

Determinants of Customer Loyalty Towards E - Tailers in India : An Empirical Study

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Abstract

Purpose : This paper attempted to identify the factors responsible for e-loyalty among online shoppers in India. The study was mainly focused on online shoppers residing in tier I and II cities of India.

Research Methodology : A structured questionnaire was developed with the help of previous literature on customer loyalty in e-commerce. This was mainly guided by the study of Srinivasan, Anderson, and Ponnnavolu (2002). A survey method was adopted to collect data from the respondents actively engaged in online shopping. The study involved usage of exploratory factor analysis, ordinary least square (OLS), *t*-test, and ANOVA to gauge the significant variables driving customer e-loyalty.

Research Findings : The present study documented five significant variables that affected e-loyalty of online shoppers in India. These are Choice, Community, Cultivation, Convenience, and Character. The research also exhibited variation in e-loyalty across the demographic variables.

Contribution : The present study contributes to extant literature by bridging the gap between theory and practice. It also guides Indian e-tailers by suggesting imperative factors and their relationship with e-loyalty.

Keywords: e-loyalty, e-tail, survey, exploratory factor analysis, ordinary least square

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Unequivocally, E-tail has emerged as one of the fastest growing sectors in India. With enormous funds invested in the form of venture capital and private equity, finding a loyal customer is still a challenging task when the same product is offered at a lower price on a competitor's website, which is a few keystrokes away. The concept of customer loyalty occupies a central place in marketing (Toufaily, Ricard, & Perrien, 2013). The web business demands more loyal customers than even before as competition is just a few keystrokes away and it is a costly affair to acquire a new customer on the web. Therefore, it makes customer e-loyalty an essential parameter in an economic as well as a competitive sense.

Customer retention ensures increasing profitability from the long term committed customers and reduces the drain of margins caused by acquiring new expensive customers. According to Reichheld and Schefter (2000), an increase in 5% customer retention across various industries has resulted in the rise in profit in the range of 25% to 95%. They further asserted that there was no fundamental difference between customer loyalty generated through online and offline businesses. The principle of loyalty becomes more powerful than ever due to the radical shift of a

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business from physical to digital space. The importance of studying e-loyalty becomes more imperative when it has been documented in the literature that profits of firms have been increased with the long-term relationships between customer and the e-tailer. Undoubtedly, profits determine the survival of any business, and literature proves that long term relationship with customers ensures profitability of the business. Therefore, to make the profit margins certain in the future, a firm must work on building loyalty among customers. Interestingly, profitable customers are loyal for an e-tailer firm.

Profitable customers are those who value the convenience of Internet shopping and appreciate the enhanced functionality a website can provide. They bookmark their favourite websites, return to them often, and use them for information and entertainment and multiplicity of transactions. The loyalty rule always applies on successful e-tailers. They believe in customer retention and their focus is on the delivery of a superior customer experience that will motivate customers to return.

Nowadays, the web is empowering customers, making them more demanding of a great shopping experience, and consequently, fickle than ever before. Customers today have the world at their fingertips and keeping them loyal has become even more difficult. Especially when the competition is cut throat, and options are endless. Therefore, websites are failing at an alarming rate. Recently, 800 Indian companies in the dot com domain, mainly e-commerce, online education, and mobile software were identified as either dead or dying by a Bengaluru based firm (Rai, 2016), creating India's own version of dot-com bust. It is more obvious than ever before that success lies not only in attracting customers, but in retaining them. Although many of the strategies for building loyalty remain unchanged, many companies have failed to learn how to transfer these techniques to the web.

For e-loyalty, there is a need of a definitive and essential step-by-step guide to creating and managing highly effective online loyalty and retention strategies. In Internet parlance, it is important to create "site stickiness" (Smith, 2000). The present study has tried to understand the factors that drive e-loyalty for e-tailers in India. This study shed lights on the parameters affecting e-loyalty of Indian online shoppers. This is among the very few studies conducted in India on the components of e-loyalty. It thereby assists the budding and existing e-tailers in making their strategies associated with the building of e-loyalty among customers.

Research Rationale

The definition of loyalty has emerged from behavioural sciences (Frank, 1967). Loyalty has been examined from the attitudinal dimensions and repeat purchase behaviours (Dick & Basu, 1994). Recent researchers have adopted a processual approach to conceptualize loyalty (McMullan & Gilmore, 2003). Toufaily, Ricard, and Perrien (2013) also defined that the concept of loyalty develops in a sequential manner and consists of four phases : namely - cognition, affection, conation, and action. Moreover, this occurs despite the interference of situational factors and marketing actions. According to Allagui and Temessek (2004), emergence of a digital platform for buying and selling of various products and services enhances the need to develop a theoretical and empirical examination of factors that governs the trading within this evolving context.

The growing number of academic studies about online customer loyalty or e-loyalty shows that diversity existed regarding the measurement and conceptualization of online loyalty. Different researchers have identified different dimensions for measuring variables affecting the e-loyalty. The current study has discussed the antecedents of e-loyalty in the Indian context. E-commerce deals with the buying or selling of goods and services or the transmitting of funds or data over an electronic platform, mainly the Internet. The Indian online market has observed phenomenal growth in business to customer (B2C) electronic commerce. The global nature of the Internet, its vast reach, and different interactive capabilities have made it an imperative marketing and trading medium for various firms. Hence, the expansion of the Internet has increased the popularity of electronic retail channels. The changing demography of developing economies promises many opportunities for web-based retail models (Khare & Rakesh, 2011).

As an emerging economy, India presents a potential market for e-tailers. According to a report of Pricewaterhouse Coopers (2016), e-tailing, which comprises of online retail and online market places, has become the fastest growing segment with a CAGR (compounded annual growth rate) of around 56% over 2009-2014. Books, apparel, accessories, and electronics are the largest selling products through e-tailing, constituting around 80% of product distribution. However, after achieving 180% growth in 2015 amounting to 12.91 billion USD in 2015, the year 2016 proved to be a speed breaker year for Indian e-tail with a growth rate of 12% and revenues of 14.5 billion USD. Speed breakers were caused by the government's restrictions on discounting and marketplace, slow new customer acquisition, demonetization, and fund drying ("Indian e-tail industry grew by 12% to \$14.5 billion in 2016: Report," 2017). Thus, it becomes the need of the hour to study factors that affect e-loyalty as loyal customers will always be the key to success, especially when slow new customer acquisition is seen as a hurdle to growth. Jana and Chandra (2016) also focused on the importance of loyalty and to build effective marketing strategies to enhance customer loyalty.

Nowadays, researchers have been focusing their interest towards the dimensions of e-loyalty. Researchers across the world identified different variables of e-loyalty and examined their impact on business relationships (Luarn & Lin, 2003 ; Ribbink, van Riel, Liljander, & Streukens, 2004).

The current study examines the impact of 8Cs on e-loyalty of Indian customers. These 8Cs were derived from the study of Srinivasan, Anderson, and Ponnnavolu (2002) on U.S. online shoppers and are namely Customization, Contact interactivity, Cultivation, Care, Community, Choice, Convenience, and Character. Therefore, the study also aims to examine the difference between the perspective of online shoppers in U.S. and India. Each factor has been discussed in brief below :

(i) Customization : It is the extent to which an e-tailer website recognizes an individual customer and customizes itself to his/her needs to provide an overall fulfilling experience while browsing, selecting, and transacting on the website. As browsing through hundreds of products, the experience becomes confusing and frustrating as well (Lidsky, 1999). Customization helps improve the navigation experience and increases the overall experience (Schrage, 1999). Customers receive various advertisements, promotions, etc. based on their earlier purchase or browsing history on e-tailers website, which allows them to instantly access the desired product.

(ii) Contact Interactivity : It is very important for a customer to gather complete information before buying a product online. Sometimes, the information provided on the e-tailer's website is not adequate and the customer requires additional information. Contact interactivity enables the customer to get immediate support through two-way communication, which helps in accessing the additional information required (Deighton, 1996; Watson, Akselsen, & Pitt, 1998). Interactivity enables various methods such as search tool ; the comparison tool enables the customer to search out products he/she needs and compare it with other products with an ease.

(iii) Cultivation : In order to cultivate a relationship with customers, e-tailers frequently contact customers by sending them offers on email, SMS, etc. based on their past purchases, which sometimes include discounts, referral codes, coupons, etc. Sending information in advance to the customer urges him/her to revisit the e-tailer and purchase the desired product. With the help of customer database, it becomes an inexpensive method to attract the customer too (Berger, 1998). It also decreases the likelihood for additional search of that product online. Cultivation helps in retaining customers and builds long lasting relationships.

(iv) Care : It refers to caring about the customer who comes on an e-tailer's website so that he/she gets a hassle-free user experience and in case if a customer is struck somewhere, proper aid is available to overcome the issue in time. Websites take care of their customers by informing them about product availability, expected delivery schedule, and other details. A responsive customer care service always cultivates relationships, whether the issue is related to delay in delivery, billing, or company's returns.

(v) Community : A virtual community consists of existing buyers and potential buyers and usually managed by an e-tailer so that users can share their experience, knowledge, attributes of a product. Usually, a customer can comment, rate a product, and see comments posted, ratings given by others, which in turn, help in better decision making.

(vi) Choice : It refers to a wide range of product categories and greater variety of products in each category. Availability of a wide range of products at an e-tailer helps the customer in terms of reduced search cost, time, and efforts as compared to finding alternatives with other vendors (Bergen, Dutta, & Shugan, 1996).

(vii) Convenience : It is the extent to which a website is simple, intuitive, and requires minimal customer efforts leading to fast processing of transactions (Schaffer, 2000). Cameron (1999) noted that customers are less likely to revisit a website if it frustrates them in accessing information or it is time consuming. A website that is convenient to use is always preferred by the customers.

(viii) Character : A website that is designed creatively can help an e-tailer in building a positive favourable reputation and character in minds of customers. Budman (1998) argued that website as a medium is more comprehensive and effective than a television and newspaper.

According to Corstjens and Lal (2000), e-loyalty is analogous to the concept of loyalty to a store through repeat visit behavior and purchase of various brand items in an online store. Gefen (2002) attested the fact that online loyalty relates to convincing the customers to return to the website and make further purchases on the same site. Recently, the focus of research has been shifted from the concept of brand loyalty to e-loyalty with respect to e-tail. Further, the systematic review performed by Toufaily et al. (2013) on the studies based on the concept of customer loyalty to a commercial website found that the research on the concept of e-loyalty is very scarce in the Indian context. Therefore, there is a pressing need to study the variables defining e-loyalty among Indian online shoppers. This justifies the rationale behind the present study. According to Kumar, Gupta, and Kishor (2016), the subject of customer loyalty is under-researched in India and there is an absence of comprehensive work in this field. Moreover, the growing importance of digital market also calls for an exhaustive research to find out the factors affecting the loyalty of online shoppers in India. Further, e - shopping is a relatively new concept in India, and therefore, presents an emerging and interesting field for researchers to gauge and develop new empirical results.

Research Design

The present study adopted the primary survey method for data collection. Given the difficulty of surveying customers involved in online shopping, the study gathered data from the tier 1 and tier 2 cities of India, namely Delhi, Gurgaon, Jaipur, Mumbai, Ahmedabad, Hyderabad, Chennai, and Bengaluru. The present study was conducted during the period of January to April 2017 ; 342 usable responses were obtained due to the respondents' participation. An instrument with multiple item scales for the constructs of interest was taken from the study of Srinivasan et al. (2002). The instrument was divided into three parts. The first part comprised of the demographic details of the respondents which included their gender, age, education, and occupation ; the second part dealt with questions related to the experience in online surfing and amount spent on online shopping during the past six months, and the respondents were also asked to rank e-tailers based on their preference. The final part consisted of the statements related to the 8Cs discussed in the section of Research Rationale.

These statements have been measured on a 7-point Likert type scale, where 1 = *strongly disagree* ; 2 = *disagree* ; 3 = *somewhat disagree* ; 4 = *neither agree nor disagree* ; 5 = *somewhat agree* ; 6 = *agree* ; and 7 = *strongly agree*. E-loyalty has been measured using items adapted from Gremler (1995) and Zeithaml, Berry, and Parsuraman

(1996). Parametric tests assume that measurement of the data should be at least on an interval scale (Field, 2009). The survey measures factors affecting the e-loyalty of Indian customers on a 7-point interval scale. The pilot testing was done on 68 responses, and it was found that few items related to the constructs had not been loaded, as expected, in the factor analysis. Therefore, we dropped these items and further, the data were collected for the revised items as per the results of factor analysis. We examined the normality of the distribution and found that value of skewness and kurtosis of each variable measured on an interval scale fell in the acceptable range of ± 2 (George & Mallery, 2010). The validity of the instrument was tested by the subjects as well as industry experts, and the reliability of the items was examined with the help of Cronbach's alpha. The internal consistency estimates of all scales were above the cut-off point of 0.7 as recommended by Nunnally and Bernstein (1994), except Customization, which was also approximately in the acceptable range of 0.7. The values of Cronbach's alpha are given below :

E-loyalty = 0.904 ; Character = 0.883; Convenience = 0.851; Choice = 0.951; Community = 0.865; Care = 0.733; Cultivation = 0.753; Contact Interactivity = 0.822; Customization = 0.665

🔗 **Sample Description :** The profile of the respondents who participated in the study has been described by the information related to their basic demographics (gender, age, education, and occupation) and their engagement with digital space (see Table 1).

The study includes 55% women and 45% men respondents. Most of the respondents were post graduates (67.3%) followed by graduate students (29.3%). Majority of the participants were students (78.1%) and fell under the age bracket of 21-30 years (85.4%). It indicates the growing interest of young population towards online shopping. Interestingly, 59% had an Internet surfing experience of more than 5 years. The data indicates that majority of the participants had a browsing experience of more than 2 years. Most of the respondents (59.6%) had spent approximately ₹ 6,000 in online shopping during the last six months.

The study has also presented the percentage of respondents assigning a rank to their preferred e-tailer (see Table 2). Majority of the respondents selected Amazon (36.3 %) as their first choice for online shopping followed by Flipkart (26.9 %) and Myntra (19.9%). By contrast, 49.7 % of the respondents chose others as their last choice.

Table 1. Respondent Profile

| Parameter | Category | N | % | Parameter | Category | N | % |
|---|----------|-----|------|--|-----------------|-----|------|
| Gender | Male | 154 | 45 | Education | Graduation | 100 | 29.2 |
| | Female | 188 | 55 | | Post-Graduation | 230 | 67.3 |
| Age (yrs) | | | | | Others | 12 | 3.5 |
| | < 21 | 20 | 5.8 | Occupation | Student | 264 | 78.1 |
| | 21-30 | 292 | 85.4 | | Salaried | 64 | 18.9 |
| | 31-40 | 28 | 8.2 | | Businessman | 6 | 1.75 |
| | >40 | 2 | 6 | | Housewife | 2 | 0.6 |
| Experience in Internet Surfing (yrs) | < 1 | 24 | 7 | Amount Spent in online shopping (INR) | < 500 | 32 | 9.4 |
| | 1 to 2 | 8 | 2.3 | | 501-2500 | 114 | 33.3 |
| | 2 to 3 | 44 | 12.9 | | 2501-6000 | 90 | 26.3 |
| | 3 to 4 | 64 | 18.7 | | 6001-12000 | 42 | 12.3 |
| | > 5 | 202 | 59.1 | | >12000 | 64 | 18.7 |

Note : N = number of respondents; % = percentage of respondents (total respondents = 342)

Table 2. Ranking of E-Tailers by Respondent Online Shoppers

| Ranking of E-Tailers | | | | | | |
|----------------------|----------------|-----------------|----------------|-----------------|----------------|--------------|
| E-tailers | First Choice % | Second Choice % | Third Choice % | Fourth Choice % | Fifth Choice % | Last Choice% |
| Flipkart | 26.9 | 39.8 | 16.4 | 9.4 | 4.1 | 3.5 |
| Amazon | 36.3 | 29.2 | 17.0 | 6.4 | 4.7 | 6.4 |
| e bay | 4.7 | 5.8 | 15.8 | 21.6 | 24.0 | 28.1 |
| Pay-tm | 7.0 | 11.1 | 24.0 | 30.4 | 20.5 | 7.0 |
| Myntra | 19.9 | 8.8 | 23.4 | 21.6 | 21.1 | 5.3 |
| Others | 5.3 | 5.3 | 3.5 | 10.5 | 25.7 | 49.7 |

Note : Others include Limeroad, Voonik, Nykaa, Jabong etc

Data Analysis and Results

A factor analysis of the current results was performed using the principal component analysis (PCA) method of extraction. Bartlett's test of sphericity, which tests the overall significance of all the correlations within the correlation matrix, is significant ($\chi^2(378) = 6478.06$, $p < 0.001$). It clearly indicates that it is appropriate to use this factor analytic model on this data set. The Kaiser-Meyer-Olkin measure of sampling adequacy indicates that the strength of the relationships among variables is high (KMO = .823), thus it is acceptable to proceed with the analysis. Initially, nine factors having Eigen values more than 1 have been included in the analysis. The analysis employs varimax method of rotation because the extracted factors are uncorrelated with each other. Only items with factor loadings above 0.5 have been expressed in the analysis.

The Factor 1 is found to be robust with a high Eigen value of 8.450, and it accounts for 30.2% of the variance in the data. Factor 2 has an Eigen value of 2.697 and accounts for a further 9.6% of the variance in the data. Factors 3 and 4 have Eigen values of 2.272 and 2.029 and account for 8.1% and 7.3% variance in the data, respectively. Other five factors have Eigen value more than one and they cumulatively explain 22% of the variance in the data. All the nine factors collectively explain 77% of the variance in the data.

The rotated component matrix reveals that Factor 1 consists of five items. This factor has been labelled as E - Loyalty and has a high internal consistency (0.905). Factor 2 comprises of four items and has been labelled as Choice. Factors 3, 4, and 5 include three items each and have been named as Community, Character, and Customization, respectively. Factors 6, 7, 8, and 9 include two items each and have been tagged as Care, Convenience, Contact Interactivity, and Cultivation, respectively. The individual factor loading (see Table 3) of each item loaded in the extracted factors is higher than 0.5 and this is in accordance with Hair, Black, Babin, Anderson, and Tatham (1998).

Factor loadings obtained for each item have been multiplied with each response in the respective items. Then the mean score for each variable has been computed for multiple regressions. The central objective of the study examines the factors affecting the e-loyalty of online shoppers. Therefore, e-loyalty is the dependent variable, and the independent variables are the 8Cs (extracted factors after factor analysis). All the assumptions associated with multiple regressions have been tested prior to the analysis. For multiple regressions, the dependent and independent variables must be associated with each other and this has been examined with the correlation matrix presented in the Table 4.

To determine the strength of association between e-loyalty and the 8Cs, Pearson coefficient of correlation has been used. The strongest statistically significant positive correlation occurs between F1m and F4m (0.597) followed closely by F1m and F7m (0.490) and F1m and F2m (0.480). It is evident from the Table 4 that all the independent variables are positively associated with the dependent variable. The presence of multicollinearity

Table 3. Factor Loading Matrix

| Factors | Items | FLs | Cronbach Alpha |
|------------------------------|--|-------|----------------|
| E- Loyalty | I try to use the website whenever I need to make a purchase. | 0.77 | 0.905 |
| | When I need to make a purchase, this website is my first choice. | 0.789 | |
| | I like using this website. | 0.78 | |
| | To me, this website is the best e- tail website to do business with. | 0.751 | |
| | I believe that this is my favorite e- tail website. | 0.745 | |
| Choice | This website provides a "one-stop shop" for my shopping needs. | 0.853 | 0.951 |
| | This website does not satisfy most of my online shopping needs. | 0.87 | |
| | The choice of products at this website is limited. | 0.909 | |
| | This website does not carry a wide selection of products to choose from. | 0.908 | |
| Community | Customers of this website benefit from the community sponsored by the website. | 0.675 | 0.869 |
| | Customers share a common bond with other members of the customer community sponsored by the website. | 0.881 | |
| | Customers of this website are not strongly affiliated with one another. | 0.868 | |
| Character | This website design is attractive to me. | 0.638 | 0.883 |
| | For me, shopping at this website is fun. | 0.801 | |
| | This website does not feel inviting to me. | 0.83 | |
| Customization | This website enables me to order products that are tailor-made for me. | 0.577 | 0.665 |
| | The advertisements and promotions that this website sends to me are tailored to my situation. | 0.826 | |
| | This website makes me feel that I am a unique customer. | 0.823 | |
| Care | I have experienced problems with billing with respect to my earlier purchases at this website. | 0.726 | 0.733 |
| | I feel that this website is not responsive to any problems that I encounter. | 0.816 | |
| | Navigation through this website is not very intuitive. | 0.875 | |
| Convenience | A first-time buyer can make a purchase from this website without much help. | 0.853 | 0.852 |
| | This website has a search tool that enables me to locate products. | 0.896 | |
| | This website does not have a tool that makes product comparisons easy. | 0.865 | |
| Contact Interactivity | I do not receive reminders about making purchases from this website. | 0.892 | 0.753 |
| | This website sends me information that is relevant to my purchases. | 0.755 | |

Note : FLs = Factor Loadings

between the variables has been negated by the values of tolerance and variance inflation factor (see Table 4).

The prime hypothesis for this study refers to the impact of 8Cs on the e-loyalty of online shoppers in India. This led to the formulation of following sub hypotheses:

↻**H_a**: Choice is positively associated with E - Loyalty.

↻**H_b**: Community is positively associated with E - Loyalty.

↻**H_c**: Character is positively associated with E - Loyalty.

↻**H_d**: Customization is positively associated with E - Loyalty.

↻**H_e**: Care is positively associated with E - Loyalty.

Table 4. Correlation Matrix

| | F1m | F2m | F3m | F4m | F5m | F6m | F7m | F8m | F9m | TV | VIF |
|-----|--------|--------|---------|--------|--------|--------|--------|--------|-----|------|-------|
| F1m | 1 | | | | | | | | | | |
| F2m | .485** | 1 | | | | | | | | .716 | 1.396 |
| F3m | .319** | .360** | 1 | | | | | | | .703 | 1.422 |
| F4m | .597** | .419** | .325** | 1 | | | | | | .684 | 1.463 |
| F5m | .211** | .114* | .303** | .217** | 1 | | | | | .856 | 1.168 |
| F6m | .076 | .083 | -.241** | .080 | -.015 | 1 | | | | .829 | 1.206 |
| F7m | .490** | .295** | .147** | .331** | .095 | -.052 | 1 | | | .828 | 1.207 |
| F8m | .162** | .122* | .040 | .184** | .188** | .215** | .184** | 1 | | .878 | 1.139 |
| F9m | .362** | .262** | .123* | .350** | .180** | .173** | .197** | .168** | 1 | .823 | 1.216 |

Note : ** and * present significance level of .001 and .05, respectively; F1m = E - Loyalty; F2m = Choice ; F3m = Community; F4m = Character ; F5m = Customization ; F6m = Care ; F7m = Convenience; F8m = Contact Interactivity ; and F9m = Cultivation; TV = Tolerance Value; VIF = Variance Inflation factor

↳ **H_f**: Convenience is positively associated with E - Loyalty.

↳ **H_g**: Contact Interactivity is positively associated with E - Loyalty.

↳ **H_h**: Cultivation is positively associated with E - Loyalty.

To capture the joint impact of the 8Cs, the study has applied the following multiplicative model:

$$F1m = \alpha + \beta_1 F2m + \beta_2 F3m + \beta_3 F4m + \beta_4 F5m + \beta_5 F6m + \beta_6 F7m + \beta_7 F8m + \beta_8 F9m \dots \dots \dots (1)$$

where, α = constant; β_{1to8} = regression coefficients of predictor variables used in this study.

F1m = E- Loyalty ; *F2m* = Choice ; *F3m* = Community; *F4m* = Character ; *F5m* = Customization ; *F6m* = Care; *F7m* = Convenience; *F8m* = Contact Interactivity, and *F9m* = Cultivation.

The ordinary least square method demonstrates the impact of the e - business characteristics on e-loyalty on online shoppers in India (see Table 5).

Table 5. Results of Regression Analysis

| | β Coefficient | Std. Error | t -stat | p- value |
|---------------------|---------------------|------------|---------|----------|
| (Constant) α | 0.487 | 0.266 | 1.835 | 0.067 |
| F2m | 0.130 | 0.031 | 4.191 | 0.000*** |
| F3m | 0.066 | 0.037 | 1.789 | 0.075* |
| F4m | 0.312 | 0.041 | 7.537 | 0.000*** |
| F5m | 0.047 | 0.041 | 1.153 | 0.250 |
| F6m | 0.032 | 0.025 | 1.268 | 0.206 |
| F7m | 0.228 | 0.033 | 6.880 | 0.000** |
| F8m | -0.016 | 0.034 | -0.487 | 0.626 |
| F9m | 0.103 | 0.039 | 2.628 | 0.009** |

Note : ***, **, * indicate significance level of 0.01, 0.05, and 0.10, respectively ; R^2 = 51.7%; Adjusted R^2 = 50.5%; Durbin Watson = 2.118; F statistics = 44.527; p = 0.000

Table 6. E - Loyalty Across the Respondents' Profile

| Variables | Categories | N | Mean | t/F - Stats | p - value |
|--|-------------------|----------|-------------|--------------------|------------------|
| Gender | Male | 154 | 4.475 | 1.877 | .061* |
| | Female | 188 | 4.310 | | |
| Age (in years) | <21 | 20 | 4.772 | 2.797 | 0.04** |
| | 21-30 | 292 | 4.336 | | |
| | 31-40 | 28 | 4.625 | | |
| | >40 | 2 | 4.143 | | |
| | | | | | |
| Education | Graduation | 100 | 4.370 | 2.135 | 0.12 |
| | Post Graduation | 230 | 4.366 | | |
| | Others | 12 | 4.857 | | |
| Occupation | Student | 264 | 4.345 | 1.102 | 0.356 |
| | Salaried | 64 | 4.483 | | |
| | Businessman | 10 | 4.836 | | |
| | Housewife | 4 | 4.222 | | |
| Experience in Internet Surfing | < 1 year | 24 | 4.041 | 3.075 | 0.006*** |
| | 1-2 years | 8 | 5.254 | | |
| | 2-3 years | 44 | 4.226 | | |
| | > 4 years | 202 | 4.455 | | |
| Amount spent in online shopping (INR) | < 500 | 32 | 3.751 | 7.884 | 0.000*** |
| | 501-2500 | 114 | 4.504 | | |
| | 2501-6000 | 90 | 4.272 | | |
| | 6001-12000 | 42 | 4.429 | | |
| | > 12000 | 64 | 4.616 | | |

Note : ***, **, * indicate significance level of 0.01, 0.05, and 0.10, respectively

The results demonstrate that the above multiplicative model explains 50% of the total variance in the data. The value of Durbin - Watson statistics also reveals the non-existence of autocorrelation among the residuals of the variables under investigation. Further, the model is statistically significant at the significance value of 0.01. This has been indicated by the value of *F*0 statistics and the corresponding *p* - values reported in the Table 5.

The results reveal five statistically significant variables affecting the e-loyalty of online shoppers in India. All the variables are positively related with e-loyalty. This implies that all the sub- hypotheses are accepted except H_d , H_e , and H_g .

The positive impact of Choice, Community, Character, Convenience, and Cultivation indicates that improving upon these factors, e-tailers can maintain loyalty of their previous customers. However, Customization, Care, and Contact Interactivity are found to be statistically non-significant and have no substantial effect on E - Loyalty of e - shoppers in India. These findings are consistent (variables such as Choice, Community, Cultivation, and Character) with the results of the study conducted by Srinivasan et al. (2002) in USA. Interestingly, the results reported by Srinivasan et al. (2002) did not find Convenience as a significant variable; however, the findings of the present study document it as a significant variable that positively affected the e-loyalty of the online shoppers in India. It evidently reports the contextual and attitudinal difference of online buyers of India and USA. Furthermore, the variables such as Customization, Contact Interactivity, and Care have not shown any statistically significant impact on E - Loyalty. On the contrary, these variables were found to be statistically significant for e - loyalty among online buyers in USA. Hence, it is essentially a challenge for marketers to build and maintain

e - loyalty in this highly competitive e - business environment. Apart from examining the impact of 8Cs on e - loyalty, the present study also analyzes the e - loyalty across demographic profile of the respondents.

The results reveal that E - Loyalty does not differ across educational level and occupation of the respondents. However, significant differences have been observed across various age groups, number of years spent on Internet surfing, and amount spent by respondents in online shopping. Further, E - Loyalty also differs across the gender of the respondents, but the difference is significant at the 10% significance level.

The high mean value of E - Loyalty for the age group of < 21 years shows that young respondents were more loyal as compared to the respondents belonging to other age groups. It implies that young generation is keener towards online shopping and evidently indicates towards the changing attitude of Indian consumers towards their shopping styles. Those having experience of Internet surfing for more than 1 year showed higher E - Loyalty for e - tailers as compared to other categories of the variable. Consumers spending more than ₹12,000 were more loyal in relation with others (see Table 6).

Managerial and Research Implications

E-tailers can introduce a monitoring system which would enable them to gauge the customer perceptions for the discussed 8Cs. It can help them in taking appropriate action as and when any of these dimensions fall below acceptable levels. The present study suggests that e-tailers should target young customers, especially below 21 years, as they are found to be more loyal than others and are keen in online shopping compared to the older age groups. The study also indicates that customers who spend more amount on online shopping are more loyal, and e-tailers should retain them at any cost.

From the research perspective, the results provide an early conceptualization of the relevant factors of e-loyalty in the Indian context. It opens the scope for various areas of research. Future studies can be performed to measure the impact of social media on the components of e-loyalty. Future studies can also consider the moderating role of demographic factors in assessing the e-loyalty of customers for e-tailers.

With increased penetration of the Internet due to mobile technologies such as 2G, EDGE, 3G, 4G, and availability of low cost computing devices with Internet access (as smartphones and tablets), India has become a favourite destination for e-tailers. This has resulted into intense price competition and consequently, has resulted into lower profit margins. To compete successfully, e-tailers have to maintain and develop parameters associated with the creation of e-loyalty among the customers for their business. Therefore, e-tailers must understand the factors or variables affecting the e-loyalty of online shoppers in India. They should specifically design these factors to fit into their specific offerings and systematically manage the subsequent behaviour outcomes of e-loyalty.

Conclusion

Recent studies on e-loyalty indicate the metamorphosis of brick and mortar market place into a digital space. The present research has examined the eight factors that potentially affect e-loyalty. Of the 8Cs considered, Choice, Community, Cultivation, Character, and Convenience have been shown to significantly affect the e-loyalty of Indian online shoppers. The current study has higher significance for the budding and existing e-tailers and it is among the very few studies in the literature of e-loyalty, particularly in the Indian context. As India is emerging as a potential market for the sellers of various consumer products and with the transformational change in the technology and its easy reach and adaptability by the users, the Indian online market has observed a tremendous growth in the past few years. This further enhances the importance of the study.

Limitations of the Study and Avenues for Future Research

There are some limitations of this study that should be considered before interpreting its findings. First, the small size of the present study indicates towards suggestive findings rather than a definite one. Second, the survey research always suffers from non-response bias, which can be a limitation for the current study. Some factors like trust, customer inertia, and satisfaction are also the crucial factors affecting the e-loyalty and ,therefore, future studies can be performed by integrating these factors into the current model.

The study can be extended by including the effect of demographic variables as a moderating variable and the impact of social engagement on the shopping behaviour of online shoppers in India. Further, researchers might also focus their study on a specific sector like apparels or jewellery and can investigate the influence of 8Cs on e-loyalty in case of these sectors.

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