

# **Impact of Lifestyle, Website Quality and Satisfaction on Online Loyalty**

## **Synopsis**

The e-commerce industry in India is on a rapid growth path with clothing being one of the top-selling products online. This coupled with the onset of many local and global players offering the entire gamut of clothing from private labels to branded ones across categories, has led to a rise in competition in the online clothing segment. However, customers often classify clothes as sensorial products requiring touch, feel and trial and therefore, evade the online channel for its purchase. Consequently, online retailers are focusing not just on customer acquisition, but also on customer retention or online loyalty. Loyal customers act as a catalyst to business sustainability and profitability as they buy more frequently, pay premiums and generate positive word of mouth recommendations leading to higher margins and higher referrals for the business. Therefore, given the importance of online loyalty and a potential high-growth online market, this study focusses on the impact of lifestyles, website quality and satisfaction on online loyalty in the context of clothing websites in India.

Based on the gaps identified from existing literature, the study aims to achieve various research objectives. First is to validate the scales of e-lifestyle and website quality dimensions followed by exploring the impact of e-lifestyle, website quality dimensions and e-satisfaction on e-loyalty. Next is to explore the structure of relationship between e-lifestyle, website quality, e-satisfaction and e-loyalty constructs. Further, the study aims to identify and profile online clothing shopper segments. The final objective is to explore the impact of e-lifestyle and website quality dimensions on discriminating between loyal and disloyal shopper groups.

Previous literature helps identify key dimensions for both e-lifestyles and website quality. The study uses a Mixed-method research design with a sequential qualitative-quantitative approach to establish scale validity for all constructs. Content validity is established using multi-method qualitative research. Items derived based on the qualitative phase post review by experts are used in the questionnaire for the quantitative phase. Scale purification and refinement are done using exploratory factor analysis followed by confirmatory factor analysis on a sample of 217 respondents. Post validation, the study tests the scales for stability using another sample of 651 respondents. Both the samples are found to be similar in demographics with 75% of the respondents being in the 15-34years age group and 60% being males. Structured equation methodology is employed to explore relationship between the

final validated six e-lifestyle dimensions (e-enjoyment, e-convenience, e-self-inefficacy, e-logistical ease, e-negative belief excess purchases, e-distrust), four website quality dimensions (informativeness, navigation and search ease, interactivity, visual engagement), e-satisfaction and e-loyalty. 12 out of 21 posited hypotheses are found to be significant and in the desired direction. Two-stage cluster analysis results in three segments: Averse online shoppers, Convenience seekers and Online shopping optimists. The latter two segments appreciate various aspects of online shopping, buy more frequently and spend higher amounts on online clothing purchases making them ideal segments for marketers to target. Discriminant analysis and logistic regression indicate that visual engagement is the key factor discriminating between disloyal and loyal customer groups, followed by navigation and search ease, informativeness, interactivity, e-logistic ease, e-convenience, e-self-inefficacy and e-distrust.

This study adds to the extant literature in numerous ways. It adapts and extends an existing traditional loyalty model to the online context. The study ratifies the impact of consumer and technology-driven stimuli on e-loyalty, through constructs of e-lifestyles, e-satisfaction and website quality. It highlights how Mixed-method design can be used for instrument fidelity or scale validation. The process for scale validation can be replicated in other areas to develop scales that possess requisite breadth and depth. The structural equation model re-affirms the inter-relationship between e-enjoyment and e-convenience dimensions and their impact on online shopping. It highlights that marketers need to focus on e-lifestyles, e-satisfaction and website quality dimensions to improve customer satisfaction and increase online loyalty levels. It shows that e-satisfaction has the highest impact on driving online loyalty. The study provides suggestions to enhance the positive impact of various e-lifestyle and website quality dimensions on e-satisfaction and e-loyalty. However, the same should be prioritised keeping in mind the needs and preferences of the target segment. Further, it conceptualises a relatively less researched lifestyle segmentation approach to understand online consumer behaviour. It finds that shoppers with diverse demographic profiles purchase clothes online and are driven by varied e-lifestyle and website quality dimensions. Therefore, both consumer-driven and technological segmentation bases are important in exploring online clothing shopper segments. The results can be used by marketers for future decisions on investments around website improvement projects apart from better targeting. The study also shows that visual engagement has the highest impact in differentiating between disloyal and loyal online shopper groups.

The study has some limitations and suggestions for future research. Future studies can use other existing qualitative and quantitative research approaches like grounded theory, experiments, etc. to delve deeper into the subject. Content validation is context-specific and therefore, needs to be replicated for other product contexts. This study does not assess the impact of situational or moderator variables such as age and gender and therefore, provides future studies more scope to incorporate the same. The impact of other e-lifestyle and website quality dimensions can also be explored. Further, cross-channel customer behaviour using samples of both online and offline shoppers can be examined in the future. Since this study is cross-sectional in nature, it could not explore causality in the model and therefore, longitudinal studies can address this gap. Prospective studies can also be done to explore the impact of the quality of emerging mobile-based e-tailing apps on e-loyalty.