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The effect of marketing activities, benefits, risks, confusion due to over-choice, price, quality and consumer trust on online tourism purchasing

ABSTRACT

The paper focuses on website vendors and on three fundamental aspects which influence price quality and trust, the major factors that affect purchasing intentions amongst online consumers. The three fundamental aspects in question are: perceived benefits, risks, and confusion due to over-choice. The purpose of the study is to examine the influence of these three aspects on consumers' trust and their online purchasing intentions, and also to evaluate their interrelationship with marketing activities. Using the Theory of Planned Behaviour, the research focuses on holidaymakers (N=735) who bought at least one component of their vacation using the Internet. The research implements Confirmatory Factor Analysis (CFA) and uses Structural Equation Modelling. The findings indicate the importance of direct marketing and of the brand names of e-retailers and products. They also pinpoint the significance of online buying convenience and of the provision of sufficient product information. Moreover they reveal the influence of safety and security issues, of the instilment of trust, and of price and quality in relation to purchasing intentions. The research contributes to a better understanding of online tourism decision making, it identifies website vendor characteristics which are important to online consumers, and presents a number of managerial implications.

Keywords: Theory of Planned Behaviour, Travel and Tourism, Website Vendors, Online Consumers, Decision Making, Trust

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Introduction

The rapid growth of e-commerce in recent years has been rooted mainly in its convenience and the best value for money which it offers to consumers, but has also created worries about privacy and security issues, discrepancies in product quality and grade, and so forth (Hong and Cha 2013). The way companies communicate with their consumers is rapidly changing due to the inclusion of Internet and new technologies (Gabrielli and Baghi 2014). As shopping online becomes increasingly popular, website vendors aim to attract new consumers and to keep the existing ones (Chen et al. 2010), since repeat customers are five times more profitable than new customers, but half of them rarely complete a third purchase (Kim and Gupta 2009). Trust is vital to e-retailers expanding their market share, as is maintaining continuity with their existing customers (Chiou et al. 2012), because it directly affects customer purchasing intentions (McKnight et al. 2002). Thus, it is important to examine the factors affecting trust in Internet shopping, whilst online consumers' purchasing intentions need to be further investigated.

In tourism, the Internet has changed travellers' behaviour since for travel suppliers it represented a new and potentially powerful communication means for product distribution (Law et al. 2004), filling the gap between suppliers and consumers (Buhalis 1998). Currently, the Internet is an important distribution channel for travel and tourism, generating a worldwide revenue of more than 340 billion US dollars in 2011 (Amaro and Durate 2015). Still, the literature related to consumers and their online purchasing intentions is limited (Law et al. 2009; Amaro and Durate 2015), whilst further research is needed into consumer motivations to buy travel online (O'Connor and Murphy 2004).

This paper is focused on website vendors and synthesises previous research, aiming to assess the impact of trust (Gefen et al. 2003) on consumers' online purchase intentions. In order to do this, it examines the effect that the three major factors, perceived benefits (Kim et al. 2008), perceived risks (Hong and Yi 2012), and confusion by over-choice (Tarnanidis et al. n.d.) have on trust formulation, in relation to price (Tarnanidis et al., n.d.) and quality issues (Ahn et al. 2004). In addition, it evaluates the influence of marketing activities (Chikweche and Fletcher 2010) on these three factors (benefits, risks, and confusion). The contribution of the research is twofold. In the literature domain it provides a holistic examination of the impact of e-channels on the creation of consumers' online purchasing intentions, whilst it also provides a structural model that demonstrates these influential effects. Its practical contribution concerns the understanding of the factors affecting online consumer behaviour, with reference to travel and the tourism industry. Thus, the added value of the research concerns: (i) the extended examination of the factors affecting the online purchasing decisions on tourism, and (ii) the illustration of a linear model, which further explains the consumer behaviour in online tourism shopping.

Theoretical constructs

Marketing activities

The discussion about marketing activities refers to the facilitation and expedition of satisfying exchange relationships in a constantly changing environment through the development, distribution, promotion and pricing of products and services (Dibb and Simkin, 2013). Even if both direct and indirect marketing can play an important role in consumer decision making, direct marketing initiatives may be more influential in purchase determination than media based methods such as television, radio and print (Brown and Reingen 1987; Chikweche and Fletcher 2010). In addition, marketing can significantly influence consumer beliefs about

product performance (Nerkar and Roberts 2004) and finally determine their likelihood to buy (Leenders and Wierenga 2008). Still, product performance and quality are aspects also connected with branding. The perceived quality of the product is associated with its brand, since consumers evaluate the quality of a product in terms of its brand name (Dawar and Parker 1994). This creates a causal relationship in many consumers that a recognised brand is usually associated with a high quality product and good performance (or usability), thus, a good brand strengthens the benefits which are expected of a potential purchase (Rubio et al. 2014).

The Internet may provide an efficient alternative for the transmission and delivery of advertising messages to potential customers, as indicated by the increasing number of successful online marketing campaigns in recent years (Pescher et al. 2014). Targeted online marketing activities can help in the reduction of perceived risks introduced by frequent technological advances, the rapid growth and diffusion of technology among consumers and competitors, and the reduction of confusion due to over-choice caused by the increasing number of product alternatives available to consumers (Pantano et al. 2013). On the other hand, online purchasing's perceived benefits and risks and consumers' trust in products affect the online marketing process (Pescher et al. 2014), since it has to take into consideration consumer characteristics (purposive and entertainment values), the quantity of alternative products offered, and the process of perceived benefit and risk formulation (Okazaki 2008).

The discussion above leads to the following hypotheses:

H1: There is a direct positive interactive relationship between retailers' marketing activities and consumer perceived benefits.

H2: There is a direct negative interactive relationship between retailers' marketing activities and consumer perceived risks.

H3: There is a direct negative interactive relationship between retailers' marketing activities and consumer confusion due to over-choice.

Perceived benefits

People who use the Internet for their shopping consider that online purchasing includes a series of benefits (Kim et al. 2008). More specifically, they select this mode of shopping because of its increased convenience, the variety of products, and cost and time savings (Margherio 1998). To begin with, most online consumers are single channel users, and when their experience of this form of shopping is positive, they gradually develop into multi-channel users through channel extension (Yang et al. 2013).

As Marom and Seidmann (2011) suggest in their study, online consumers search for the best deals in terms of price and quality, since the Internet has given them unprecedented ability to learn about firms and products, something which is directly associated with the beneficial impacts of online shopping. The heterogeneity of consumer demands and the diversity of products offered, lead to a variety of online service qualities, whilst higher prices also lead to decreasing customer demand, especially when customer demand is price-sensitive (Li et al. 2013). Thus, because shoppers are now able to conveniently examine quality and prices on the Internet (a benefit to them), online retailers' pricing strategies are having to depend on product and service quality (Rabinovich et al. 2008). Therefore, the study proposes the following hypotheses (also taking into consideration the discussion on price and quality aspects presented in the two forthcoming sections entitled 'Price issues' and 'Quality Issues'):

H4: The benefits perceived by consumers positively affect their perceptions of price issues.

H5: The benefits perceived by consumers positively affect their perceptions of quality issues.

Perceived risks

Risk is considered to be one of the key elements in buying behaviour (Kumar and Grisaffe 2004; Faroughian et al. 2012). It is perceived “in terms of the probability of an outcome and the importance of cost associated with the outcome” (Dwyer and Tanner 2009, 104). As Dholakia (2001) suggests, perceived risk is somehow involved in all purchase decisions, especially in those where the outcome is uncertain. Thus, whenever consumers alternate, postpone, or cancel their purchase, it is an important indication that they perceive the existence of risk (Hong and Yi 2012). When using the Internet to purchase products, the fundamental risks are associated with privacy issues (Pantano et al. 2013), the degree to which consumers perceive that using the online environment will be secure (Taylor and Strutton 2010), the time spent searching for information, and uncertainty about the after sales service warrantee compared with more traditional ways of shopping (Hong and Yi 2012). The perceived risks are negatively associated with the intention of consumers to shop online (Kim 2007) no matter whether these consumers are experienced or not (Liang and Jin-Shiang 1998), especially when the risks can result in monetary losses (Keating et al. 2009). Thus, the more sophisticated and secure a web-vendor appears to be, the more likely it is to attract new customers and make its online consumers feel that it is safe to use (Lee et al. 2012).

Online consumers perceive more risks than those shopping in stores since they can not examine the product before they receive it due to the way the network operates and the worry about the quality of after-sales service (Hong and Yi 2012). As a result, perceived risks have

been found to significantly affect the purchasing decisions of online consumers (Antony et al. 2006; Casalo et al. 2007). This justifies the rationale that in numerous cases online consumers decide to make their purchase only after walking into a store and touching, feeling, or even trying out the product (Kim et al. 2008). When this is not possible because of the product characteristics (i.e. intangibility in tourism industry products), online consumers try to gather as much information as they can before purchasing, whilst they also engage in customer-to-customer (C2C) communication, especially with respect to price and quality (Bjork and Kauppinen-Raisanen 2012). Risk and quality issues are also related to the website vendor themselves (Ahn et al. 2004). As suggested by Golmohammadi et al. (2012), website vendors need to promote client trust in their provided service quality, in an effort to reduce the perceived risk as this is a vital antecedent to consumer online purchase intention. These relationships were expressed in the following hypotheses:

H6: The risks perceived by consumers negatively affect their perceptions of price issues.

H7: The risks perceived by consumers negatively affect their perceptions of quality issues.

Kothandaraman and Wilson (2001) suggest that the ideal purchase is the one that has a highly beneficial impact for the consumer, and offers low risk. As indicated by Bhatnagar and Ghose (2004), online shopping magnifies both perceived benefits and risks, and the range between the positives and uncertainties of Internet purchase heavily impacts on consumers' final decision. Thus, the perceived benefits and risks are interrelated, whilst Woodwall (2003) identifies risk as a determinant of the perception of values and identification of benefits in purchasing intentions. These findings have led to the following hypothesis:

H8: Consumers' perceived benefits and consumers' perceived risks influence one another.

Confusion due to over-choice

As presented by Tarnanidis et al. (n.d.), considerable numbers of consumers are easily confused by the variety of different products on sale, making it hard for them to identify their ideal choice from amongst the available product alternatives. The same study reveals that this trend is strengthened by the marketing information overload experienced whilst shopping. Due to the massive quantities of information and products that Internet shopping provides (Marom and Seidmann 2011), online consumers can be easily confused by over-choice. The literature suggests that product variety may lead to frustration in consumers with low expertise and involvement (Bendapudi and Leone 2003), whilst product customisation may result in confusion and ultimately customer dissatisfaction (Huffman and Kahn 1998). This confusion relates to both the product characteristics (associations with price and quality) and the website vendor themselves (Miceli et al. 2007).

In tourism, information overload occurs due to the massive amounts of information provided by travel web-vendors, and as a result the image of tourist products and destinations is affected (Bjork and Kauppinen-Raisanen 2012; Lepp et al. 2011).. In addition, the high degree of specialisation and/or similarities between tourism products and services increases the confusion of customers and ultimately the difficulty of the decision (Yang and Lai 2006). Those companies that focus on Internet as well as traditional sales, combine both operational and interactional flexibility, and exploit the opportunity to customise not only products but also the total online consumption experience (Wind and Rangaswamy 2001). Hence, the following hypotheses:

H9: Confusion due to over-choice has a negative impact upon price issues.

H10: Confusion due to over-choice has a negative impact upon quality issues.

Price issues

The price of a product has long been considered a key predictor of consumer choice (Kim et al. 2012; Muralidharan et al. 2014) and is regarded as a monetary cost for obtaining a product or a product's quality signal (Lichtenstein et al. 1993). In online shopping, website vendors provide price comparisons, sorting by price, and the ability to find the lowest price for each product (Bruce et al. 2004). Online shopping helps consumers to find product level information and compare prices with an ease never before possible, whilst "this increased information combined with technology-enabled, low-cost price changing opens up new opportunities for price dissemination" (Garbarino and Maxwell 2010, 1066). Still, the uncertainty and risk created by the distance between buyer and seller in online shopping hinders the consumers' Internet transactions with the vendor (Pavlou et al. 2007). Customers expect their online shopping to be based on trust and cooperation (Hoffman et al. 1999), and also seek reassurance through a competitive price given by the seller (Bruce et al. 2004). The hypothesis is as follows:

H11: There is a direct relationship between price issues and consumer trust.

Quality issues

The importance of website quality leads firms to apply a substantial proportion of their efforts to website design improvement, and to the quality enhancement of their customers' interaction experiences (Kholoud Al-Qeisi et al. 2014). According to Ahn et al. (2003), web

quality is divided into three parts: system, information, and service. System quality includes system availability, reliability, responsiveness, and flexibility (Lin and Lu 2000). Information quality deals with the quality of reports that a website vendor produces (Ahn et al., 2004). Service quality focuses on the availability of multiple communication mechanisms for accepting consumer complaints and their timely resolution, but can also deal with consumers' assistance in joint problem-solving, and the suggestion of complementary products (Bhattacharjee 2001). Web quality is an important determinant of the intention to purchase and repurchase in an online channel (Bhatnagar et al. 2003). Thus, when customers perceive that there is a positive quality in an online channel, their trust for this channel strengthens, increasing the possibility that they will use it (Montoya-Weiss et al. 2003). The following hypothesis is proposed:

H12: The consumers' perceptions of quality issues positively affect consumer trust.

The concept of price-quality schema (that is, "the generalised belief across product categories that the level of the price cue is related positively to the quality level of the product"; Lichtenstein et al. 1993, 236) indicates that consumers use price for the evaluation of overall product excellence or superiority (Zeithaml 1988). Thus, price-quality schema do not focus on actual product quality, but on the consumer's belief in the relationship between quality and price (Lichtenstein and Burton 1989). As a result, they play an important role in consumer decision making, affecting judgements of perceived quality, and influencing perceived value and purchase intention (Zhou et al. 2002). In addition, the level (quality, accuracy etc.) of information the website vendor provides, and the perspectives of consumers with regard to the quality of products this vendor sells, also influence the relationship

between price and quality (Ahn et al. 2004). These observations lead to the following hypothesis:

H13: Price and quality issues are interrelated and influence one another.

Consumer trust

The aspect of trust has been examined in numerous studies in many different fields, including economics, management, technology, social and institutional contexts, consumer behaviour and psychology (Kim et al. 2008). It is based on the buyer's expectations that the seller will not have an opportunistic attitude and take advantage of the situation, but will behave in a dependable, ethical and socially appropriate manner, fulfilling his commitments despite the buyer's vulnerability and dependence (Gefen et al. 2003). According to Li et al. (2014), trust is even more important for online than for offline retailers, since consumers perceive more risk in e-commerce due to their inability to visit a physical store and examine the product they are interested in buying. It plays a crucial role in determining online purchasing intentions (Hong and Cho 2011) and shopping decisions (Lim et al. 2006). Trust is the key-point for the development of customer loyalty and the establishment of strong and long-lasting relations between buyers and sellers (Santos and Fernandes 2008). On the other hand, when deception or negative purchasing experiences occur, buyers generate negative attitudes, they no longer trust the seller, and they are likely to turn to alternatives for the fulfilment of their needs and desires (Lee 2014).

Digital technologies have changed the way consumers decide whether or not to purchase (Moran and Muzellec 2014). Online retailers place considerable emphasis on consumer trust, since online shoppers are more reluctant to purchase the products in which they are interested

(Park et al. 2012). Examining the relevance of trust and purchasing intention, Komiak and Bembasat (2006) have concluded that cognitive trust (which focuses on consumers' beliefs based on rational expectations of online retailers' attributes) impacts on emotional trust (which addresses consumer attitudes and emotional feelings), which further impacts upon purchase intention. Moreover, the trust level of buyers exposed to inconsistent product information and revisions significantly influences their purchase intention (Zhang et al. 2014). Thus, if sellers want consumers to buy their products (purchase decision and money transfer), they need to pass the threshold for trustworthy behaviour (Bente et al. 2012). Based on this information, the following hypothesis is proposed:

H14: Consumers' trust in web-vendors has a positive impact on the online intention to purchase.

Intention to purchase

Understanding the purchase intention of consumers is important because their final buying behaviour can be predicted from their intention (Bai et al. 2008). In Internet shopping the most important factors influencing purchase intentions are the relationships between a product's price and quality, and the trust consumers place in online retailers and their products (Kim et al. 2012). Consumers decide whether they intend to proceed with a purchase depending on the information available to them (Kim et al. 2008). In addition, when risk is included, the extent of the trust consumers place in the sources of information and the provided recommendations and reviews influences their final purchasing decision (Wang and Chang 2013). Moreover, the quality and quantity of the provided information positively affects consumers' purchase intention (Park et al. 2007). Currently, e-retailers focus not only on persuading consumers to use vendor websites that sell their products, but also on

motivating consumers to make repeat purchases through these channels (Chiu et al. 2012).

Thus, it is important to further examine online consumers' perspectives with regard to website vendors, in relation to the intention to purchase and the interrelationship of perceived benefits, risks and confusion by over-choice with marketing activities, also connecting them with the most important factors affecting the intention to buy online - price, quality and trust.

The proposed model

The model is based on the Theory of Planned Behaviour (TPB), which is an extension of the theory of reasoned action (Ajzen and Fishbein 1980). In TPB, the central factor is the individual's intention to perform a given behaviour (in our case the consumer's intention to purchase), and the model captures the motivational factors that influence that behaviour (Ajzen 1991). The ability of TPB to predict human behaviour has led to its application in several research fields, including online retailing (Picazo-Vela et al. 2013), since it is considered to be one of the most widely used models for the explanation and prediction of individual behavioural intention and acceptance of Information Technology (Hsu et al. 2006). TPB was also used in order to predict the intention of consumers to purchase tourism products, and the impact of several factors such as risk and uncertainty in travel decision making (Quinta, Lee, and Soutar 2010).

Figure 1 illustrates the model used in the present study, which has its theoretical basis in TPB and builds on previous research by Ahn et al. (2004), Chikweche and Fletcher (2010), Gefen et al. (2003), Hong and Yi (2012), Kim et al. (2008), and Tarnanidis et al. (n.d.). It suggests that the online intention to purchase (with special reference to tourism products) is influenced by the degree of trust in the website vendor, whilst the latter is a result of product price aspects, website quality issues including both product information and the website's operations, and the interaction amongst them. The model also suggests that price and quality

issues are affected by the e-channel's perceived benefits, risks (also including the interaction amongst these two), and confusion by over-choice, whilst these three constructs have an interactive relationship with marketing activities implemented by companies selling their products online.

[Figure 1]

Method

Participants

The research focused on holidaymakers returning to Manchester international airport who had used the Internet in order to book a part (i.e. travel, accommodation, destination tourism activities) or the whole spectrum of their holidays. The research was conducted during June and July 2014. This study used structured personal interviews with structured questionnaires as the most appropriate method to obtain the primary data. Personal interviews were the best method of achieving the study's objectives since they are the most versatile and productive method of communication (Pappas 2014). They facilitate spontaneity and also provide opportunities to guide the discussion back to the outlined topic when discussions are unfruitful (Sekaran and Bougie 2009). The participants' selection was based on an exclusion question at the beginning of the interview which asked whether they had used online purchasing of tourist products for their current vacations.

Sample determination and collection

Appropriate representation was a fundamental requirement when determining the sample size. According to Sevgin et al. (1996), when there are unknown population proportions, the researcher should choose a conservative response format of 50 / 50 (meaning the assumption that 50 per cent of the respondents have negative perceptions, and 50 per cent have not) to

determine the sample size. A confidence level of at least 95 per cent and a 5 per cent sampling error were selected. The sample size was:

$$N = \frac{(t - table)^2 (hypothesis)}{S^2} \Rightarrow N = \frac{(1.96)^2 (0.5)(0.5)}{(0.5)^2} \Rightarrow N = 384.16 \text{ Rounded to } 400$$

The calculation of the sampling size is independent of the total population size, hence the sampling size determines the error (Aaker and Day 1990). Participants were approached in the airport's train stations (400 people), bus stations (400 people), and car parking facilities (400 people). Of the 1,200 holidaymakers asked, 735 completed the questionnaire (response rate: 61.25 per cent). The overall statistical error for the sample population was 3.6 per cent.

Measures

The questionnaire was based on prior research, and consisted of 39 statements which were to be rated using a Likert Scale (1 strongly agree/7 strongly disagree), plus one exclusion question concerning online purchasing of tourist products. The reliability and validity of this selection rationale is supported by studies such as Kyle, Graefe, Manning and Bacon, (2003) and Gross and Brown (2008). The statements were selected from six different studies. These studies were those of: Kim et al. (2008), for the statements evaluating the perceived benefits and the intention to purchase; Tarnanidis et al. (n.d.), for the confusion by over-choice and price issues statements; Chikweche and Fletcher (2010), for the statements focusing on marketing activities; Hong and Yi (2012), for the statements examining the perceived risks; Ahn et al. (2004), for the statements addressing quality issues; and Gefen et al. (2003), for the consumer trust statements.

Data analysis

The collected data were analysed using descriptive statistics (means, standard deviation, kurtosis, skewness), factor analysis, and regression. The research and components' validity and reliability were examined using KMO-Bartlett, factor loadings and Cronbach's A, whilst a Structural Equation Model (SEM) was also implemented. The findings were significant at the 0.05 level of confidence.

SEM analysis

Structural Equation Modelling (SEM) using MPlus was employed due to the multivariate nature of the proposed model and the examination of the relationships with the model constructs, since the main advantage of SEM "is its capacity to estimate and test the relationships among constructs" (Weston and Gore 2006, 723). As Gross and Brown (2008) suggest, the multivariate statistical analysis of SEM is capable of measuring the concepts and the paths of hypothesised relationships between concepts. According to Wang and Wang (2012), when using MPlus it is best to measure the grouping variables as continuous, and also to measure those assessed through a five-point (or more) Likert Scale in this way, although they are in fact ordered categorical measures. Thus, the study measured the variables as continuous. As suggested by Anderson and Gerbing (1992) a two-step approach was adopted. The first part dealt with the assessment of the factor structure of each of the measurement models using Confirmatory Factor Analysis (CFA). The examined constructs for the determination of model fit were: marketing activities, perceived benefits, perceived risk, confusion by over-choice, price issues, quality issues, consumer trust, and intention to purchase. Then, the complete structural model was examined for the identification of causal relationships among the constructs, and the determination of structural model fit.

Results

The descriptive statistics (Table 1) reveal that, with regard to marketing activities, the most important factor influencing online purchasing in a product's performance (MA4: 1.75), followed by direct marketing (MA1: 2.29) activities. The most important perceived benefits of shopping online are the aspects of saving time (PB3: 1.55) and money (PB2: 1.87). On the other hand, potential involvement with online fraud (PR7: 1.88) was pinpointed as the most influential risk. In terms of confusion by over-choice, the variety of tourism products provided on the Internet (CO1: 2.19) had the highest impact on the respondents. Looking at price issues, the strongest agreements were expressed with the statements concerning low product prices (PI4: 1.42) and best value-for-money (PI5: 1.78). Concerning quality, the holidaymakers placed great emphasis on the ability of e-channels to instil confidence in users through uncertainty reduction (OI4: 1.52), and secondly to provide whatever was promised (QI3: 1.70). The most important factor for consumer trust was that website vendors should give the impression that they care for their users (CT3: 2.41). Finally, the variation of means in relation to the statements was smallest for the intention to purchase construct (between 1.90 and 2.24).

[Table 1]

Model fit

In order to ensure that the data support the relationships amongst the observed variables and their respective factors, the model had to examine the individual factors. The most common measure of SEM fit is the probability of the χ^2 statistic (Martens 2005), which should be non-significant in a good fitting model (Hallak et al. 2012). Since the research sample was big (N = 735), the ratio of χ^2 divided by the degrees of freedom (χ^2/df) has been considered as a better goodness-of-fit than χ^2 (Chen and Chai 2007). According to Schermelleh-Engel et al.

(2003), a good fit is provided if $0 \leq \chi^2/df \leq 2$, whilst an acceptable fit is $2 < \chi^2/df \leq 3$. Other model fit indices were also used in the analysis. These were:

- The Comparative Fit Index (CFI), which specifies no relationships among variables, and indicates a better fit when it is closer to 1.0 (Weston and Gore 2006).
- The Root Mean Square Error of Approximation (RMSEA), where a value of .05 or less reflects a model of close fit (Browne and Cudeck 1993).
- The Standardised Root-Mean-Square Residual (SRMR), which is the square root of the discrepancy between the sample covariance matrix and the model covariance matrix, and should be less than .08 (Hu and Bentler 1999).

As recommended by Kline (2010), when compared to several other indices, these four (χ^2 , CFI, RMSEA, and SRMR) are the most appropriate for the examination and evaluation of model fit. The CFA results show that the χ^2 model value was 356.738 with 192 degrees of freedom ($p < .01$) and the χ^2/df ratio was 1.858, providing a good fit. The remaining model fit indicators were CFI= .905, RMSEA= .043, and SRMR= .071 ($p < .01$), indicating a model of good fit.

Factor analysis was used in an effort to focus on the important components of the research (Table 2). Thus, for higher coefficients, absolute values of less than .4 were suppressed. The correlation matrix revealed numbers larger than .4 over numerous statements. The KMO of Sampling Adequacy was 0.863 (higher than the minimum requested 0.6 for further analysis), whilst statistical significance also existed ($p < .01$). In order to examine whether several items that propose to measure the same general construct produce similar scores (internal consistency), the research also made an analysis using Cronbach's Alpha, where the overall reliability was .816 and all variables scored over 8 (minimum value 7; Nunnally 1978). Out

of 39 statements, five of them did not score over .4, which is the minimum acceptable value (Norman and Streiner, 2008).

[Table 2]

The research model explains the endogenous variables of the study (Figure 2): marketing activities ($R^2=.254$), perceived benefits ($R^2=.302$), perceived risks ($R^2=.327$), confusion by over-choice ($R^2=.195$), price issues ($R^2=.358$), quality issues ($R^2=.420$), consumer trust ($R^2=.457$), and intention to purchase ($R^2=.521$). For the correlated constructs, discriminant validity was employed. The calculation of discriminant validity is estimated as:

$$\frac{r_{xy}}{\sqrt{r_{xx} \times r_{yy}}}$$

where r_{xy} expresses the correlation between x and y, r_{xx} indicates the reliability of x, and r_{yy} illustrates the reliability of y. For the examined factors of Marketing Activities (MA), Perceived Benefits (PB), Perceived Risks (PR), Confusion by Over-choice (CO), Price Issues (PI), and Quality Issues (QI) the average inter-item correlation results and the calculation of discriminant validity are presented in Table 3.

[Table 3]

According to Pappas (2014), if the discriminant validity is less than .85 the examined constructs do not overlap, meaning that they measure different things. The results indicate that discriminant validity exists in all components. Considering all the above, this model is able to evaluate the importance of the examined factors.

[Figure 2]

Hypothesis testing

As shown in Figure 2 all hypotheses have been confirmed. More specifically, marketing activities have a positive interactive relationship with perceived benefits (H1: $\beta=.422$; $p<.01$),

and negative interrelationships with perceived risks (H2: $\beta=.357$; $p<.01$) and confusion due to over-choice (H3: $\beta=.186$; $p<.01$). Perceived benefits positively affect prices (H4: $\beta=.314$; $p<.01$) and quality issues (H5: $\beta=.280$; $p<.05$), whilst the influence of perceived risks on price (H6: $\beta=.327$; $p<.01$) and quality issues (H7: $\beta=.206$; $p<.05$) is negative, as are the impacts of confusion caused by over-choice (H9: $\beta=.185$; $p<.05$ / H10: $\beta=.231$; $p<.01$). In addition, perceived benefits and risks influence one another (H8: $\beta=.215$; $p<.05$). Consumer trust is directly affected by price (H11: $\beta=.385$; $p<.01$) and quality issues (H12: $\beta=.408$; $p<.01$), whilst these two (price and quality) also affect each other (H13: $\beta=.219$; $p<.05$). Finally, the research confirms the important positive impact of consumer trust on the intention to purchase (H14: $\beta=.411$; $p<.01$).

Discussion

Theoretical issues

The study contributes to the theoretical domain in three different ways. The first deals with our understanding of the interrelationship between marketing and the three major factors (perceived benefits, perceived risks, and confusion by over-choice) affecting consumers' trust in online purchasing decisions, revealing the influence of marketing on the creation of perceptions in online consumers. The descriptive statistics indicate that the most influential marketing factor is product performance (MA4), indicating that consumers' primary focus is on their actual purchase. In terms of product performance the results of the study are in agreement with the findings of other previous studies such as Yang and Lai (2006). Moreover, marketing activities influence consumers' decision making, whilst, as expected, direct advertising (i.e. direct mail and e-mails) has a higher impact on buyers than the 'above the line' promotional activities (MA1; MA2). This finding is in agreement with the previous studies of Brown and Reingen (1987), and Chikweche and Fletcher (2010), and also reveals

the potential of direct marketing in online shopping. The research also confirms the interactive impact of marketing activities on the construction of perceptions concerning benefits, risks and confusion by over-choice (H1; H2; H3) with regard to the website vendor. It seems that marketing has its highest interactive influential impact on the perceived benefits of e-channels (H1) followed by a direct negative interactive relationship with perceived risks (H2). These results confirm those of the study by Pescher et al. (2014), indicating that online purchasing perceived benefits and risks affect the online marketing process. Thus, when potential buyers believe that the benefits outweigh the risks they are more likely to trust the product and finally to buy it (Wang et al. 2013), something in which marketing can play a vital role through the construction of consumer perceptions. The added value of these findings lies in the inclusion of confusion by over-choice in the decision making equation, and the revelation of its determining role in the derivation of consumer trust, and ultimately, in purchasing intention. Whilst most of the previous studies focus on the comparison and examination of perceived benefits and risks, the inclusion in this study of over-choice confusion fills a gap in the literature.

The second contribution focuses on the examination of the e-consumers' view formation in terms of price and quality issues. Perceived benefits seem to have a considerable positive effect on price (H4) and quality issues (H5), also illustrating factors (PB1-PB5) concerning the rapid growth of e-commerce in the last decade, as presented by Hong and Cha, (2013) and Kim et al. (2008). In contrast, the potential risks create several considerations for online consumers, mainly those concerning safety and security issues (PR1; PR7), as also suggested by Pantano et al. (2013) and Taylor and Strutton (2010). Thus, the perceived risks have a considerable negative influence on price (H6) and quality issues (H7), confirming the findings of the study by Hong and Yi (2012). The influence of perceived risks on price and

quality issues also reveals a relationship between price-quality schema and risks. Thus, this study offers an initial insight into the importance of the price-quality relationship in online transactions. Furthermore, perceived benefits and risks are interrelated (H8), influencing one another. It can be said that the relationship between these two constructs significantly determines the outcome of their influence in price and quality issues, and ultimately the consumers' trust and their intention towards online purchase. This is also in accordance with the study by Bhatnagar and Ghose (2004), which focuses on the online shopping magnification of both perceived benefits and risks, and their combined influence on consumers' final decisions. Still, the confusion due to over-choice also has an effect on purchasing decisions, and the formulation of issues concerning price (H9) and quality (H10) is mainly affected by the variety (CO1) and the extent of information provided (CO4). All of the above create grounds for saying that all three factors (benefits, risks and over-choice confusion) influence the aspects of price and quality, and ultimately consumer trust and intention to purchase, even if their impact is not the same.

Third, the theoretical model further explains the relationship between the major factors influencing online purchasing. As suggested by Kim et al. (2012), the relationship between a product's price and quality, and consumers' trust in online retailers and their products are the most important factors influencing purchase intentions. The findings revealed that price issues directly influence consumers' trust (H11), the most important aspects being lower-priced products (PI4) and perceived value-for money (PI5). As a result, this study contributes to the further understanding of the financial impact in online decision making and the creation on consumers' trust. In parallel, quality issues seem to have a positive impact on the trust creation (H12), mainly through the instilment of confidence in a vendor's users through uncertainty reduction (QI4), and through the e-channel's understanding of and adaptation to

the user's specific needs (QI5), as also previously mentioned by Ahn et al. (2004). In addition, the interrelationship between price and quality (H13) was confirmed by the results, indicating their importance for the construct of trust, confirming the price-quality schema (as defined by Lichtenstein et al. (1993)), and adding to our knowledge of the development of online purchasing intention. In terms of the interrelationships with price and quality, this study adds value by introducing them to research concerning the online tourism shopping environment.

The research also confirms that consumer trust is the fundamental construct for achieving a positive impact on online purchasing intention (H14). The importance of this construct was also pinpointed by other studies such as Gefen et al. (2003) and Kim et al. (2008), especially with respect to online shopping (Li et al. 2014; Hong and Cho 2011). According to the results, even if the overall agreements for trust statements were not though particularly high (CT1-CT4), varying from 2.41 to 2.95, the structural model (Figure 2) has illustrated a high degree of influence with regard to online purchasing intention. Moreover, all the previously analysed constructs seem to connect sufficiently with consumer trust, enhancing its role and importance, whilst it strengthens the intention to purchase (IP1-IP3) and enhances the potential for final purchase on the part of new and old customers. In conclusion, the suggested model enables us to better comprehend online consumer behaviour in tourism decision making and finally in the formulation of purchasing intentions.

Managerial implications

The paper provides managerial contributions by defining the aspects of website vendors which are important to online consumers. In terms of marketing, e-retailers should not only focus on promotional activities (direct – indirect marketing) but also place emphasis on the strengthening of vendor and product brand names since, as these become stronger they are

more likely to influence purchasing decisions (as previously suggested by Chikweche and Fletcher (2010)). An example could be the further provision of vendor and product information and characteristics' comparison with other similar / competitive products and vendors. Moreover, user friendly vendors providing a variety of products and related information, and giving the best value for money to online consumers will attract more users and increase sales. The vendors' friendliness to users is an aspect of constant examination and revision, also including groups of consumers with specific characteristics, needs and wants, such as people with specific requirements on the issues of accessibility and disability. However, e-channels should provide the highest possible safety and security for consumer transactions, try not to involve difficult payment procedures, and adequately list their products in terms of variety, price, and quality in an effort to minimise confusion by over-choice.

Financial and security risks are another aspect for consideration by e-retailers. Strengthening the sophisticated services of web-vendors could reduce the perceived risks, leading to further instilment of consumer trust. As the study results illustrate, the importance of perceived risks, especially in areas dealing with potential monetary losses and the exposure of consumers' private information, is of exceptional importance. On the other hand, the introduction by web-vendors of added security mechanisms may render an online platform less easy to use and ultimately lead to loss of customers. Thus, e-retailers should find an equilibrium between further security provision for perceived risk reduction, and usability of their web-offerings. This equilibrium may vary towards different types of customers, depending on their socio-demographic characteristics. Still, some fundamental principles of safety and security should be kept no matter the type of consumers and their individual characteristics.

The understanding of over-choice confusion is another aspect for e-retailers to take into consideration. The huge provision of information (especially from similar tourist products and services) may deter consumers from making a final purchase. It is advisable that the information provided should focus on the distinct characteristics of each product and service, whilst product performance should also be highlighted. The ability for consumers to easily compare the fundamental characteristics of similar products and services (price, duration of holidays, customer satisfaction etc.) is one more suggestion that can reduce the over-choice confusion. This includes the provision of products able to serve the unique characteristics of consumers. Moreover, e-retailers should evaluate the extent to which different or differential information could impact upon consumer trust in terms of the confusion it may create. Thus, information consistency between different web-vendors can help to reduce confusion.

The triangulation of quality and price issues with consumers' trust provides one more managerial implication. Considering price-quality schema (Lichtenstein 1993), it is important for e-retailers to promote good quality products at affordable prices, whilst they also provide specialised services (product delivery arrangements, post purchase services, etc.) in an effort to better accommodate their user's specific needs. Through the instilment of confidence and trust, website vendors can create the impression that they are honest, care for their users, and can fulfil consumers' needs.

Conclusions and future research

This paper has focused on the attributes of website vendors and, by using TPB, has illustrated the importance of consumers' trust in online intention to purchase, and the impact of perceived benefits, perceived risks, and confusion by over-choice on trust creation, taking into consideration the aspects of price and quality. It has also investigated the effect of

marketing in terms of the extent to which all these factors influence online purchase intention, and the interaction of benefits, risks and over-choice confusion with marketing activities. The findings have illustrated the interrelationship between marketing activities, the major aspects influencing online purchasing (perceived benefits, risks and over-choice confusion), and the influence of the latter on price, quality and online consumers' trust. This process has provided further understanding of the factors affecting the purchasing decisions of online consumers, whilst it has also illustrated the complexity of the interactive relationships between the examined constructs. In the theoretical domain, the study adds up value on the understanding of online consumer behaviour in tourism shopping. Its practical output concerns the illustration of the influential extent and effect of the factors determining online purchasing behaviour in tourism and hospitality.

Despite the research contribution, it is necessary to highlight some limitations of the work. First, if this study is repeated for specific website vendors or tourism products the results may vary, since some aspects, such as the e-channels or product brand names concerned, could produce different outcomes. For this reason, any research implementation should be made carefully. Second, further research into e-retailers, and different stakeholder groups (social media and online purchasing channel administrators, tourism and hospitality enterprises selling their products both online and in high streets, tour operators, and so on) may produce different outcomes. Thus, the interpretation of findings should be made with caution. Finally, the inclusion of the respondents' personal characteristics could provide an interesting evaluation in terms of perception variations. Such analysis could give a better understanding of the derivation of consumers' perspectives regarding online purchasing intentions.

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Figure 1: The Proposed Model

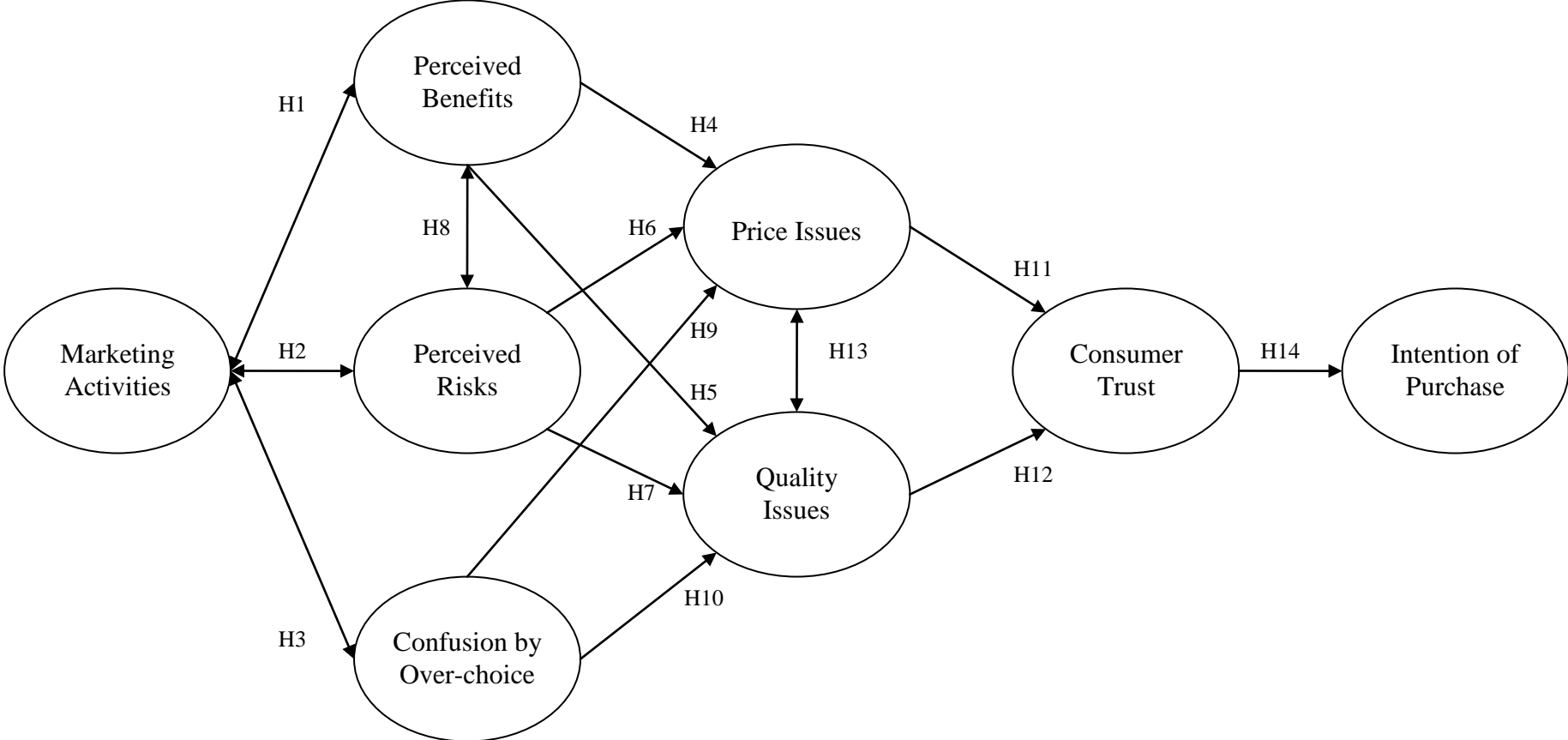


Table 1: Descriptive Statistics

	Statement	Means	Std. Dev.	Kurtosis	Skewness
MA1	Direct marketing activities (i.e. direct mails and e-mails) influence my purchasing online decisions	2.29	.563	.835	.734
MA2	The “above the line” promotional activities (i.e. TV and radio advertisements) influence my purchasing online decisions	3.02	.573	.945	.780
MA3	The companies’ branding influence my purchasing online decisions	2.78	.469	.838	-.852
MA4	The performance of the product I intent to buy influences my purchasing online decisions	1.75	.264	1.212	-.922
PB1	I think online shopping is convenient	2.16	.596	-.977	.532
PB2	I can save money by shopping online	1.87	.738	.756	1.230
PB3	I can save time by shopping online	1.55	.571	-.830	-1.182
PB4	Purchasing online enables me to accomplish a shopping task more efficiently than using traditional stores	2.47	.370	-1.191	-.635
PB5	Purchasing online increases my productivity in shopping	2.83	.487	.926	-.990
PR1	Purchasing online would involve credit loss risk when compared with more traditional ways of shopping	2.55	.782	.835	.864
PR2	Purchasing online would involve a trivial payment procedure when compared with more traditional ways of shopping	2.21	.361	.742	.758
PR3	Purchasing online would involve more time to search the information when compared with more traditional ways of shopping	5.28	.450	.841	.532
PR4	Purchasing online would involve private information lost compared with more traditional ways of shopping	4.06	.698	.815	.689
PR5	Purchasing online would involve after sales service warrantee risk compared with more traditional ways of shopping	3.87	.438	-.934	.901
PR6	In general, providing credit card information through online shopping is riskier than providing it over the phone to an offline vendor.	4.85	.482	-.734	1.239
PR7	Purchasing online would involve fraud behaviour on the website risk	1.88	.711	.910	1.014
CO1	There are so many tourism products to choose from that often I feel confused	2.19	.483	.839	1.075

CO2	Sometimes it is hard to choose from where to shop in	3.45	.473	1.432	-1.110
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Table 2: Cronbach's Alpha & Loadings Produced by Factor Analysis

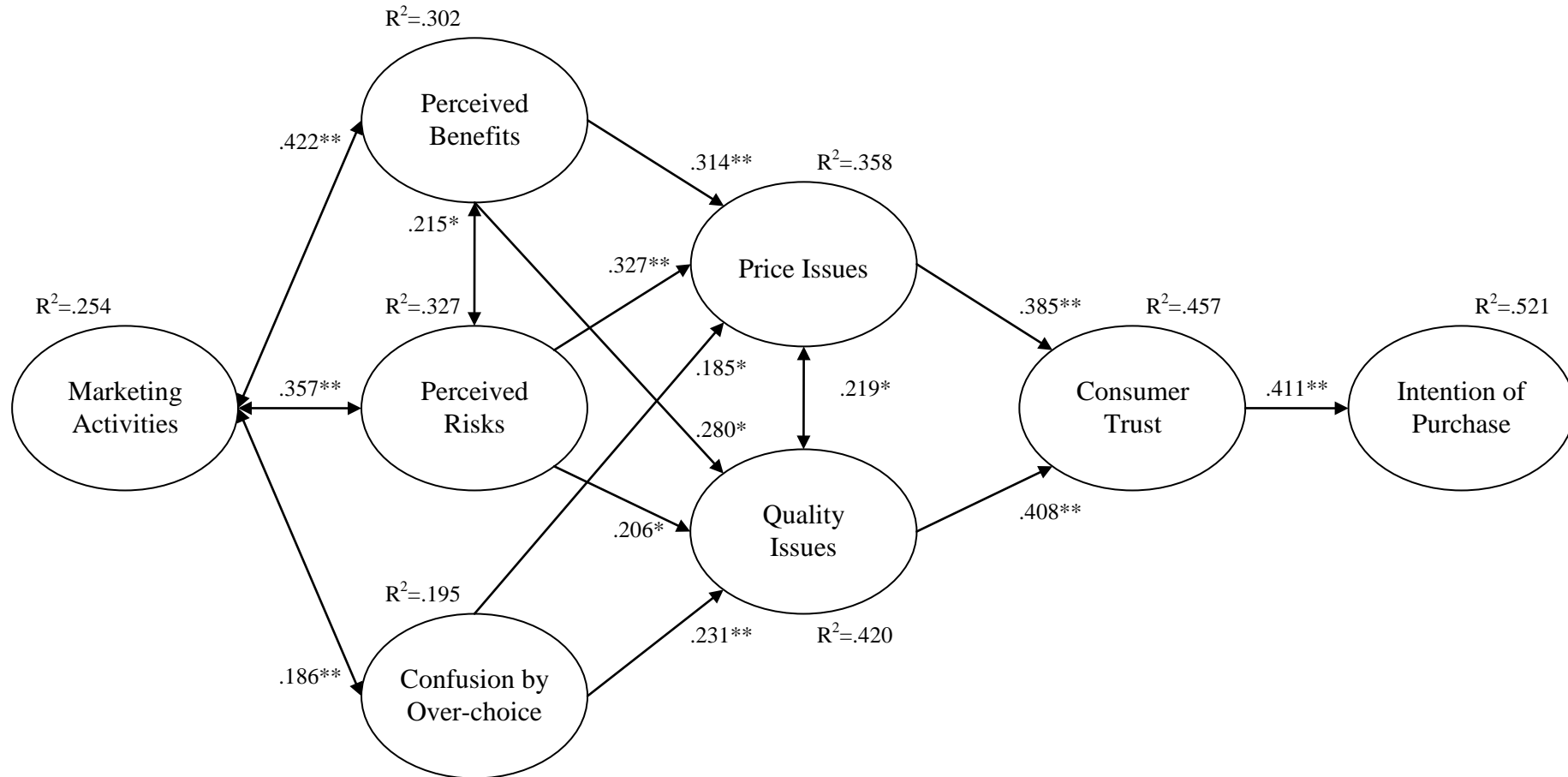
Statements	Cronbach's Alpha	Loadings							
		Marketing Activities	Perceived Benefits	Perceived Risks	Confusion by Over-choice	Price Issues	Quality Issues	Consumer Trust	Intention to Purchase
MA1	.831	.732							
MA2		.785							
MA3		.683							
MA4		.769							
PB1	.828		.692						
PB2			.678						
PB3			.726						
PB4		Eliminated from factor analysis based on a low commonality .382							
PB5			.781						
PR1	.837			.646					
PR2				.635					
PR3				.621					
PR4				.723					
PR5		Eliminated from factor analysis based on a low commonality .355							
PR6		Eliminated from factor analysis based on a low commonality .347							
PR7				.527					
CO1	.809				.483				
CO2					.534				
CO3		Eliminated from factor analysis based on a low commonality .283							
CO4					.536				
PI1	.846					.701			
PI2						.715			
PI3						.730			
PI4						.793			

PI5						.724			
QI1	.848						.632		
QI2							.670		
QI3							.602		
QI4							.504		
QI5							.605		
QI6							.592		
QI7		Eliminated from factor analysis based on a low commonality							.387
CT1	.837							.691	
CT2								.686	
CT3								.710	
CT4								.593	
IP1	.829								.882
IP2									.834
IP3									.836
Total Rotation Sums of Squared Loadings		5.693	4.660	6.287	4.763	5.255	4.986	6.014	5.852
Percent of Total Variance Explained		16.341	11.838	17.395	12.562	15.722	14.130	17.037	16.564

Table 3: Inter-item correlations and discriminant validity

Factors	Correlation Results	Inter-item Correlation	Correlation Results	Discriminant Validity
MA-MA	.46	MA-PB	.32	.75
PB-PB	.40	MA-PR	.31	.70
PR-PR	.43	MA-CO	.35	.81
CO-CO	.41	PB-PR	.28	.67
PI-PI	.38	PI-QI	.34	.82
QI-QI	.45			

Figure 2: Influences for Intention of Purchase in Online Shopping



*Coefficient is significant at 0.05 level

** Coefficient is significant at 0.01 level