

Consumer Behavior in Omnichannel Retail

Aulia Uswatun Khasanah^{1*}, Ilham Karin Rizkiawan², Fahman Hadi Utomo³, Uli Yuniarti⁴, Multi Sari Dewi⁵

^{1*,2,4,5}Department of Retail Management, Universitas 'Aisyiyah Surakarta, Indonesia

³Department of Entrepreneurship, Universitas 'Aisyiyah Surakarta, Indonesia

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ABSTRACT

Retail industry has undergone significant changes in the digital era, with companies offering multiple channels for shoppers to purchase goods. As a result, consumers now have more options to make shopping decisions. This study aims to examine how consumers behave when buying goods from a retail store that has multiple channels. The research method used was qualitative, and the sample size consisted of 11 fashion product consumers. The results showed that most of the respondents preferred to use online platforms to purchase fashion products. They used these platforms to check for discounts, promotions, and product information. However, they still made purchases offline when attractive offers were available, or to ensure that the product matched their expectations.

Corresponding Author:

Aulia Uswatun Khasanah,
Retail Management Department, Universitas 'Aisyiyah Surakarta,
Jalan Ki Hajar Dewantara No. 10 Surakarta, Indonesia.
Email: auk@aiska-university.ac.id

1. INTRODUCTION

In the past few years, technological progress has prompted numerous companies to include shopping channels in their operations. Retail businesses are no longer limited to physical stores as they are now integrating online channels accessible through the internet to provide consumers with a more enhanced shopping experience. The integration of channels, along with the rise of social media, new devices, and applications, poses a challenge not only to companies but also to consumers, as it leads to a significant shift in consumer behavior [1]. Consumers now expect a seamless shopping experience across multiple channels, making the term 'omnishopper' increasingly relevant [2]. An omnishopper is a consumer who uses various channels to search for information and make purchases. They might use an app to learn about a product, compare prices on different websites, and ultimately buy the product in a physical store. In an omnichannel environment, these channels are used interchangeably during the search and purchase processes. This can make it challenging for retailers to control how consumers use these channels [1],[3]. According to most research on the attitudes of final consumers, purchases made through multiple channels occur long after the system has been adopted. While initial adoption is the first step in long-term use, the factors that influence use may differ from those that influence initial adoption, or the degree of influence may vary [4]. Many studies have investigated the factors that affect the decision of omnishoppers to embrace new technology. The reasons behind why people behave in certain ways towards technology have mainly centered on practical beliefs, such as the perceived usefulness and ease of use of the technology, as the main drivers of their intention to use it [5]. Previous studies in consumer behavior suggest that enjoyment and social image are important factors in technology acceptance [6].

This research aims to understand why customers choose certain channels to search and purchase. So researchers differentiate between channel choice decisions for searching and channel choice decisions for purchasing. These behaviors are independent of each other, in that the consumer may select channels for search and purchase or for one behavior but not for another. Based on the Theory of Reasoned Action (TRA) it is assumed that consumers' perceptions of search and purchase attributes from each channel are translated

into searches or purchases [7],[8]. This research aims to identify consumer shopping behavior across all channels, with a focus on channel choice and usage.

According to the Theory of Reasoned Action (TRA), behavioral intentions are the result of changing behavior. Social norms and individual attitudes towards behavior influence behavioral intentions [9]. Subjective norms are an individual's perception of what society considers to be normal and acceptable behavior. On the other hand, an individual's attitude towards a behavior is based on their own beliefs about it. A person's behavior is influenced by their interests. Behavioral intention is determined by two main factors: the individual's beliefs about the consequences of the behavior and their perception of how those closest to them view the behavior. The Theory of Reasoned Action (TRA) was initially developed with the aim of explaining social behavior, but it was later refined and expanded upon with the Theory of Planned Behavior (TPB).

The beliefs of individuals about the availability of resources and opportunities within the TPB are influenced by their perception of behavioral control. This includes factors such as equipment, compatibility, capabilities, and opportunities. The stronger an individual's belief is about the availability of these resources and opportunities, the more significant their role in realizing the behavior becomes [1].

1.1. Omnichannel Retail

Omnichannel retail, also known as multichannel retail, refers to the practice of selling goods or services through multiple channels simultaneously. In contrast, cross-channel retailing involves selling through multiple channels, but with partial interaction with customers and/or partial integration controlled by the retailer. Retailers can also be classified as cross-channel when they sell through more than one channel but not all channels offer full customer-triggered interaction and full integration controlled by the retailer. Lastly, omnichannel retailing involves selling through all channels, with full customer-triggered interaction and full integration controlled by the retailer [11].

1.2. Purchase decision

Purchasing decisions are actions taken by consumers in purchasing a product or problem solving actions carried out by individuals in selecting alternatives from several alternative problem solutions based on the knowledge possessed by consumers [12]. Decision defines a as involving a choice between two or more alternative actions or behavior [3]. Decisions always require a choice between several different behaviors. Kotler and Keller revealed that the things that consumers consider when making a decision to buy a product are as follows: 1) Product choice, consumers must make a decision in determining what product to buy. 2) Choice of dealer, consumers must make a decision about which dealer to visit. Each consumer is different in terms of choosing a dealer, this can be due to factors such as close location, low prices, complete inventory, convenience of shopping, freedom of place, and so on. 3) Brand choice, consumers must make decisions in determining what brand to buy. 4) Time choice, consumers can make decisions about when they should make a purchase. Therefore, companies must know the factors that influence consumer decisions in purchasing decisions. This aims to enable companies to organize their production and marketing activities. So that the product distribution time determined by the company is in accordance with the purchasing decision chosen by consumers. 5) Number of purchases, consumers can make decisions about how many products they will buy at one time, so companies must prepare a large number of products. 6) Choice of payment method/method, consumers can make decisions about the payment method/method they want to make [12].

2. RESEARCH METHOD

The research conducted in this study used qualitative research methods. These methods are based on either postpositivism or interpretive philosophy, and are used to examine the natural conditions of objects (as opposed to experiments). In qualitative research, the researcher is the primary instrument, and data collection techniques are carried out in a combined, triangulated manner. Data analysis in qualitative research is inductive, and the results emphasize the meaning rather than generalization of the data [14].

A population is a collection of identifiable elements, such as people, products, or organizations, that are of interest to researchers and related to information [15]. In qualitative research, the term "population" is not used, but a social situation, which consists of three components: place, actors and activities [14]. The respondents of this research can be a research social situation that contains these elements. In this research, the population most frequently observed is consumers from Surakarta, who purchase fashion goods.

In qualitative research, samples are referred to as sources, participants, informants, friends and teachers in the research process. They are not referred to as respondents [14]. Since the goal of qualitative research is to obtain as much information as possible, the sample is not statistical, but constructive. The data source comes from a constructive phenomenon that was previously unclear. The number of informants, namely eleven consumers of fashion goods from Surakarta and its surroundings.

Interviews were used to collect data for this research. In-depth interviews are defined as unorganized one-on-one meetings between trained interviewers and respondents [16]. To obtain information,

respondents and interviewers will be interviewed face to face. In this study, each person was interviewed face to face for 30-45 minutes, with pre-made questions. The interviewer tries to create a comfortable atmosphere to talk to the interviewer so that they can speak freely. so that informants can speak more relaxed and openly. This data collection was carried out from February 2022 to June 2022 in Surakarta and its surroundings.

Data analysis is a systematic process of examining various types of collected materials like interview transcripts and field notes to gain a deeper understanding of a subject. It involves searching for patterns, models, or hypotheses, which can be developed through the process of data collection. Once a hypothesis is established, additional data is needed to draw conclusions, which ultimately leads to the formation of a theory. Qualitative data analysis is a crucial step in the research process, as it helps researchers to organize their findings and communicate their discoveries to others clearly [17].

Qualitative data analysis involves several steps that are important to follow in order to gain meaningful insights from the data. These steps generally include data preparation, data coding, data categorization, data analysis, and interpretation of results. Each step requires careful attention and analysis to ensure the accuracy and reliability of the findings. Proper execution of these steps can lead to a better understanding of the data and help in making informed decisions [16]:

- a. Data Collection is the initial step in the process of gathering information or data for research purposes. Researchers can access various sources, such as books or internet websites, to collect more specific information from informants.
- b. Data Reduction involves selecting, simplifying, and transforming data to make it easier to manage and understand. This step allows researchers to focus on the most important information and discard irrelevant data.
- c. Data Display helps qualitative researchers to organize and view information in a way that allows them to identify relationships and develop explanations that connect their findings with existing theories. This step is crucial in presenting the data in a clear and meaningful way.
- d. Drawing and Verifying Conclusions involve determining the themes and patterns identified and how these themes and patterns help answer the research questions. Verification involves checking and cross-checking data to ensure initial conclusions are realistic, supportable, and valid. This step is essential in ensuring that the research findings are reliable and accurate.

3. RESULTS AND ANALYSIS

To gain insights into consumer behavior regarding omnichannel retail, researchers utilized open-ended questions. In this study, seven fundamental questions were employed to delve deeper into respondents' answers.

Table 1. List of Questions

Construct	Question
Experiential Attitude	Do you prefer shopping online or in physical stores? Or do you feel equally comfortable using both platforms?
Instrumental Attitude	Do you prefer shopping online or in physical stores? Or do you feel equally comfortable using both platforms?
Normative Influence	Why did you choose this platform?
Perceived Control	Who recommends the platform?
	a. What made you adopt this method of shopping with this platform?
	b. Are you interested in changing the way you shop to the opposite?
	c. How easy do you feel when using the platform?
Self Efficacy	If you have trouble using the online platform, do you switch to the offline platform or vice versa?

This question was answered by 11 respondents, 7 respondents were female and 4 respondents were male with an age range of 22-45 years.

3.1. Experiential Attitude

According to the survey results, most respondents prefer shopping online, but they still use offline platforms too. They tend to use both channels for their shopping needs. The survey also investigated how often respondents use online and offline platforms. The respondents were divided into two groups: those who use online platforms more frequently, and those who use offline platforms more frequently. The results showed that 9 people prefer online shopping, while 2 others prefer shopping in physical stores. None of the respondents relied solely on one channel, as omnishoppers tend to use multiple channels to find the best deals and maximize convenience. This behavior is in line with previous research [18],[19].

3.2. Instrumental Attitude

The Instrumental Attitude is based on the expected outcomes, either positive or negative, of performing a certain behavior, or in other words, an individual's assessment of the outcomes of the behavior. According to the respondents, omnichannel retail can offer complementary information. It is difficult to rely on only one channel, especially for fashion products. Online channels can provide easy access to information and transactions, while offline channels are necessary to ensure that the product matches the description and pictures. Therefore, using both channels can reduce discrepancies.

3.3. Normative Influence

Although it has long been considered to have a significant influence on behavior and impact on the decision to accept new technology, empirical studies that consider normative influence on technology acceptance are still problematic regarding its measurement [20]. There are 3 answers that encourage respondents to shop using multiple channels. Friends are the most common answer, then family is the next factor and the last is social media influencers.

3.4. Perceived Control

Perceived Control refers to a person's perception of how easy or difficult it is to perform a particular behavior based on their feelings. Shopping through various channels can be challenging as each channel has its own strengths and weaknesses. Respondents believe that online shopping is still better because it can be done at any time and can be carried out alongside daily activities. However, offline shopping can also be satisfying, even though it requires more time and energy to visit a physical store [21].

3.5. Self Efficacy

The researcher utilized the following question in this variable: "Do you switch to the offline platform if you find it difficult to use the online platform, and vice versa?" The willingness to use online platforms is affected by an individual's proficiency in using technology [22]. From this question, the answer was obtained that respondents would not change platforms, they would ask or find out through friends, family or the internet.

4. CONCLUSION

In carrying out fashion product shopping activities, consumers can use more than one channel with different functions in each purchasing decision. The steps that are often carried out online are digging up information before consumers decide to buy, if consumers still have doubts then offline channels become a mainstay to minimize mistakes when purchasing so that consumers feel satisfied when deciding to buy fashion products.

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