Exploring the Influential Factors of Online Consumer Shopping Habits and Intention in GCC
Special Reference to Kingdom of Bahrain

Geetha G
Sree Saraswathi Thyagaraja College, Pollachi
(Affiliated To Bharathiar University, Coimbatore)

Abstract:- Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods and services from a seller over the internet using a web browser. An online shopping system that allows the customer to submit online orders for items and presents display of items into a specific category of products to the customers’ . The customers can select from the category and put it into the cart. The order will stay into the cart up to the specified period of time into the product cart window. The online store helps the customer to browse the specific company’s products and services with photos along with the online price tag, which contains the product specifications and shipping charge details. The customers can choose their selected brands and compare the price and other specifications with other dealers. If the customers are satisfied with the products they can go for final checkout of the products with a selected payment method, like cash on delivery or using debit/credit cards. In order to save the time for future purchase the customers can set their default payment method. Then they can finalize their purchase or continue shopping. The Online store will send message/mail to their registered phone number and e-mail address. Once the product is shipped the customers will get the notification message, so that they can track their products and enable them to know the estimated delivery date. Most of the web stores are offering cancel/refund and return of some products with specific restrictions/policy concerning to the products. So up a great extend e-commerce or online business is beneficial to both buyers and sellers.

Keywords:- Online shopping, buying behavior, consumers, Internet, online marketing, social media, Electronic questionnaire, E-commerce.

I. INTRODUCTION

The history of Commerce is begins with the Barter System but the history of e-commerce begins and developed with the emergence of Internet. Commerce is sum total of all the process which are necessary to remove the hindrance to make the exchange of goods and services as possible. The various types of hindrance are Place, Finance, Promotion, time, risk, exchange, Knowledge. Some of these hindrances are removed by various business processes. E-commerce helps to reduce the hindrance of promotion and knowledge for the modern business world.

Now days, the online buying behavior of the customer is not only influenced by the brand and price but also it is influenced by the good web store search engine, online reviews and recommendations. Today’s competitive business world mobile phones, Laptops and other electronic gadgets were acting as the physical web stores for the customers. These devices help prospective customers to gather information before making purchase. Most of the online web stores were providing 24 hours shopping facilities without interruption. So the customers can decide their convenient shopping time.

So online purchase /e-commerce help the buyer to increase the purchase opportunities with wide range of products and services. e-commerce also facilitates the seller to globalization of their products and to reduce the overhead cost and helps to sell their products comparatively lower price than the physical store. Electronic payment method facility is an added advantage of the online shopping.

II. OBJECTIVES OF THE RESEARCH

➢ To identify the factors that influencing the online shopping intention of the costumers in Bahrain.
➢ To study the level of satisfaction which they gained from online shopping.
➢ To study the customers online purchase frequency and their internet usage in kingdom of Bahrain.
➢ The influence of mobile phones and social media for making the purchase.
➢ Which age groups spending more for shopping online in Kingdom of Bahrain?
➢ To study the influence of traditional markets and customer online purchase decision making.
➢ To study the important web store and websites which offering online shopping facilities in kingdom of Bahrain.
➢ Which are the major devices people are using to shop online.
➢ To study the relationship between the GDP and Ecommerce industry in Bahrain
➢ What are advantages and challenges faced by Ecommerce industry in kingdom of Bahrain?
➢ What are the recommendations to increase the Ecommerce industry in Kingdom of Bahrain?
III. RESEARCH METHODOLOGY

Electronic questionnaire was sent to people for answering. 179 responses were collected from different age groups, income levels, and gender. The researcher considered the respondents salary range, standard of living and job for getting interpretation and conclusion. Most of the online shoppers are between the age group of 18 to 48. The research reveals most of the E-commerce business contributors in Bahrain are college students, and middle aged customers.

The researcher used descriptive method of study for collecting and analyzing data with the help of questionnaire, personal & telephone interview with schedule. It helps the researcher to know the customers attitude, viewpoints and their desire towards online shopping. The researcher analyzed, if a new product is introduced in the web store with special discounts, what reaction of the online customers towards the product and what degree of mental gratification and pleasure the customers are gaining toward online shopping than traditional method. The customer’s habit of internet usage and their level of knowledge toward online shopping is also an important factor for their online shopping intention.

A. Research Questions

- What are the most important factors that consumers compare before making a purchase in Kingdom of Bahrain?
- Does family orientation affect purchase decisions in Bahrain?
- Credit cards and their effect on spending and retail marketing.
- Which is the age group frequently making online purchase?
- What is the contribution of Ecommerce sector towards the national income and GDP of Bahrain?
- What is the influence of social media and electronic devices and consumer purchase intention? Does it show an upward trend?

B. Customer’s Behavior in Bahrain (Empirical Study)

Customers in Bahrain (both Bahraini’s and non-Bahrainis) prefer to purchase from the traditional local shops and markets. From there the customers will get good quality products with reasonable price. The old markets in Bahrain have contributed a lot to the Kingdom's economy and history, and they still do. Some of them are them are:

- **Souq Waqif** is one of the oldest major markets in the city, situated near roundabout 1 in Hamad Town, can find a variant collection of antiquities, old garments, and souvenirs.
- **Souq Bab Al Bahrain** (literally the Gateway of Bahrain), or Souq Al Manama is one of the most well-known old bazaar of the Kingdom of Bahrain’s capital.
- **Isa City Market**, is also known as Souq Al Maqases, Considered one of the best cheap and old markets in Bahrain, used goods, furniture and hardware, as well as new equipment, are being sold for relatively cheap prices.

- **Al Muharraq Market or Al Qusayrya Market** stands out among the other old markets in Bahrain, is famous for selling natural pearls that are radiographically certified.
- **Al Jasra Handicrafts Center** is preserving and revitalizing the old art of Handcrafts which formulates a big part of Bahrain’s history and culture.

C. Online Shopping/ E-Commerce Trends in Bahrain

Customer is the king in any form of business. Shopping has become hassle-free with the outset of e-commerce store, unlike traditional brick and mortar style of shopping and the shoppers of Bahrain can buy what they need just at the click of a button. Online shopping trends in Bahrain shows an upward trend, a number of business organizations are implementing mobile friendly websites. With the rise of e-commerce websites, easy payment means and purchase facilities, online shoppers find it easy to meet their shopping needs via virtual stores. The cultural, social, demographic, psychological and personal parameters are influencing the Ecommerce/online industry in Bahrain. When people began using social media sites, it improved opportunities for businesses in Bahrain to gain better conversions via ecommerce businesses by sending customized messages and special offers. The free shipping facilities and Cash on Delivery facilities of many products is an added advantage of online shopping in Bahrain, the online behavior has been expanding rapidly over the past years. Airline tickets, electronics and cloths are particularly successful in online retail categories. Major global e-commerce websites, such as and Souq, Namshi, Alshop, Lulu, Sharaf DG, Dukakeen, Sivvi are the most popular shopping websites in Bahrain, small businesses webpages like Instagram stores, Facebook, D4D app are very popular in the country.

![Fig 1](image-url)
IV. RESEARCH HYPOTHESIS

A. Hypothesis Testing

H1. Young consumers drive growth in online shopping.

The hypothesis testing reveals that young and middle aged people are shopping more on internet, by analyzing the respondent’s internet usage and browsing habits through the questionnaire.

H2. Online shopping satisfaction and usability has positive relationship.

This hypothesis was proved by electronic questionnaire.

H3. E-wom has a relationship with customer online purchase intention.

The researcher conducted random personal and telephone interview to testing the above hypothesis. Most of the respondents agreed it by answering the online electronic questionnaire.

H4. Buying behavior of the customers is affected both positively and negatively due to the newer technology and updated software which are using by some of the web store.

The hypothesis testing reveals that 37 % the respondents agreed it true, by answering the questionnaire and 63 % revealed interest for electronic shopping. Some of the respondents reacted, in order to access some web store that they need to change their old mobile handsets and want to update their system software frequently.

H5. Respondent’s educational levels, knowledge, job & income earning level will affect their buying behavior.

This test proves that the education and knowledge level does not affect the respondent’s online buying behavior. But respondent’s income level affects their purchase decisions up to a great extent.

H6. Customers’ taste, preference and brands affects their purchase intention positively.

This research study proved it is true. The taste, preference and brands play a vital role for e-shopping store selection and their purchase decision making.

H7. There is a relationship between special promotions, free shipping and online shopping behavior.

The hypothesis testing reveals that most of the respondents do online shopping by enjoying the benefits of special offers and promotions, free shipping facilities and cash back offers.

B. Findings of the Research

As per the research study, 72% of the respondents were No -Bahrainis and 28% Bahrainis. The primary research data was conducted by descriptive method. Social media is playing a vital role for the growth of Electronic and Social Commerce Industry. Most of the e commerce shoppers are young and middle aged people. They are spending their leisure time just simply browsing the online web store and gathering information. They are gaining mental pleasure while searching their favorite websites. The exciting promotional offers will create purchase intension of some products, even if they postponed it for future purchase.
C. Limitations and Future Scope of the Study

- Most part of the research is conducted through online survey.
- Most of the peoples in Bahrain are willing to purchase and do their shopping from a big chain of hypermarkets, Supermarkets, Cold stores and traditional local central markets, Hence many of the traditional local peoples are not willing to participate the online survey.
- Entire population for the survey study is not possible.
- Some of the respondents were thinking it is wasting their time.
- Some of the respondents were very lazy and does not shown any interest for filling the online questioner.
- The availability of the good internet connection and the time factors were another important limitation of the research.

VI. TOP ONLINE SHOPPING SITES IN BAHRAIN

- lulu web store-For online grocery shopping
  Lulu help the customers to shop online with best offers for fresh fruits, vegetables, electronics, bags, clothes, groceries and other consumer items. The customers can add the desired items into the cart and they can finalize their shopping by check out using the electronic payment method and COD. For the smooth and fast delivery the customers should give their valid mobile number and address.

- Namshi- Online (mainly Shoe) shopping
  Namshi provides very wide collections of clothes, shoes, beauty products for all range of peoples with fast moving brands like adidas, nike, Maybelline, puma, elda etc.

- Sharaf DG- Online electronic shops in Bahrain
  Sharaf DG has the largest collection of TVs, laptops, Washing machines, Fridge, mobile phones and other electronics with discounted price and special promotions.

- Bahrain Greetings- Online gift shopping in Bahrain
  Bahrain greetings provides a wide range of flowers, greeting cards, chocolates, cakes, balloons and gift hampers with same day delivery.

- Ootlah-Online booking
  Ootlah helps the customers to plan their tour packages with reasonable vacation packages.

- Dukakeen-Online shopping sites in Bahrain
  Dukakeen is the first online shopping sites in Bahrain. It is situated in capital city, Manama. The customer can get books, groceries, electronics, and home appliance with best prices.

- Ourshopee.com-Ecommerce portal in Bahrain
  Ourshopee.com is the fastest growing e-commerce portal in Bahrain. They are offering a wide range of products with affordable price to satisfy customer requirement. Ourshopee’s growth and handwork was recognized at the Asian Arab Awards 2019.

- Souq.com
  Regarded as Middle East’s online marketplace, souq.com boasts connecting people with products. A wide range of products that sprawl across categories such as fashion accessories for men, women and kids, electronics, mobiles, tablets, baby supplies, home and kitchen, perfumes and beauty, sports and fitness, Souq continues to look for growth opportunities while providing quality products.

- WafiApps.com
  WafiApps.com is offering consumer products and services such as electronics, perfumes, beauty, grocery, pet food, food delivery, entertainment tickets and many more. With the widest range of products available, WafiApps.com is one among the trustworthy store and deserves to be in the top 10 online shopping websites in Bahrain. Plenty of branded products to choose from, WafiApps.com focuses on delivering quality goods at best value.
Amazon Bahrain

Customers can shop most of their needy products from Amazon. For best shopping practice, customers have to log in Amazon.com’s USA website. No free shipping facility is available in Bahrain. No cash on delivery is available in Bahrain, customers have to make electronic payment for their purchase. ACH (Automated Clearing house is accepting payments for Bahrain’s customers. Amazon parcels are delivered by the Amazon Flex drivers, they are not belongs to Amazon employees, they are external contractors.

E-bay

The eBay marketplace is well known and commonly used by both buyers and sellers in Bahrain through the “global eBay website” aimed at users from there. While cash on delivery (COD) is not supported by most eBay sellers, through international shipping and other payment methods the site is undoubtedly the biggest portal for purchasing just about anything through the world. Please note however, that Bahraini dinar (BHD) currency is not supported and all product pricing and shipping costs will be shown in US Dollars (USD).

Ali Express

Ali express provides worldwide delivery, safe Payments, 24/7 Help Center. They are dealing a wide range of cloths, jewelry, furniture, bags and consumer electronics with low price and good quality.

VII. BAHRAIN GDP AND ECOMMERCE

GDP means Gross Domestic Product. By verifying the GDP we can get an overview of the country’s economy during a specific period. The growth rate and size of the economy can be understood with the help of GDP. It is a measure to check the market value of the goods and services in a specific period of time.

VIII. CUSTOMERS BEHAVIOR OVER THE INTERNET IN BAHRAIN

Now days the internet users are increasing all over the world due to the improved technology and fastest internet providers and search engine. Google is the most visited search engine that’s why it is in the top most ranking position. Social media uses are increasing tremendously, so the e-commerce industry also booming to up word trend.

According to the world economic ITU, forum ranking, Bahrain is globally ranked the 1st mobile broadband penetration and world’s 2nd internet users. According to the TRA, 98% of the people are using internet for various purposes. In Bahrain Ecommerce industry was started in 2004 .The Directorate of IT and Ecommerce is providing various E-awareness programs to the public with the aim of Kingdom of Bahrain Economic Bahrain 2030.
IX. IMPORTANCE OF ECOMMERCE IN BAHRAIN

A large number of users spend their time browsing and purchasing goods and services online now a day. Below are the key reasons why ecommerce is important for businesses and consumers:

A. Wide range of products

Brick and mortar stores have a limited inventory of goods. As a result, consumers are forced to visit multiple stores to find their desired products/services. With ecommerce, it is easier for customers to search and make purchases from the comfort of their homes. Ecommerce has made the lives of consumers easy and convenient.

B. Low cost

Traditional retailers sell products or services at relatively higher prices without lowering their rates. This is mainly attributed to the overhead costs. Ecommerce allows businesses to eliminate overhead costs such as store rent, management, inventory, security, counter, transportation, and others.

C. Fast consumption and less laborious

Ecommerce has changed the way people consume products and services. Students no longer need to attend classroom sessions to take study courses; they can do their courses online, that too, at their own pace. Similarly, consumers do not need to spend time physically, shopping for products or services. They can get their products delivered at their doorstep, and focus on other tasks at hand.

D. Exquisite offers and deals

With ecommerce, customers can avail regular offers or deals throughout the year. Ecommerce connects people and removes physical boundaries by offering great deals at the right time.

E. Transparency

Ecommerce has made transactions between sellers and buyers more transparent. The use of Point of Sale (POS) machines and UID integration with bank accounts enables the government to check where the money was spent? why it was spent?, and what was its source?. The transactions taking place on ecommerce platforms are mostly in digital format, which is through credit cards, net banking, Bwallet, and other modes. Ecommerce ensures that a record of the transactions is maintained to prevent fraud, tax evasion, and money laundering.

F. Low maintenance cost

Ecommerce has delivered higher profit margins for businesses. It has helped reduce manpower costs by automating tasks such as inventory, order management, customer management, and more. Enterprises find investing online cheaper than investing in a physical store, as the operation and maintenance cost is less and a one-time task. Most ecommerce websites have tie-ups with delivery or courier agencies, which also reduce their package and delivery costs.
G. Customer retention
With ecommerce, businesses can retain customers by sending them new products/services recommendations, offers, deals, and discounts based on their previous transactions and buying preferences. Traditional stores do not have much data on their customers, and they are unable to retain their customers, as they need to continually provide them with premium quality products/services to keep them loyal. With ecommerce, businesses are perpetually in touch with their customers through notifications, messages, and cold calls. This keeps the customer engaged and improves brand loyalty.

H. Personalized experiences
When customers explore and interact with ecommerce websites or other websites, data is captured and stored. Online businesses use this data to deliver a highly personalized experience for each customer at the right time and place.

I. Better production of digital products and services
With ecommerce, brands are creating new and innovative products/services, small businesses are flourishing, and the solutions are accelerating development. Ecommerce is a boon to people as it not only provides them with good quality products/services but also provides job opportunities and improves their quality of life.

X. TYPES OF ONLINE DIGITAL MARKETING IN BAHRAIN

![Diagram of Types of Online Digital Marketing]

XI. ADVANTAGES OF ONLINE SHOPPING

- Online shopping is very convenient to the customers. Most of the web stores are available 24/7 shopping facilities.
- Most of the web stores are directly dealing with the manufactures, so it eliminate middleman. Online shoppers can sell low price.
- More choices are available in online store. Customers can get international brands.
- The customers can get e-receipts for their record of shopping.
- The customer’s cancel their orders at any time.
- The shoppers can compare the price and can make purchase decisions.
- It is very easy to send gifts.
- Sometimes the customers can enjoy the benefits of special rewards and cash back.
- There is no parking and crowd problem.
- The customers can shop by sitting their home.
XII. DISADVANTAGES OF ONLINE SHOPPING

- More chances of risk and fraud.
- Sometimes the returns and refund can be very complicated.
- There may be chances of shipping and delay problems.
- More chances of getting wrong and damaged products.
- Unwanted privacy policies and cookies should be there.

XIII. HOW CONSUMERS USE THEIR SHOPPING CARTS

Fig 14

A. Problems and Recommended Solutions for Bahrain Online Shopping

E-Commerce is thriving and continually changing. There are a lot of changes expected in the future. For instance, using devices will become very important, emerging markets will play a massive role, product videos will be in demand, personalization will enhance the shopping experience, and products/services can be purchased across all channels.

- Some of the issues for online shopping
  - Security and privacy problem for the website.
  - Customers are worried about their banking and transactions details are not safe.
  - Fear about their identity should be stolen by the criminals.
  - Slow connection and downloading problems.
  - Lack of knowledge of e-commerce websites.
  - Shipping and delivery issues.
  - Customers are worried about the quality of the products.
  - Number of formalities for return and refund of products.
  - Customers are feeling they have to spend more time for finalizing the product.
  - Some of the web stores are charging hidden charge.

- Possible solutions for online shopping
  - Keep the transaction history of the payments for future reference.
  - Give proper and correct address for the delivery with minimum 2 mobile numbers and e-mail id.
  - Always check E-security seal like ‘TRUSTe’ on the websites.
  - Check the mobile/e-mail confirmation amount with the actual ordered amount.
  - Always visit the trusted website.
  - Read product guidelines before using some products.
  - After reaching the products check the quality, otherwise go for return.

XIV. UPCOMING ECOMMERCE TRENDS IN BAHRAIN

- Expected Ecommerce trends
  - Consumers are increasingly using multiple channels in their shopping journey.
  - Consumers purchase products after viewing them on social media platforms.
  - Ecommerce personalization is becoming a standard for all businesses.
  - More consumers are using their mobile devices for browsing and purchasing products.
  - Voice commerce is on the rise and customers are using voice commands to make purchases.
  - More payment options and payment platforms are emerging.
Recommendations for engaging customers and increase sales in Bahrain

- Make the e-commerce website more user-friendly.
- Make a responsive/mobile-friendly website.
- Upload high quality images and videos related to the products.
- Add more reviews for your products.
- Provide special offers and discounts with cash back for online payments.
- Personalize the shopping experience for customers, value and appreciate them for their purchase.
- Allow the website visitors to create their own ‘wish list’.
- Feature ‘related items’ or ‘you may like this’ to improve engagement with the customers with discounted prices.
- Add Frequently Asked Questions (FAQs) to clear the doubts and queries of customers.
- Be visible on all social channels like Facebook, Twitter, Instagram, YouTube, WhatsApp etc.
- Maintain the security and privacy of the customers.
- Provide multiple and secure online payment options with notification for their transactions.
- Incorporate these features and constantly innovating, brands can deliver a flawless shopping experience.

Some of the Online payment gateways in Bahrain

- 2Checkout
- BitPay
- Checkout.com
- Coinbase Commerce
- CoinPayments.net Cryptocurrency Payments
- dLocal
- iPayLinks
- MyKsoco rah
- PayPal Express Checkout
- Split Monthly Payments
- Tap
- BFC
- Western Union
- cF X

A. Suggestions to Improve Online /Ecommerce Industry in Bahrain

- Design the website more attractive and creative.
- Plan to sell more localized products also.
- Improve after sales services for the consumer electronics.
- The vendors/marketers should display the actual price tag with delivery/shipping charges and other hidden charges.
- Make more flexible shopping experience for Amazon, Flip cart etc.
- Sell more educational course, products/services.
- Plan/Improve the website which gives opportunities for more small scale industries.
- Give more incentives and special concession for ladies owned cottage and small scale industries.
Web store should create the product listing search item with mix and match options and suggest best colour combination options for the cloths.

Provide free recipes suggestions along with the related food products.

Provide more guidelines and product usage instructions with using tips for some product.

Introduce more crypto currency payment system.

Provide safer and secure universal currency payment system.

Include more local cold store to online grocery sections with free delivery.

Introduce more online tailoring/ fashion stores.

XVI. CONCLUSION

The world is going more and more digital every day. Consumers are gathering more information from various digital sources to get the knowledge about the products before buying them. In this digital era of marketing Ecommerce /online shopping plays vital role for the growth of country’s economy.

Social media plays vital role for the success/improvement of online businesss in Bahrain. More physical stores are participating as Eweb stores in Bahrain like Lulu,Sharaf Dg Nesto etc. The Directorate of IT and Ecommerce are providing various E-awareness programs to the public with the aim of providing more solutions for the Ecommerce and online industry.

Online Shopping has a great future that is not expected to get down in the upcoming years. Online Shopping of Bahrain’s products also gaining frame due t their traditional looks and innovative design. Online shopping is a different experience and the users can make the shopping creative over the internet. The researcher concludes the research study without digital presence the Ecommerce industry can’t succeed in Bahrain.

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