
Total	150	100

Source: Primary data

From the above table 3 depicts that 92 % of the respondents were influenced by AI in their online shopping behaviour, 8% of them were not influenced by AI in their online shopping behaviour.

Inference

It is inferred that the majority of the respondents (92 %) were influenced by AI in their online shopping behaviour.

FIGURE 3

Source: Primary data

TABLE 4
Mode of Payment by the respondents

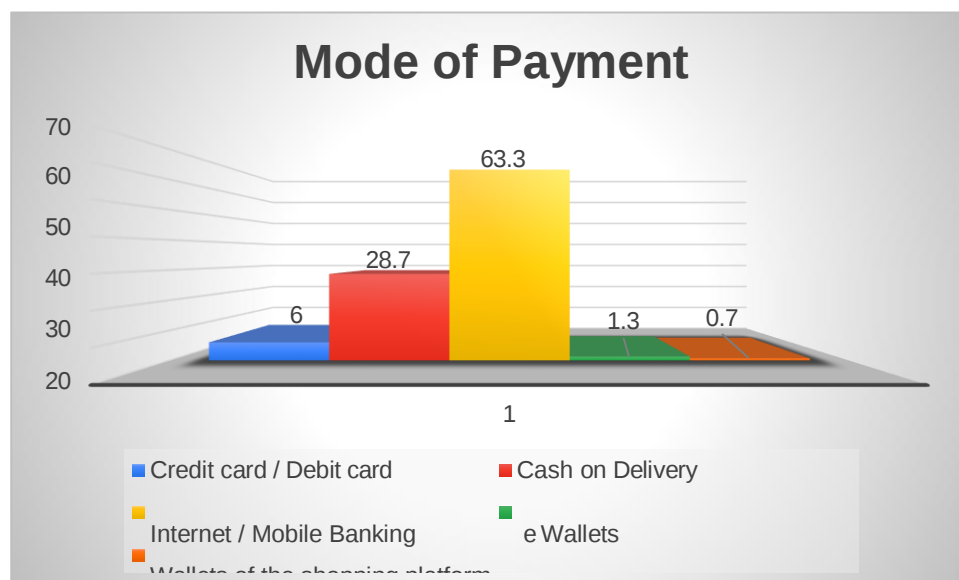
Mode of payment	No of respondents	Percentage (%)
Credit card / Debit card	9	6
Cash on Delivery	43	28.7
Internet / Mobile Banking	95	63.3
e Wallets	2	1.3
Wallets of the shopping platform	1	0.7
Total	150	100

Source: Primary data

From the above table 4 depicts that 63.3 % of the respondents prefer Internet/Mobilebanking, 28.7% of the respondents prefer Cash on Delivery, 6% of the respondents prefer Credit/Debit card, 1.3% of the respondents prefer e Wallets and 0.7% of the respondents prefer Wallets of the Shopping platform.

Inference

It is inferred that the majority of the respondents (63.3 %) prefer Internet/Mobile banking.

FIGURE 4


Source: Primary data

TABLE 5
AI INCREASED THE CONVENIENCE IN ONLINE SHOPPING

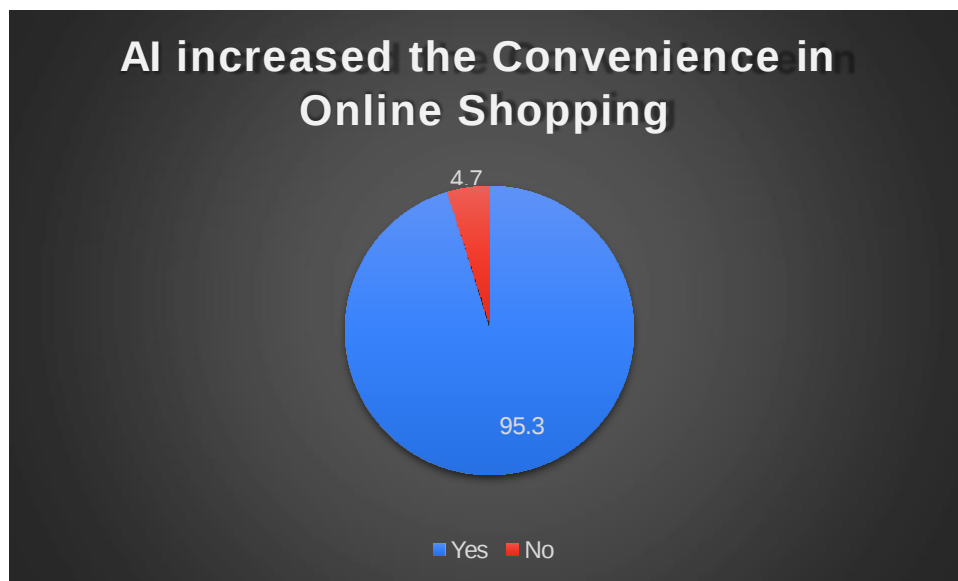
Classification	No of respondents	Percentage (%)
Yes	143	95.3
No	7	4.7
Total	150	100

Source: primary data

From the above table 5 shows that 95.3 % of the respondents felt that AI has increased their convenience in online shopping, 4.7% of them felt that AI has not increased their convenience in online shopping.

Inference

It is inferred that the majority of the respondents (95.3 %) felt that AI has increased their convenience in online shopping.

FIGURE 5


Source: Primary data

FINDINGS

- It is inferred that a high proportion of the respondents are female (52%).
- Almost all respondents (92 %) are influenced by AI in their online shopping behaviour.
- It is found that around three-fourth majority of the respondents (86.7 %) have never felt regretted in making impulse purchase using AI.

- It is found that half the majority of the respondents (50%) think that contribution of AI maybe increase the impulse buying in online shopping.

SUGGESTIONS

- Educate customers about how AI systems analyze their browsing behaviour and preferences to personalize product recommendations, potentially influencing impulse buying decisions.
- The companies can adopt AI tools to increase the sales and satisfy the customers to the maximum.
- Use of AI-powered chatbots to provide personalized product recommendations and assistance during the shopping process.
- Analyze customer feedback and behaviour patterns for further improvement.

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