

Effect of Online Second-Hand Shopping Experience on Repurchase Intention: Evidence From Indian Shoppers

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ABSTRACT

Research on online shopping experience has been studied intensively over the past years. However, there are only few studies related to online second-hand shopping experience. The present study aims to investigate the effect of online second-hand shopping experience on trust, attitude, and repurchase intention. The results indicate that online second-hand shopping experience has a significant and positive effect on attitude, trust, and repurchase intention. Attitude and trust also have a positive influence on repurchase intention. This study provides implications to second-hand e-retailers to develop marketing strategies to retain the existing customers.

KEYWORDS

Customer Attitude, Customer Trust, India, Online Shopping Experience, Repurchase Intention, Second-Hand

INTRODUCTION

In recent years, the dynamics of shopping patterns have been changing. Customers are so passionate towards buying products through e-commerce portals. People have shifted their shopping patterns from brick-and-mortar to online stores due to its varied advantages (Dholakia and Uusitalo, 2002). Products such as electronics, furniture, apparel, and home appliances are certain product categories that fascinate online buyers and attract huge profits to an online retailer (Overby and Lee, 2006). However, online retailers face many challenges to gain competitive advantage and sustain in the business (Papatla, 2011). Understanding and meeting customer expectations is crucial to e-retailers (Sheth, Sisodia, and Sharma, 2000). Measuring the effect of customer's online shopping experience is pivotal to understand customer expectations and to develop and maintain customer relationships in online platform, since poor online customer experience can generate a loss of 24 per cent of online revenue (Econsultancy, 2011). Hence, e-retailers have to focus on providing a positive online shopping experience in order to survive in today's competitive online shopping environment.

Similar to online shopping, online second-hand shopping is highly booming in India (Singh, 2016). The rise of online second-hand shopping is increasing drastically because of expediency and cheaper rates. It attracts a large customer base by enabling customers to even dispose products respectably

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and still earn profit. Many studies have analysed the concept of online shopping experience in various contexts (e.g., Miyazaki and Fernandez, 2001; Zhou et al., 2007; Bilgihan, Kandampully and Zhang, 2016), only a few research have been conducted on examining the significance of online shopping experience in second-hand context. For instance, few researches have studied factors that motivates the customer to shop second-hand products offline (e.g., Guiot and Roux, 2010; Roux, and Guiot, 2008); few studies on customer initial trust towards online second-hand products (e.g., Lee and Lee, 2005); and few scholars have considered online second-hand business from seller's point of view (e.g., Turunen and Leskinen, 2015). Most of these studies have examined pre-purchase behaviour and motivating factors of online-second-hand consumers. There is a pressing need to investigate the post-purchase behaviour on online second-hand shoppers. Moreover, consumer behaviour often varies between new product and used goods consumption (Anderson and Ginsburgh, 1994). Most of the studies on second-hand shopping are based on developed countries, research on developing countries like India is essential (Kim, Ferrin, and Raghav Rao, 2009).

Hence, this study aims to address the above research gaps by testing the effect of shopping experience on customers' outcome variables. Specifically, this study examines the impact of online second-hand shopping experience on customer's attitude, trust and repurchase intention. The rest of the paper is divided as follows. The next section presents brief review of literature and develops hypotheses. We then present research methodology followed by discussion of findings and implications. Finally, the last section outlines the limitations of the present study and future research directions.

REVIEW OF LITERATURE

Online Shopping Experience

Online shopping has become the topmost activity among internet users (Bigne et al., 2008) and is attaining a popular growth, especially in India (Khare and Rakesh, 2011). According to Comscore (2013), India has the largest population of internet users and more than 100 million users opt for online shopping. As this figure keeps rising every year, online shoppers are becoming more than the number of internet users. This indicates that more users take privilege by shopping online (Farag, Schwanen, Dijst, and Faber, 2007) due to its enormous benefits. For instance, shoppers can buy products/services 24/7 through online and this enables customers to buy the products anytime at anywhere (Ling, Chai, and Piew, 2010). There are also other gains of online shopping such as time saving and comparison of prices with other sellers within a same e-commerce portal as well as other competitive e-commerce companies. In addition, customers can easily track their products, avail discounts, return and get refunds, and buy products from foreign market (Wu, Chen, Chen, and Cheng, 2014). Nevertheless, delivering positive online shopping experience is crucial to an online business firm (Khalifa and Liu, 2007). E-retailers need to implant positive online shopping experience to gain customer loyalty.

Most of the scholars believe that user-friendliness and visual efficiency of online shopping websites bestow best shopping experience (Wolfenbarger and Gilly, 2003). While it is true to some extent, online shopping experience also consist of other factors like interactivity, fun, reliability, accessibility, compatibility, and playfulness (Soopramanien, 2011). All these factors compose the process of online shopping and thus inculcating these variables can evoke a positive online shopping experience. Second-hand shopping is the process of purchasing the products that are already used by other people. Recent statistics show that online second-hand shopping continues to flourish at a higher rate (Ferraro, Sands, and Brace-Govan, 2016). The success rate of second-hand business relies on the availability of rare and quality products at cheaper rates. Online second-hand shopping is growing drastically as it enables people to purchase goods that are not easily available in the primary market (Sihvonen and Turunen, 2016). In simple words, obtaining an antique or rare product without searching physically from shop to shop is the reason behind its growth. Olx, Quikr, and eBay are the most popular online second-hand websites in India that allows people to buy and sell second-hand products through online.

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