

A STUDY ON CUSTOMER EMOTIONAL INTELLIGENCE TOWARDS ONLINE RETAILING

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Abstract

The ability of a brand or product to retain its customers has been a subject of great interest to marketers for many years. Traditionally, customers have often been loyal to local store owners due to personal connections and a sense of community. However, the rise of online retail has disrupted this cultural norm and created new challenges for retailers seeking to connect emotionally with their customers.

In order to create an emotional connection with their customers, online retailers have developed brand personalities that reflect the values, attitudes, and qualities they wish to be associated with. By creating a EI that resonates with their customers, online retailers can differentiate themselves from their competitors and build stronger, more loyal relationships with their customers.

Findings reveal that a strong link between the EI of shoppers and the purchase behaviour of online retailers. The study finds that online retailers can use their EI to connect emotionally with their customers and build stronger, more loyal relationships, regardless of geographical location and personal relationships.

Keywords: Emotional intelligence, Online retailing, Purchase behaviour, Online stores

1. INTRODUCTION

The popularity of online shopping has been growing among all age groups, with the market expanding rapidly as more online retailers enter the market. The increased competition has led to the development of more trustworthy online marketplaces that offer practical options for customers.

Savvy shoppers, known as shopaholics, have become more intelligent in their purchasing decisions, researching and comparing products before making a commitment. Some people still shy and away from online shopping due to fear, many have embraced it, recognizing its advantages despite its drawbacks.

The advantages of online shopping include free shipping, competitive prices, ease of finding exactly what you're looking for, quick and easy product returns, authentic information about products and vendors, and minimal sales pressure. Customers also appreciate the fair pricing that eliminates the need for negotiation, which can be difficult to master. Despite these benefits, some consumers still prefer physical marketplaces because they enjoy haggling, want to try products before buying, and believe that social relationships and in-person interactions can improve the quality of their purchases.

Online shopping is becoming more accessible and prevalent in society as more companies invest in online initiatives to connect with customers. The majority of the population has internet access, making online shopping an attractive option for businesses looking to boost sales.

However, online shopping also has its downsides, such as the inability to physically inspect the product, privacy concerns, and the risk of product damage during delivery. These factors have influenced consumer purchasing decisions and satisfaction levels. Some customers prefer to revert to traditional, in-person shopping because of these drawbacks. This method allows them to physically touch and evaluate the product before making a purchase. The COVID-19 pandemic has accelerated the trend of online shopping, with many people embracing this convenient and efficient method. Despite this, traditional in-person shopping remains a popular option, and both approaches have their advantages and disadvantages.

2. REVIEW OF LITERATURE

2.1 EMOTIONAL INTELLIGENCE

The role of emotions in consumer behaviour and branding has been the subject of increasing attention among researchers for more than 30 years. Customers are happy when they own their favourite brands (Roberts, 2005; Straker & Wrigley, 2016). These bonds can significantly impact the purchase behaviour of the customers (Park et al., 2010; Thomson et al., 2005). The EI was explicitly designed to bridge emotions and cognition, explaining how emotional states impact thought processes and behaviour.

Studies have shown that customers and brands may have various connections and that the degree of emotional attachment between the two parties is a significant factor in deciding how strong these relationships are (Park et al., 2010; Nithin das et al., 2015).

Two ways to think about emotional intelligence (EI) are trait EI and ability EI. Ability EI is evaluated through performance-based evaluations, which measure "the ability to accurately understand emotions, utilize emotions, and use emotional knowledge to improve cognitive processes" (Mayer et al., 2008, p.28). Trait emotional intelligence, conversely, is "a collection of emotional self-perceptions positioned at the lowest levels of personality hierarchies" (Petrides et al., 2007, p. 26). This type of emotional intelligence may be evaluated using self-report measures.

Compared to ability EI, trait EI has a more vital link with subjective well-being and impulsive behaviour (Park & Dhandra, 2017; Venkateswaran et al., 2017; Sánchez et al., 2016). As a result, the focus of this

investigation is on trait EI. According to the findings of previous studies, EI may be broken down into four different aspects (Salovey et al., 2005). Self-emotional evaluation relates to an individual's capacity to understand their feelings and successfully articulate them accurately.

The capacity to recognize and make sense of other people's feelings is the second dimension, which is known as others' emotional assessment. The third dimension, emotion regulation, relates to an individual's capacity to regulate their emotions, enabling quicker recovery from psychological stress.

The dimensions pertain to one's ability to positively and constructively utilize emotions. Past studies, including those conducted by Shahzad et al. (2019), Petrides et al. (2016), and Fabio & Saklofske (2014), have shown the impact of trait emotional intelligence (EI) on various outcomes such as academic achievement, work performance, social connections, happiness, and purchasing behaviour. Peter and Krishnakumar's (2010) research shows that EI is essential for controlling impulsive buying habits. People with low EI may have trouble controlling their urges to shop constantly. Their study also emphasized the relationship between EI and impulse purchasing.

There has been some study done on the function of emotional intelligence in impulse buying, but only a few as there has been done on the involvement of other psychological elements in impulsive behaviour (Thompson & Prendergast, 2015).

The following are the variables used in this study. These are social skills, emotional self-efficacy, self-regulation, self-awareness, motivation, control, empathy, expression, and flexibility. Self-awareness is the ability

to recognize and accept one's feelings and behaviours and those of others.

2.2 ONLINE RETAILING

Tractinsky and Lowengart (2007) talked about how important aesthetics are for e-commerce sites and how designers should think about both classic and creative elements. In the classical aspects, the design is safe, new, and easy to use. In the expressive aspects, the focus is on the product and the customer. Verhoef et al. (2009) suggest multiple factors affecting the customer experience that are beyond the control of retailers. These include cognitive, practical, mental, societal, and emotional responses.

e-retailers progress on the online platforms was studied (Wolfenbarger & Gilly, 2003), and various studies were cross-examined by Rose, Clark, Samuel, and Hair (2012) for the behavior of the client after their online purchase. They looked at the cognitive experiential state, which included internet interaction speed, online shopping problems, and shopper knowledge, and the effective experiential state. The study looked at several things that affect the online shopping experience, such as how easy it is to use, how you can customize it, how connected you feel, how nice it looks, and how much you think it will help you. The effects of these factors on things like satisfaction with online shopping, trust, and plans to buy again were studied. (Sutcliffe, Kurniawan, & Shin, 2006).

Sahney et al., (2008) studied how Indians think about shopping online. They came up with criteria like dependability, safety, visual appeal, ongoing progress, the ability to buy items from other countries, and services after the sale. Petre, Minocha, and Robert's (2006) research showed that reliability was the most important thing for

Indian online shoppers, followed by product availability and after-sale services.

Finally, a well-organized website can boost customer morale and encourage them to browse and navigate the site (Cai & Xu, 2011). The following variables are identified: website design and layout, product variety and quality, ease of use, security, trustworthiness, customer service, pricing, promotions, shipping and delivery, and online reviews and ratings.

3. METHODOLOGY

The aim is to find out the EI image in the client's mind. Purposive sampling (Hair et al., 2009) was used to choose the samples, and the criteria for choosing the samples were customers of online retailers who bought from certain college students in Dindigul. 265 male and female students were identified randomly and who have a purchase experience in online stores such as amazon, flip kart, Myntra, Ajio, Pharmeasy, Nykaa, Snap deal, Lens kart, Pepper fry and Meesho.

A well-structured questionnaire were developed and given to the select 10 colleges (Per college 30 questionnaire) and filled questionnaire were collected. After the scrutiny 35 questionnaire were removed from the study for its poor response and unfilled reasons. The Cronbach Alpha test for reliability and validity was tested for the questionnaire's effectiveness through a pilot test that involved administering it to a sample of thirty people. The final version of the questionnaire underwent several rounds of editing, during which it was changed, left out, and taken away. The completed draft was utilized in data collection from the respondents. SPSS 26 was used to analyze

the data. Different statistical analysis was used.

4. ANALYSIS AND INTERPRETATION

TABLE 1. Descriptive Statistics

Emotional Intelligence	Mean	Online retailing	Mean
Self-awareness	3.817	Website design and layout	3.722
Self-regulation	3.551	Product variety	3.688
Motivation	3.806	Quality	3.691
Empathy	3.922	Ease of use	3.744
Social skills	3.738	Security	3.819
Emotional self-efficacy	3.593	Trustworthiness	3.715
Emotional expression	3.569	Customer service	3.942
Emotional control	3.377	Pricing	3.721
Emotional flexibility	3.602	Promotions	3.584

From the above table, EI is positively correlated with purchase behavior(PB), with a mean of 3.817. Based on the data presented in the table, it can be inferred that individuals possess higher emotional intelligence on average for self-awareness, empathy, motivation, and social skills, compared to other areas such as emotional control, emotional expression, emotional flexibility, and emotional self-efficacy(ESE). On average, the mean of emotional intelligence is highest for self-awareness, while the lowest is for emotional control. This indicates that individuals generally focus more on self-awareness, empathy, motivation, and social skills as a way to develop their emotional intelligence.

The mean for online retailing effects, such as website design and layout, product variety, quality, ease of use, security, trustworthiness, customer service, pricing, promotions, was 3.722, 3.688, 3.691, 3.744, 3.819, 3.715, 3.942, 3.721, and 3.584 respectively. It can be inferred that the online retailing business has a good overall customer experience, with website design and layout, product variety, quality, ease of use, security, trustworthiness, customer service, pricing, and promotions all having a mean rating of 3.7 or higher. Customers appear to have the greatest satisfaction with customer service, as it has the highest mean rating of 3.942. Promotions have the lowest mean rating of 3.584, indicating customers may be less satisfied with this aspect of online retailing. This indicates that while emotional intelligence is important for purchase behaviour, it is not as strongly correlated with online retailing effects as it is with regular purchase behaviour.

Table 2 demonstrates a clear and substantial relationship between EI and online retailing having a direct and significant influence on buying behaviour (sig-value .001). According to the standardized coefficient, the influence of EI (b =.518) on consumer purchasing behaviour is more significant than that of online commerce

(b =.463). As a result, the evidence demonstrates that the H1 and H2 hypotheses are correct.

Table-3 displays the significant association between EI and purchase behaviour through linear regression analysis, indicating a predictive or causal relationship between the two variables. Moreover, EI is positively related to online retailing. These findings reinforce the correlation analysis results and suggest that EI can predict purchase behaviour but has no predictive relationship with online retailing and purchase behaviour. The outcome of the hypothesis suggest that EI has positive effect on purchase behaviour, with a p-value of 0.001, shows the statistical significance. It means that the hypothesis is supported. On the other hand, the hypothesis that online retailing has a direct positive effect on purchase behaviour is not supported.

Using linear regression analysis, EI had a substantial correlation with buying behaviour and a significant link with online retailing. This further validates the findings of the correlation study and lends credence to the idea that EI can anticipate purchase behaviour, in contrast to the fact that EI does not have a predictive link with online retailing and purchase behaviour.

With a p-value of 0.001, much lower than the typical cutoff point for statistical significance, the outcome indicates that EI has a significant positive effect on buying behaviour. These findings support the hypothesis that emotional intelligence influences purchasing behaviour. It indicates that the hypothesis is correct and should be followed. On the other hand, little evidence supports the idea that shopping at an online store directly makes people more likely to buy things.

TABLE 2: Regression analysis

<i>The Proposed Hypothesis</i>	<i>Stand. Coeff</i>	<i>Sig</i>	<i>Nature</i>	<i>Results</i>
H1: The EI has a direct effect on purchase behaviour	0.518	0.001	Positive	Supported
H2: The online retailing has a direct effect on purchase behaviour	0.093	0.168	Positive	Not Supported

The p-value is too high, at 0.168, which indicates that there is not a strong enough association between the two variables to suggest the hypothesis is true.

TABLE 3: Regression analysis results in the effect of purchase behaviour

Model I (Predicted Variable)	Unstan- dardized Coefficients		Stan- dardized Coeffi- cients	t	Sig.
	B	Std. Error	Beta		
Constant	0.448	0.112	0.426	18.309	0.000
Emotional intelligence	0.371	0.277	0.398	7.552	0.000
Online retailing	0.073	0.062	0.105	1.155	0.098

DISCUSSION:

The study conducted in Dindigul, Tamil Nadu, allows researchers to predict the relationship between EI and the shopping habits of college students. The results reveal that emotional intelligence have a strong correlation with purchase behavior, while no such correlation was found for online shopping and consumer spending habits. These findings emphasize the importance of emotional intelligence in understanding individual behavior patterns and the need to consider this factor when evaluating consumers, their cognitive abilities, and purchasing patterns.

The results also suggest that EI plays a predictive role in purchase behaviour, whereas no such relationship exists between emotional intelligence and online retailing. This implies that when it comes to online purchases, customers require a higher level of EI, which can help them make better decisions. Moreover, individuals with lower emotional intelligence are likely to have

poor purchase behaviours, and may require additional guidance in order to make better purchase-related decisions. This study helps organizations understand and target customers by revealing how emotional intelligence affects buying behavior.

5. CONCLUSION

In conclusion, the study's findings support the theory that emotional intelligence positively correlates with purchasing behaviour. Nevertheless, the study does not support the premise that online retailing correlates with this hypothesis. The results of this study show how important it is to give emotional intelligence tests to understand better how different consumers shop.

In addition, they conclude that if EI is useful for predicting purchase behaviour in the setting of traditional retailing, it is less beneficial in the context of modern retailing conducted entirely online.

As a result, those with lower emotional intelligence are more likely to have trouble making decisions when shopping online and may need more guidance and assistance to make well-informed decisions using all relevant information. Customers' purchasing behaviour is another significant outcome measure that may be anticipated by employing exhaustive EI. This study offers valuable knowledge to those who sell their wares online, much like individuals' cognitive ability and talents may be evaluated and improved to encourage them to make more purchases.

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