Online vs. Offline Grocery Shopping – a segmentation approach

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Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

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Abstract

Due to the rapid technological development, there is an ongoing change in the business world. More and more companies find themselves online and offer their products there. Moreover, customers tend to find this way of shopping increasingly convenient. However, groceries as products are considered to be special among other types of products as groceries include several fresh and perishable products, due to which customers like to feel them physically before purchasing them. The already existing literature shows that buying groceries online is still a very young tendency, and traditional stores still have their preferences.

The aim of the primary research of this thesis was to compare how consumers perceive purchasing groceries online and offline, what motivates them, and what influences their purchase intentions. The research focused on the Austrian market. With the help of an online survey it was found that customers do not buy groceries online at all. The proportion of the respondents that buy online is highly insignificant. However, the research showed that possible motivating factors for buying groceries at online retailers include those regarding convenience aspects such as delivery to doorstep or the avoidance of carrying heavy bags. Special life situation such as having little children or changes in one's state of health can also contribute to the intention of online shopping. On the other hand, shopping at traditional stores still has some great advantages such as the ability of touching and smelling the fresh products, and direct availability. It has therefore been pointed out that retailers that consider bringing their grocery business online must find the niche audience that appreciates convenience factors or that is forced to do shopping online.

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1 Introduction

1.1 Background

In recent years, one of the main actors of the market, the consumer, has gone through drastic changes. According to a study by IBM in 2014, consumers have become digitally conscious. However, the concept of the consumer is not the only factor that has gone through changes, but the path customers need to take in order to gain information and to shop has changed as well (IBM 2014).

Online shopping has been rapidly expanding in recent years and has become a method of convenient shopping (Bourlakis, Papagiannidis & Fox, 2008). One of the most significant advantages of online shopping is that the consumers can inform themselves about the item to be purchased in details, and can select from multiple opportunities. Yu and Wu (2007) add that consumers who are looking for convenience are more satisfied when they are buying online due to its speed and simplicity. Consumer behaviour adjusts to new trends, and several factors influence it until the final choice is made (Magee 2003).

Online markets constitute a significant part of the whole retail commerce. According to the research of PWC (2016), 54% of the consumers purchase online weekly or monthly. 34% agree that their smartphone is the essential device when it comes to shopping. 67% believes that comments posted on social media websites do affect their consumer behaviour. In the same year, KPMG studies indicate that online shopping is the most popular in East-Asia, where the average frequency was 22,1 occasions per person in 2016. It is followed by Eastern-Europe (11,9) and Latin-America (9,2).

Regarding generations, the study shows that the members of generation X (1965-1979) are the most active online shoppers with around 19 transactions annually. However, it is interesting to note that Baby boomers (1945-1964) are not lagging far behind. The average number of their annual transaction is 15,1, which is hardly less than those of the Y generation (1980-1994) with 15,6 purchases annually. Regarding genders, the study of the following year, 2017, indicates differences between male and female online shoppers.

In fact, men tend to buy online in higher values than women. Technological advancements in shipping and delivery made it easier to purchase vehicles, furniture, machines and

instruments online. However, the most popular items are still books, clothes, accessories and electronic devices (KMPG 2017).

The same study (KMPG 2017) investigates the motivations of online purchase as well. According to this, it can be stated that convenience aspects such as 24-hour availability are valued the most for 58% of online shoppers. It is followed by saving time (40%), and by the fact that going to the shop is not necessary (39%). Price, of course, plays a crucial role as well. According to 57%, this is the most determining aspect. The opportunity of comparing prices is essential for 54% of the customers, while 46% regard lower prices as most important (KPMG 2017).

In recent years, shopping grocery online has seen a revolution in several markets of the world. According to the Nielsen Report (2017), the lines between offline and online channels begin to vanish. However, there are still many consumers that feel uncomfortable when buying grocery online. This feeling of insecurity can be triggered by several factors such as the lack of trust, the demand for the ability to touch and feel the item, and the urge to meet friends and sellers physically. Such factors may negatively affect consumers' decisions to buy grocery online. As online grocery shopping improved, consumer behaviour changed to find cost effective and time effective methods of purchasing. Changes also reflect lifestyle trends as the tendency of purchasing grocery is shifting towards much healthier considerations.

A relatively large amount of literature deals with the differences between online and offline shopping. Attempts have been made in order to categorize shoppers in general and online shoppers, in particular, taking their characteristics and choices into consideration. Still, a significant gap can be identified in the literature available regarding online grocery shopping. There are only a few recent observations on what motivates consumers to buy groceries online or those who choose to stay at traditional offline grocery shops. Since digitalization is spreading in all aspects of life, and people tend to buy more and more online – referring to the findings as mentioned above – there may be great market potential in online grocery shopping.

However, to evaluate this, it is essential to learn what characterizes and motivates online grocery consumers or why offline shoppers insist on staying away from this opportunity. The present study, therefore, may primarily contribute to the establishment of further more in-depth reviews on online grocery shopping.

1.2 Research Aim

Research questions constitute an essential element during the research procedure because they serve as a basis on which the research itself is built. Research questions direct the researcher throughout the process and determine the objectives of the study. It is, therefore, necessary to define clear research questions to establish the focus of the study (Saunders, Lewis & Thornhill, 2009). According to the objectives of the study, the following research questions were defined:

RQ: What motivates consumers in their intention to buy groceries online and/or offline?

RQ1: What are those grocery products consumers prefer to buy online or offline?

RQ2: What motivates customers in their decision on shopping groceries online or offline?

RQ3: How do demographic characteristics influence consumers' online grocery purchasing intentions?

Thus, the research aims to explore the factors of online versus offline grocery shopping. As there is a substantial increase in online availability of shops and customers who are willing to shop online, this study will look into the factors and reasons that make people select their preferred way of shopping.

The objectives of the study are defined as follows:

- To identify the grocery products that consumers prefer to buy online.
- To identify consumers' motivation behind the purchase intention in both the online and offline environment.
- To identify those factors that may have a modifying effect on consumers' decision-making process while purchasing groceries online or offline.
- To identify the platforms and devices of preference when purchasing groceries online.

The research method applied in this thesis will be a quantitative approach in the form of an online survey. Convenience sampling will be employed involving a target group of people living in Austria, aged 18 to 65. The study will largely contribute to the literature on online grocery shopping because there are still knowledge gaps regarding this topic. Even though

online grocery shopping opportunities have advanced over time, recent research does not focus on the particular motivations that lead consumers to buy food online. Therefore, this study will recommend marketing strategies for targeting both online and offline grocery consumers, which could be used in the future for food chains to tailor specific strategies for their consumer segments.

The study will consist of three main parts. The literature review will present previous findings regarding online grocery shopping, the motivation behind it, and some other influential factors such as the characteristics of the individual. The second part will demonstrate the research methodology applied and how data has been collected. Finally, the last section will present, interpret and discuss the result

2 Literature Review

The theoretical background of the study of online and offline grocery shopping involves the description of some broader concepts as well. They range from such as consumer behaviour, consumer decision – making process and its influencing factors, and the general difference between online and offline shopping. This chapter aims to present these elements in general and what results already existing studies show regarding the position of these elements in grocery shopping in general.

2.1 Online versus Offline Shopping

If marketers know how people buy and use products and services, or have knowledge about the customers' reactions on prices and changing environment, they will be able to make better decisions in marketing management (East, 2013). In Perner's (2012) definition consumer behaviour is a process in which customers, either individuals or groups, buy products in order to satisfy their needs. Kuester (2012, p.56) points out that "consumer behaviour can be described as a study of individuals, groups, or organizations and the process they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society." A number of factors can influence Consumers' decision-making process, whether to buy an item or not and these factors can be divided into categories (Figure 1).

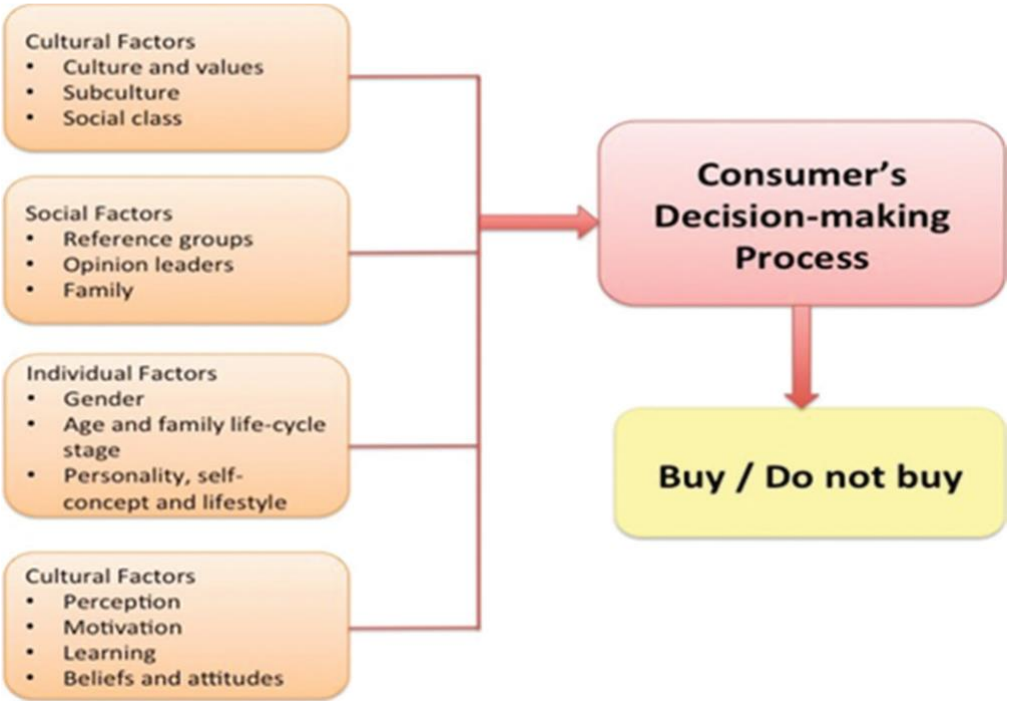

Figure 1- Factors that influence consumers' decision-making process

Source: Kotler and Armstrong (2011)

Cultural factors are considered to have the most substantial effect on consumer s' buying decision (Kotler & Armstrong, 2011). The authors argue that because each country has its specific cultural characteristics, marketers should closely adjust to those when designing marketing plans. Cultural factors involve elements such as gender dominance within the family as well as values originating from certain subcultures. Subcultures, for example, can serve as a useful direction for market segmentation (Khan 2006). Social class, on the other hand, indicates similarities in education, occupation, prestige, wealth, income, etc. Within one social class, people tend to share the same values, and therefore, their decision-making process regarding buying will be similar (Khan 2006).

The next group of influencing factors includes so-called *social factors.* Burnett (2008) defines a reference group as being either formal or informal surrounding of the consumer outside the family. Thus, these groups can originate from education, occupation, clubs, or friends. However, even higher influencing power belongs to the family itself because all those values, customs, or attitude patterns acquired in the family are absorbed in the personality of the future consumer. Opinion leaders can have substantial effects on consumers' buying

decisions, as well. Therefore, marketers often design campaigns in which well-known people, such as celebrities advertise certain products (Kotler & Armstrong 2011).

Subjective norm is a concept that relates closely to the group of social factors. Mohd et al. (2011) describe subjective norms as factors that identify how consumers perceive the effect of other significant individuals. Subjective norm is often linked to intention due to the fact that people's decisions on acting are frequently based on how others would act in a similar situation. Taylor and Todd (1995) emphasize the significance of social influence in innovation acknowledgment, for during the early stages of innovation application when a direct experience is limited, subjective norms are likely to be even more influential. Mohd et al. (2011), moreover, add that attitude changes at different levels.

Malhotra and Galletta (1999) study the social influence on the adoption of new technologies. The authors suggest that "the underlying processes in which an individual engages when he adopts induced behaviour may be different, even though the resulting overt behaviour may appear the same (Malhotra & Galletta 1999, p. 3)." They determine three different social influence forms in affecting the individuals' attitude. The first is compliance – when a person assumes the behaviour not because he or she is convinced about its nature but because he or she either expects a reward or is willing to avoid punishment. The second process is identification, in which case the individual acknowledges the influence exclusively because of the purpose to establish or maintain relationships with a specific person or group. The third one is internalization when the buyers recognize the impact because it is acceptable to his or her own value system. Malhotra and Galletta (1999, p.3) also argue that "Applied to use of a new information system, the social influence processes determine the individual user's commitment, or more specifically, psychological attachment, to the use of any new information technology." The aspect may be engaging in terms of online grocery shopping for consumers to use technology to arrange their everyday shopping. From this perspective, the use of technology may largely depend on the individual's age and stage of the lifecycle, which belongs to the next group of influencing factors.

This group is the *individual*. That is gender, age and family life cycle stage, and personality. Kotler and Armstrong (2011) categorize taste, environment, hobbies, values and lifestyle as age-related factors since these may change significantly during the life of the individual. The authors also point out that while earlier and traditionally, only two main lifecycles could be defined, young singles and married couples, today alternative, non-traditional stages exist as

well. These can be unmarried couples, singles, couples without children or even same-sex couples, only to mention some. Gender defines the individual's lifestyle significantly as well. Men can have completely different habits, hobbies and preferences than women (Kotler & Armstrong 2011). Personality is also somewhat age-related because it alters as well as the individual's age and is a factor that distinguishes one person from others. Personality is influenced by attitudes, values and surrounding people (Wright, 2006). Kardes, Cline and Cronley (2011, p. 230) define self-concept "as the totality of an individual's thoughts and feelings regarding him-herself as an object." The authors add that brands develop an image and personality that reflect consumers' values and traits.

Buying decisions are affected by four *psychological factors* as well, namely, motivation, perception, learning, and belief and attitude. From the aspect of this paper, motivation is the most important influential factor. Bauer (2001) defines motivation as an inner state that directs the individual towards the fulfilment of some determined aims. Thus, the individual acts purposefully. Physical and mental needs appear after one another, and there may be more than one at the same time. However, these needs only turn into being motivations when they exceed a certain limit, and consequently, it becomes necessary to act for the sake of well-being. This action is a purchase that satisfies those needs. Maslow (1943) points out that needs are constructed hierarchically, in the order of importance: physiological, safety, social, and those in connection with reputation and self-realization. According to observations, from the perspective of purchase behaviour, the first three levels may be the most determining (Maslow, 1943).

Perception is considered the individual's own distinctiveness how the decision maker arranges and interprets the incoming flow of information. This process is the one that establishes a direct connection between the individual and the external world. Therefore, although it is impossible to get insight into the mind of the consumer, it is crucial to understand this process as much as possible for it may influence purchase decision making significantly. Learning enriches the experience of the individual, and thus, the consumer may acquire new attitudes. Therefore, education means acquiring spiritual knowledge and collecting experience based on action.

External forces

Besides the above mentioned internal influencing factors on decision making, Armstrong and Kotler (2011) find technological environment the most dramatic external force that affects consumer behaviour and the overall concept of marketing. This environment changes quickly and continuously. With new technologies, new markets emerge and create new opportunities. Even though one has to point out that with every new invention, an old one renders obsolete. (Armstrong & Kotler, 2011). A product may always be challenged by a new invention created by a competitor. Therefore, a firm must always be ready to explore the consumers' new demands in order to be able to catch up. Digitalization in different industries serves as a great example of what technological environment needs. In this case, the new generation of consumers is almost always online, meaning that most probably online channels prove to be the most effective in reaching them.

2.2 Consumers affinity to technology

Due to digitization, consumer behaviour is changing rapidly. A transformation in values of people, including their habits, their usage of technologies and the marketplaces they are using can be observed. (Kerr, Schultz, Kitchen, Mulhern & Beede, 2015). Already in the 1970s, a post-materialism hypothesis was described. “Change of values, which is barely perceptible but steadily occurring, and which the author, therefore, calls “Silent Revolution” (Inglehart & Welzel 2005). Significant factors that influence values and lifestyles are the consumers’ own behaviours and intentions (Diaz, Gomez & Molina 2017).

Online consumers have their own importance due to the fact that more and more of them buy online. Allred, Smith & Swinyaerd (2006) define three groups of online consumers:

- socializers
- e-shopping lovers
- e-value leaders.

Kau, Tang & Ghose (2003) places young (15-24 year-old) online shoppers into six categories:

- **On-off shoppers**: they usually select the given product online but buy it in offline shops.
- **Comparison shoppers:** buy relatively rarely online but inform themselves about the product in the cyberspace, compare the different brands and search promotions.
- **Traditional shoppers**: buy exclusively in offline shops.
- **Dual shoppers**: collect information online, compare products but are not interested in promotions.
- **E-laggard**s: they are not adept at Internet use and are similar to traditional shoppers.
- **Information surfers**: they like online commercials and they even click on them, look for discount offers, are adept at Internet use and prefer to buy online.

It is important to note that online shoppers behave differently than offline shoppers since they need to take certain risks into account, and their interests need to be protected (Racolta Paina & Luca 2011). Studies showed that perceived risk highly influenced online consuming behaviour in the past (Udo 2001). Trust or the lack of it are other aspects to be taken into account, and the latter one is the most often reported reason for people not buying online (Jubayer 2015). Consumers take risks such as credit card fraud or the inability to touch and feel the article before buying it into consideration. Therefore, Wang et al. (2009) suggest that online activities and knowledge are closely associated with consumers' trust. The question of logistics and delivery is the second most crucial factor. Comparing it to offline shopping, the customer has to count with delayed consumption due to the time of delivery. Moreover, delivery increases cost with charges for the delivery itself, and/or handling (Ahn, Ryu & Han 2004).

Nonetheless, a decade later, consumers' trust in online shopping began to increase all over the world (AadWeening 2012). Today, online shopping is a normal process and significantly changes consumer behaviour. Online grocery shopping is a relatively new field of interest for researchers. Groceries are a particular group of products due to their perishable nature in case of fresh products, or because delayed consumption is often undesired. Motivating factors for buying groceries online, therefore, may differ from those of "general" online purchases. In the following, factors that influence consumers' decision on whether to buy groceries online or not will be discussed.

2.3 Consumers' intention and motivation for shopping groceries online

Behavioural intention is defined as the buyer's intention to consider or purchase an item in the future. Moreover, it is also a purchase intention that can be used to predict customers' purchasing patterns. The intention is also described as the aspect of a person towards the performance of a specific behaviour (Maneechot & Chirapanda, 2013). Based on the earlier findings, Kurnia, Chien and Westrap (2003) use the term of behavioural intention involving the same meaning with purchase intention.

Chang and Chen (2008) suggest that purchase intention is one of the most primary factors that help predict what buying pattern the customer establishes. Purchase intention is usually measured by the number of customers that buy a particular product as well as by consumer loyalty. Furthermore, purchase intention refers to that moment when the customer has already considered purchasing an item or has a reasonable opinion about that item. The advancement in purchase behaviour will encourage other consumers as well to be ready to purchase a product.

In order for the intention to be able to foreshadow behaviour, two conditions have to be met (Blomqvist, Lennartsson & Nyman, 2015). First, due to the fact that intentions may change periodically, the behaviour has to be measured after intention has already emerged. Second, it is essential that respondents be conscious during making a decision, such as deciding whether to buy groceries online or not. Ajzen (2002) points out that intentions are considered to be linked to immediate behaviour. It is believed that a consumer is the most likely to act in case the feelings in connection with the action are perceived as positive, and it is generally supported by the people in the purchaser's environment. This statement above indicates how positive attitudes and confidence subjective norms influence purchase intention.

Perceived usefulness is another factor worth mentioning briefly. Monsuwe and Ruyter (2004) explain that perceived usefulness refers to the realization of customers that describe the Internet as a medium for shopping provides a better shopping experience. This realization affects customers' attitudes towards online shopping as well as their intention to buy online. Perceived usefulness is also crucial for the acknowledgment of mass marketing innovation, which strongly relies on how buyers assume change can improve and reorganize their lives (Maneechot & Chirapanda, 2013). Thus, a website can be considered as useful in case it can

perform the task that serves the customer's needs. The usefulness and punctuality of a website, therefore, affect the customer's attitude.

Perceived usefulness manifests in online grocery shopping, on the one hand, as a convenience is one of the significant advantages of online shopping in general as well as one of the motivating factors. Online shopping convenience involves other factors such as search, evaluation, access, transaction, and possession convenience (Maneechot & Chirapanda, 2013). Access convenience refers to the consumers' ability to buy at any time and from any locations (Ramus & Nielsen, 2005). Thus, crowds can be avoided, which is often a disturbing factor when purchasing groceries in traditional shops. Access to products not being always available at traditional retailers is another advantage, for example, in the case of specialties within groceries.

Search convenience refers to the possibility to gather information on the product in question and to compare that product to others, even without physically visiting a store (Jian, Yang & Jun 2013). Over time, online shopping convenience has gone through severe improvement as the descriptions of products have improved as well. Presentation features are now advanced, taking for example graphics into account as well as available videos. Furthermore, peer evaluation systems result in increased efficiency of purchasing items on the Internet (Jiang et al., 2013). Consumer review systems establish the opportunity to make a buying decision fast and efficiently, and, in addition, effortlessly. Transaction convenience refers to the simplicity and ease of paying online. Online sellers are aware of the fact that consumers may resign from buying at the very last minute due to too complicated payment opportunities. Possession convenience, finally, involves consumers' significantly reduced effort and time they spend on buying items. More simply, buyers do not need to leave their place or stand in long queues (Jiang et al., 2013). When turning back briefly to perceived usefulness itself, buyers are likely to evaluate and consider information related to the purchase preceding buying, and as a consequence, perceived usefulness may be more essential than shopping experience (Adams, Nelson & Todd, 1992).

According to the facts mentioned above, electronic channels of food distribution significantly show how consumers shape their decisions. In grocery e-shops, consumers have the opportunity to purchase anything, at any time, and from anywhere (limitations related to localization and opening hours vanish. The buying process is shorter than in traditional supermarkets (Hanus, 2016). Since consumers most probably have already had some

experience with traditional shops, it is not necessary for them to spend a long time with becoming familiar with the supply, unlike in the case of first purchasing in a physical shop (Karpińska-Krakowiak, 2014). Through online channels, grocery products similar to the ones found at traditional stores are offered. Occasionally, only a few brands can be found within the same product category, a fact due to which buyers will choose to buy items from the retailers' own brands. The difference in price between online shops is insignificant. It is estimated at around 7%, including delivery costs (Karpińska-Krakowiak, 2014). However, each store defines its delivery policies individually. As an example, some shops do not allow same-day delivery, and, also, in the case of holidays, customers have to ask for delivery two weeks before (Karpińska-Krakowiak, 2014).

purchase patterns and loyalty

When taking online purchase patterns and loyalty to brands into account, e-grocery shopping has been so far unexplored and previous research rather descriptive than empirical. There is still only a little evidence behind the patterns, and more studies need to be conducted in order to get a clearer picture of what motivates buyers when they decide to do their grocery shopping online. Robinson, Dall'Olmo Riley, Rettie and Rolls-Willson (2007), therefore, conducted a study in the UK with a focus on the motivations and perceptions of UK online grocery shoppers. The authors applied a qualitative approach and formed four discussion groups composed of internet grocery shoppers. The researchers revealed that the emergence of certain life events determined the starting and stopping point of online purchasing. While convenience, as discussed above, was indeed found to be an essential motivation for buying online, concerns such as quality of service, especially those related to delivery, forced consumers to re-evaluate their intention to buy online. According to the answers of the respondents, they consider online purchase as complementary rather than an alternative way, and besides buying online, they continue to visit traditional shops as well (Robinson et al. 2007).

Health-related concerns may be influential factors on consumers' motivation to buy groceries online as well. Huyghe, Verstraeten, Geunes and van Kerchkove (2017) argue that even though consumers tend to be conscious about their state of health, obesity statistics indicate certain contextual factors leading buyers to select unhealthy alternatives (vices) against healthy ones (virtues). Taking the ever increasing prevalence of buying groceries online, the authors examined shopping channels as one potential context that may determine food

choices when purchasing online to answer the question how it differs from traditional ways of grocery shopping. According to their findings, customers choose relatively fewer vices when they buy in an online environment (Huyghe et al., 2017).

In addition, this *shopping channel effect* emerges due to the fact that products are presented symbolically in online channels while they are presented physically at offline supermarkets. The symbolic presentation of products significantly reduces the vividness of the articles, which consequently diminishes customers' desire to search for gratification, and therefore, they will buy fewer vices. These observations throw light upon several unexplored differences between online and offline purchase involving essential implications for consumers, public policy makers, and retailers (Huyghe et al. 2017).

Another critical factor that – negatively – determines the intention and motivation of online grocery shoppers is their *fear of selecting and handling* perishables or fresh groceries such as vegetables, certain milk products, meat and eggs. In case of purchasing fresh products, knowing when they expire is crucial. This is a situation, which is not possible online (Galante, López & Monroe, 2013).

It could be observed in the already existing literature that convenience is undoubtedly the most motivating factor for consumers to buy groceries online. However, each convenience factor has its negative aspect as well that makes the consumer re-evaluate his or her decision whether to continue online grocery shopping or not. In the following, further factors that affect consumers' decision process will be discussed in more details.

2.4 Factors that influence online grocery purchase

It has been pointed out what those factors are that influence consumer behaviour and consumers' decision-making process in general and what studies have found so far regarding motivating factors in online grocery shopping.

Geographically

However, before discussing these factors, it is esqsential to note that "the UK is considered to have one of the world's most developed Internet grocery industries (Keynote as cited in Hand, Dall'Olmo Riley, Harris, Singh & Rettie, 2009, p. 26)."

With a twelve months period, which ended in July 2018, the United Kingdom (UK) accounted for 7.2 percent of global online grocery sales, while France was not far behind with 5.6 percent. What is remarkable is that the Czech Republic, an eastern European country, won over a dozen Western European markets, see figure 2(Statista, 2018).

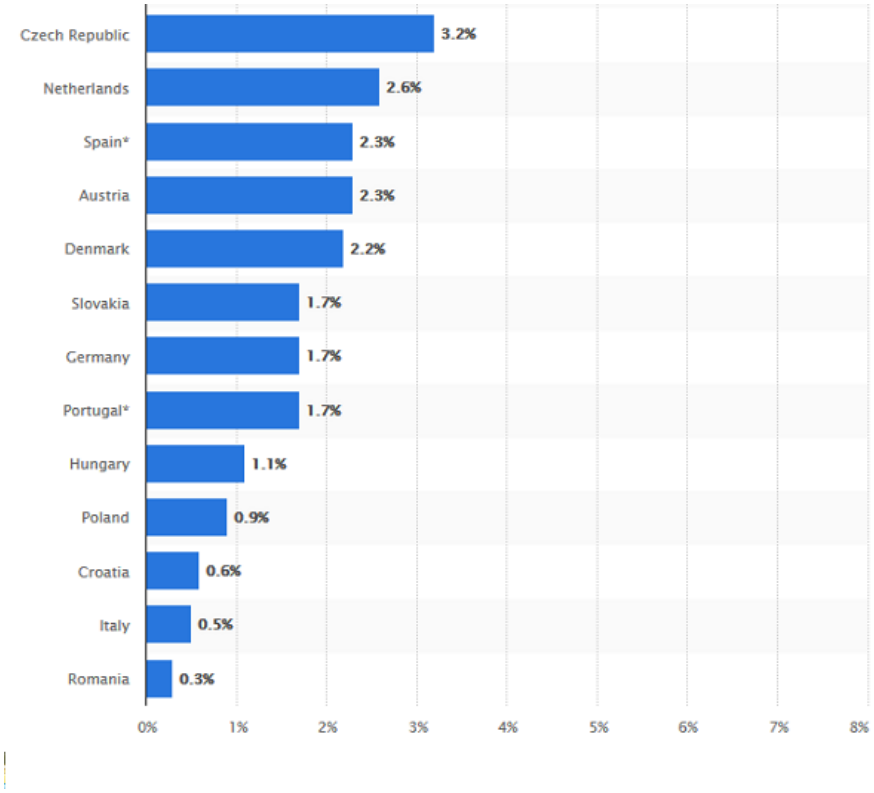

Figure 2- Share of global online grocery sales based on value in leading European Union (EU) countries in 2017/18

Source: Statista (2018) https://www.statista.com/statistics/614717/online-grocery-shopping-in-the-european-union-eu/

The UK is a Western leader in terms of the growth of the internet market for grocery sales and the online value of food shops although online sales in 2016 were still the lowest sales channel related to grocery sales in hypermarkets and supermarkets in the UK. It is surprising that the UK has the tiniest trade share of traditional food stores in the EU but still manages to have such a high amount of online retail compared to Spain, Italy and Greece which all have a higher trade share for traditional retail (Statista 2018).

Hansen (2004) presents empirical results regarding consumer online grocery behaviour in her paper. The author conducted a web-based study among Swedish online consumers, and

according to the results, constructs such as perceived relative advantage, perceived information accessibility, perceived order accessibility, perceived online grocery risk, and attitude towards online grocery shopping are most likely to explain why consumers' intention to buy groceries online in the future varies. With the help of a multi-group analysis, it has been indicated that a number of variables such as education, age, gender, income, and previous online grocery shopping experience have moderating influence on the effects of the examined constructs on online grocery consumer behaviour (Hansen 2004).

Therefore, as Hansen (2004) points out, *demographic characteristics* may also be influencing factors regarding online grocery shopping. The next statistic indicates purchasing food or groceries online in Great Britain, in the year of 2018. Individuals are characterized by age and gender. It can be observed that individuals between 35 and 44 purchased the most often. Forty-eight percent of them bought something online in 2018 (Figure 3).

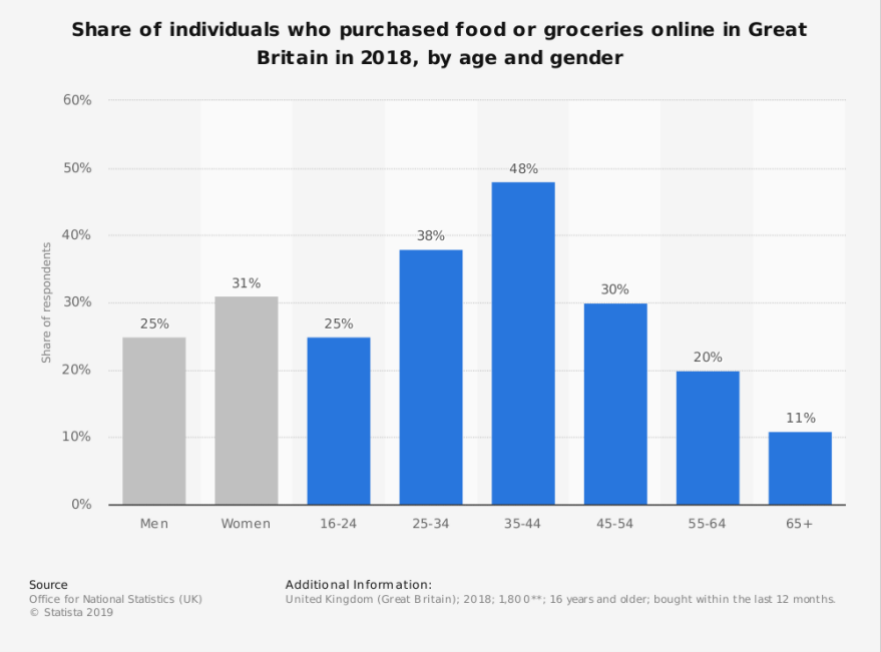

Figure 3- Share of individuals who purchased food or groceries online in Great Britain in 2018 by age and gender

Source: Statista (2018) https://www.statista.com/statistics/614717/online-grocery-shopping-in-the-european-union-eu/

Figure 3 also indicates that there is no significant difference between men and women regarding their online grocery shopping habits. There are slightly more women (31%) than men (25%) buy groceries from online shops. However, no studies have focused on the

personality traits of online grocery shoppers so far. As for the lifecycle stage, it can be assumed that as it influences the use of technology, it may have an impact on whether the individual uses technology in order to purchase grocery or not. For example, older adults are less likely to use technologies unless they are in a situation such as an illness that forces them to adapt to such advancement. Some authors have studied these so-called situational factors.

As it has been already pointed out, convenience is a significant *motivational factor* regarding shopping groceries online. However, there are factors such as situational constraints trigger convenience motivation even more. As Morganosky and Cude (2000) note, such situations can be illness or having children at home. Hand, Dall' Olmo Riley, Harris, Singh and Rettie (2009) studied situational factors that may affect the adoption and abolishment of online grocery shopping. The authors conducted a two-phase research. First, an exploratory qualitative study was conducted to gain information and to understand the behaviour of online grocery shoppers. It was followed by a quantitative large-scale study applying cluster analysis in order to divide consumers according to the significance of specifically defined types of situations. Their findings also indicate the significance of situational factors such as the before mentioned. However, the authors add that when these situational factors cease to exist, or the shoppers experience difficulties with the service, they discontinue online grocery purchase. Moreover, Hand et al. (2009, p. 1205) add that.

> "The importance of situational factors as triggers for the adoption of online grocery shopping suggests an erratic adoption process, driven by circumstances rather than by a cognitive elaboration and decision. The adoption of online shopping seems to be contingent and may be discontinued when the initiating circumstances change".

Chu, Arce-Urriza, Cebollada-Calvo, & Chintagunta (2010) studied the moderating effects of household, such as shopping frequency, and product, such as sensory nature, characteristics on household brand loyalty, size loyalty and price sensitivity across online and offline channels for grocery products. The authors analysed the purchasing behaviour patterns within the same households that tend to shop at both online and offline retailers of the same grocery chain. The study examined the consumption of 93 categories of food, non-food, sensory and non-sensory products. The authors found some interesting differences between buying groceries online and offline. Households, for example, that buy online appear to be more loyal to brands and size, however, less price sensitive than those shopping groceries offline.

Moreover, Chu et al. (2010) defined light shoppers tend to be the most loyal to brands and size, but they exhibit the lowest sensitivity towards price when going through an online channel. On the contrary, heavy online shoppers are the least loyal to brands and size while they display the highest price sensitivity. In between are the moderate online shoppers that tend to exhibit the highest price sensitivity in the offline environment. The differences between online and offline regarding brand loyalty and price sensitivity are the most significant in case of light online shoppers, while they are the smallest for heavy online shoppers. The study also reveals that these differences are even more significant for food products and sensory products.

There are other, more practical and everyday reasons for consumers to choose shopping groceries online. Consumers, for example, often complain about the barriers of buying groceries in traditional supermarkets. Such reasons are, for instance, not having a car, shortness in time, or not having the physical strength for carrying heavy and bulky items (Huang & Oppewal 2006). Studies show that the most significant convenience for customers is the opportunity for them to purchase groceries online at home, which are then delivered to them. This largely contributes to saving time due to the fact that fewer visits to traditional shops are needed (Verhoef & Langerak, 2001). One of the most significant advantages of online grocery shopping for customers is that a broad range of shops and products are available from all over, and specialties also become possible to buy (Ramus & Nielsen, 2005). It is essential to mention that less travel time influences consumer's preferences to shop groceries online to a greater extent than the number of delivery charges (Huang & Oppewal, 2006).

Online grocery shopping has its *disadvantages* as well that may contribute largely to the decisions of consumers. One of them is the inability to evaluate the product exactly before buying it, since online images are often of poor quality, or there is no image of the product at all. This makes it impossible for the consumer to estimate the size, weight and value of the product. There is no opportunity to touch, taste, or smell the item, which are particularly important factors when buying fresh groceries (Karpińska-Krakowiak, 2014). The limitation of some personal needs when buying online is mentioned, as well as the fact that sensory stimulation and physical activity are necessary for shoppers, and they also prefer to learn during the shopping process. A similar situation is reflected in social needs. For example, consumers prefer to experience social interaction, to feel the pleasure of bargaining during shopping and communicating with other consumers. However, although there is the

opportunity of joining discussion forums on the Internet in order to have the chance to interact with others, it will never fully substitute the experience a traditional shopping offers (Karpińska-Krakowiak, 2014).

Online grocery shopping has further disadvantages, such as the high costs of searching or the long delivery time (Verhoef & Langerak, 2001). Although prices on the Internet are typically regarded to be lower, e-consumers may miss special discounts in the traditional shops. Online buyers may also be concerned about the question of returning a product when it is damaged or does not meet expectations. Moreover, enjoyment is another factor that plays a role in traditional shopping, because many buyers consider the activity as enjoyable, as such that has a certain social fulfilment, and /or an exciting way for families and friends to spend their time together outside their home (Verhoef & Langerak 2001).

In this chapter, already existing concepts regarding grocery e-shopping have been outlined. It could be observed that the field of interest is relatively new, and only little is known about what motivates online grocery shoppers or those remaining traditional grocery shoppers. There are obviously a number of factors that influence decision making, such as motivation, perception, or life situation. In the following, empirical research will be presented to gain more information on the motivations of online and offline grocery shoppers.

3 Methodology

Research methodology constitutes an essential part of the study. A research method lays down the foundation about how data should be collected. Sekaran and Bougie (2005) define business research as an investigation that aims at examining a specific problem, and which is based on well – organized data and aims at systematically criticizing the findings to find a solution to the problem. The methodology is an integral part of the research as it is the body of knowledge where the author is able to describe and analyse methods (Cooper & Schindler, 2003). According to Saunders et al. (2012), an investigation is a process which supports the individual learning about phenomena in a systematically manner, thus increasing their knowledge.

This study aims to explore the differences between people's purchasing habits when buying groceries online, compared to buying groceries offline. At the end of this section, the author presents the research methodology, including the chosen research design as well as sampling procedures, data collection procedures, instrumentations and data analysis.

3.1 Research methodology and strategy

The onion model of researches was developed by Saunders et al. (2012) (Figure 24). The model indicates the different phases the researcher has to go through during the research. The author has applied the onion model when describing the stages of the study. The model's advantage is that it supports the researcher in being appropriate and consequent throughout the research, thus being able to reach all the aims and objectives (Joyner, Rouse & Glatthorn 2013).

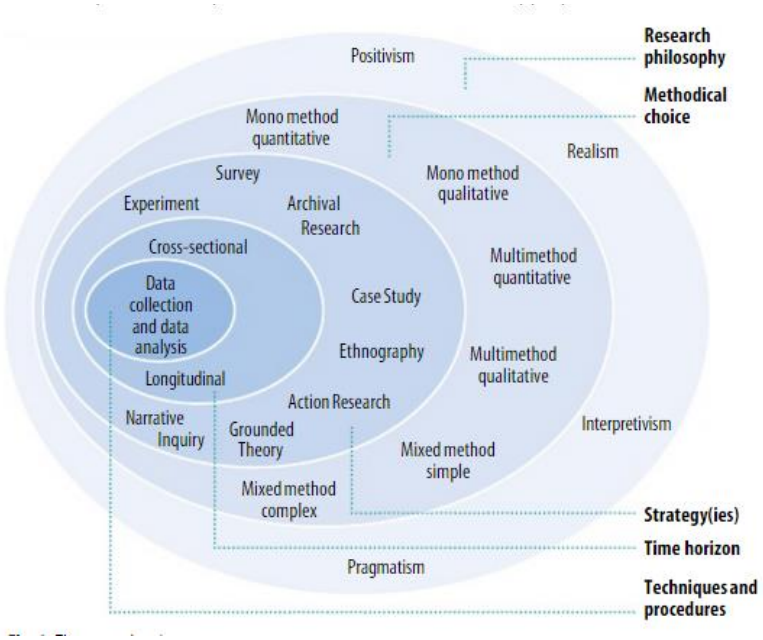

Figure 4- The research onion model

Source: Saunders. M., Lewis, P. & Thornhill, A. (2012). *Research methods for business students, (6th ed.)* London: Pearson, 16.

The onion model indicates the selection of the research philosophy as the first step. The author chose the positivism philosophy because this is the one that supports quantitative or qualitative research at a time. The positivism philosophy is external, objective and independent on social actors. Credible data can be gained only from observable phenomena focusing on causality and rigorous generalizations producing results, which reduce phenomena to least complex elements. This leads to the research being undertaken in a value-free way. Another characteristic is that the researcher is independent of the data and realizes an objective stance. The research is highly structured with large samples and measurements (Saunders et al. 2012).

The next step is to define the research approach, which can be either deductive or inductive. From the perspective of the present research, the deductive method is the more suitable one, as the research is drawn from a general point to the more particular (Roboson 2002). The deductive approach thus can be viewed as such that most suits to the positivist approach, allowing to formulate hypotheses and testing those statistically and then taking expected results to an acceptable level of probability (Snieder & Larner,2009). As for the research strategy, surveys are typically used in quantitative research projects involving sampling a representative part of the population (Bryman & Bell, 2011). The surveys provided with

quantitative data can be analysed empirically. Survey strategy usually goes alongside with the deductive approach. It is applied to answer who, what, where, how much and how many questions. Most commonly, business and management researches use this strategy for exploratory and descriptive research (Saunders et al., 2012).

The author chose to apply a mono-method research because the phenomenon of online grocery shopping was considered only from the consumers' aspects. During a mono-method study, only one type of method is applied, one quantitative or one qualitative. In a quantitative study, the data appear in numerical form and in a qualitative study, the data are retrieved in the form of a textual way. This data information is then analysed using quantitative data analysis techniques and in qualitative research by applying qualitative analysis. (Creswel & Plano Clark, 2007).

Longitudinal time horizon is suitable for researches that study changes and development over time (Goddard & Melville, 2004). Cooper and Schindler (2008) also agree that research involves a sequential process and that the steps have to be defined in a clear way. For the researcher, the latter kind was the most suitable horizon, as changes in consumption trend regarding online grocery shopping are a more protracted process that embraces a period of time.

3.2 Data collection strategy and analysis

Academic research involves typically two main sections: Secondary research and primary research. Primary data, as it has already been indicated, are gained from the author's own primary research, in this case, from the interviews and the survey (Bryman & Bell, 2011). Secondary data, on the other side, are collected from researches conducted previously by other authors (Flick, 2011). In an ideal case, the researcher can compare his or her own findings to earlier results, and conclusions can be drawn accordingly. In the present thesis, a questionnaire was applied.

An online questionnaire was used to investigate how customers purchase grocery online as well as offline and how their behaviour has adjusted to the upcoming tendency of online purchase. The participants were all potential buyers of grocery representing all ages, both genders and all income – levels. The survey was conducted online at www.docs.google.com, as it is one of the fastest and the most cost-effective ways of collecting data from a large sample. Participants were selected randomly. Furthermore, as Brace (2004) suggests, the

online survey has the advantage of the absence of the interviewer, which encourages the respondents to be honest with their answers. The survey consisted of 21 questions, and in most cases, the 5. Likert scale was applied, see appendix for an overview. The results of the survey were analysed using SPSS software.

Sampling is another crucial point in designing the research. In the case of a survey, the sample size should be as large as possible to gain representative data. In this case, convenience sampling was used to reach out to a broad audience online.

3.3 Research ethics

When conducting primary research, certain ethical factors have to be taken into account. Ethical considerations do not refer to professionalism or expertness. They instead involve specific criteria of how the research has proceeded. It is a general expectation that ethical principles such as decency, reliability, objectivity, independence, and openness prevail in each phase of the research (Guba & Lincoln, 1994). Also, when selecting the topic of the research, it needs to be borne in mind that it cannot violate others honour, elementary interests and rights. From the aspect of ethics, a topic is well selected in case it does not threaten individuals. Ideally it should be conducted without being affected by time, economics, or any other factors. The author selected anonymous questionnaires to ensure privacy. The deception is entirely avoided throughout this research. All respondents were informed about the nature of the study, which was prepared for this bachelor thesis. The answers were not manipulated either directly or indirectly. Answering the research questions are based on real input from real participants (J. Hussey &R. Hussey, 1997).

4 Results

In this chapter, the results of the survey will be translated and analysed in order to be able to answer the research questions. Data for the survey were gathered from potential consumers who buy groceries either online or in stores. Therefore the primary purpose of the survey was to answer the first research question. However, taking the specific nature of grocery goods such as perishability and immediate need for them into account, the question differs from those regarding general online shopping. The questions contained demographic questions such as the gender, age and educational level of the respondents. The survey aimed at investigating how frequently customers choose to buy groceries online, and what are those items that they mostly buy online or offline. Furthermore, the study also aimed at finding out what motivations influence the buying decisions of the customers, and whether their demographic characteristics affect these decisions to an extent.

RQ: What motivates consumers in their intention to buy groceries online and/or offline?

RQ1: What are those grocery products consumers prefer to buy online or offline?

RQ2: What motivate customers in their decision on shopping groceries online or offline?

RQ3: How do demographic characteristics influence consumers' online grocery purchasing intentions?

4.1 Descriptive about the sample

A total of 103 respondents took part in the survey. The sample was roughly equally distributed across the two genders with 51,5 % of respondents being male and 46,6 % of the sample being female. Two respondents did not indicate their gender. Table 1 indicates the distribution among male and female respondents.

Table 1- Gender Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	53	51,5	52,5	52,5
	Female	48	46,6	47,5	100,0
	Total	101	98,1	100,0	
Missing	System	2	1,9		
Total		103	100,0		

Respondents were asked about the number of household members as well for it is assumed that this demographic feature may have an influence on their decision whether to shop groceries online or offline. The vast majority of the respondents lead a small household. 41,7% of them are single, while 46,6% of them have 2 or 3 members in their household. Only 10,7% stated that they have 4-5 members, and 1 respondent has 6 or more. Table 2 indicates the number of household members.

Table 2- Number of household members

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I am single	43	41,7	41,7	41,7
	2-3	48	46,6	46,6	88,3
	4-5	11	10,7	10,7	99,0
	6 or more	1	1,0	1,0	100,0
	Total	103	100,0	100,0	

As for the age of the respondents, 4 age groups were defined. Unfortunately, the results show a great inequality in this regard with 80,6% of the respondents being between the age

of 18-30. 7,8% belong to the age group 31-49, 3,9% are between 50 and 65, while only 7,8% are above 65.

Table 3- Age Distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	83	80,6	80,6	80,6
	31-49	8	7,8	7,8	88,3
	50-65	4	3,9	3,9	92,2
	Above 65	8	7,8	7,8	100,0
	Total	103	100,0	100,0	

The next questions asked whether the respondents buy groceries online or in supermarket stores. In both questions, Likert scale was applied indicating the frequency: never, rarely, sometimes, usually and always. The frequency analysis shows imbalance regarding shopping in supermarket stores. 78,6% of the respondents buy groceries always in supermarket stores, 17,5% usually. Only 1,9% stated that they buy groceries in stores sometimes, and 1-1% chose rarely and never. The answers indicate a strong tendency of shopping in physical stores.

Table 4- I buy grocery in supermarket stores

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	1	1,0	1,0	1,0
	Rarely	1	1,0	1,0	1,9
	Sometimes	2	1,9	1,9	3,9
	Usually	18	17,5	17,5	21,4
	Always	81	78,6	78,6	100,0
	Total	103	100,0	100,0	

With the other question, the same Likert scale was applied referring to the frequency of shopping groceries at an online retailer. The answers showed similar imbalance with 63,1% stating that they never shop groceries online, and 28,2% stating that they rarely shop online. 2,9% stated that they sometimes buy groceries at online retailers, while only 5,8% more often than that. No respondent chose the answer *always*. The answers can be seen in Table 5.

Table 5- I buy grocery at an Online grocery retailer

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	65	63,1	63,1	63,1
	Rarely	29	28,2	28,2	91,3
	Sometimes	3	2,9	2,9	94,2
	Usually	6	5,8	5,8	100,0
	Total	103	100,0	100,0	

However, by both statements, a significant shift in the direction to one side of the scale can be observed. According to the frequency tables, respondents either always or usually buy groceries in traditional shops, or they never or only rarely buy these items online. As for the relation between the two statements and age as a possible influencing factor, Kruskal-Wallis tests were applied. However, no significant differences were found in any of the cases (p=,201, buying in supermarket stores; p=,136, buying online). Table 6 shows the results of the test.

Table 6- Age variable, offline and online shopping

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of I buy grocery in supermarket stores is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	,201	Retain the null hypothesis.
2	The distribution of I buy grocery at an Online grocery retailer is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	,136	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is, 050.

Regarding gender, Mann Whitney U test was applied to see whether there is any difference between the two groups. However, no significant difference was found in any of the cases (p=,280 and p=,112).

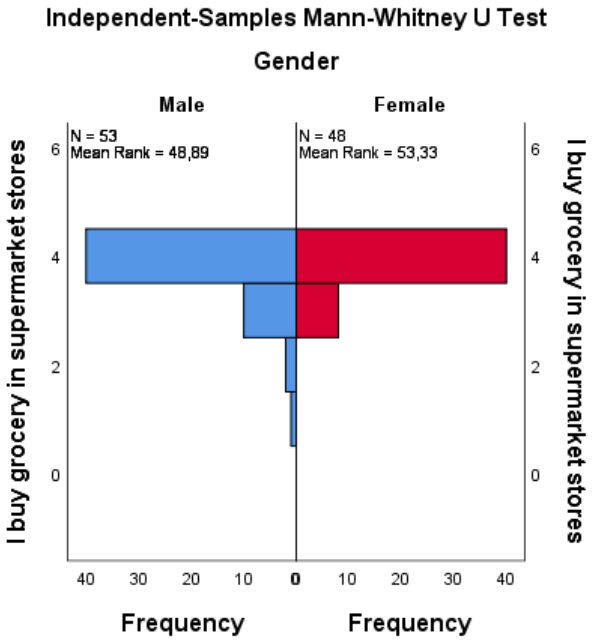

Figure 5- Shopping offline- gender variable

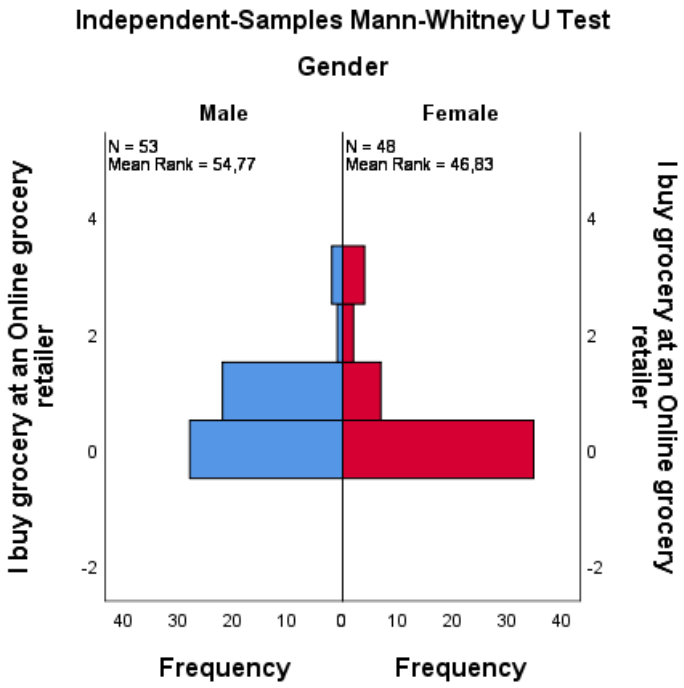

Figure 6 - Shopping online- gender

In order to answer the RQ3, it was necessary to examine whether the other two demographic variables – number of household members and level of education – was also tested. Table 7 and Table 8 indicate that no significant differences were found across the samples regarding the number of household members (p=,514 and p=,625).

Table 7 - I buy grocery in supermarket stores across household members

Independent-Samples Kruskal-Wallis Test Summary

Total N	103
Test Statistic	2,290[a,b]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	,514

a. The test statistic is adjusted for ties.

b. Multiple comparisons are not performed because the overall test does not show significant differences across samples.

Table 8 - I buy grocery at online retailers across household members

Independent-Samples Kruskal-Wallis Test Summary

Total N	103
Test Statistic	1,756[a,b]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	,625

a. The test statistic is adjusted for ties.

b. Multiple comparisons are not performed because the overall test does not show significant differences across samples.

Regarding the level of education as a variable, no differences were found across the groups in case of shopping in supermarket stores (p=,325). Table 9 indicates the result. However, in case of shopping groceries online, the null hypothesis was rejected (p=,050), meaning that there are some differences between consumers of different education levels. Table 10 shows these results.

Table 9 - I buy grocery at supermarket stores across level of education

Independent-Samples Kruskal-Wallis Test Summary

Total N	103
Test Statistic	6,953[a,b]
Degree Of Freedom	6
Asymptotic Sig.(2-sided test)	,325

a. The test statistic is adjusted for ties.

b. Multiple comparisons are not performed because the overall test does not show significant differences across samples.

Table 10 - I buy grocery at an online retailers across level of education

Independent-Samples Kruskal-Wallis Test Summary

Total N	103
Test Statistic	12,595[a]
Degree Of Freedom	6
Asymptotic Sig.(2-sided test)	,050

a. The test statistic is adjusted for ties.

According to these results, demographic characteristics in general do not influence the decision whether to buy groceries online or offline, as differences across groups could only be found in the case of educational level and online shopping. It is, however, worth to mention that the results may not be appropriate, for the vast majority of the survey population tend to buy groceries offline rather than online.

4.2 Places and devices of online shopping

The following two groups of questions (Q2a-Q2d) asked about the tendency respondents buy groceries at 4 supermarkets that have both physical and online stores, Billa, Spar, Merkur and Alfies (Q2a-Q2d), and the devices they use when shopping groceries online (Q3a-Q3d).

Statement: *If I buy at (Billa, Spar, Merkur, Alfies), I usually buy (offline, online or I don't buy there at all).*

In case of Billa, the vast majority of the respondents buy groceries online (89,3%), only 1% offline, while 8,7% do not buy there at all.

Table 11 - Buying grocery at Billa

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	92	89,3	90,2	90,2
	Online	1	1,0	1,0	91,2
	I don't shop there at all	9	8,7	8,8	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

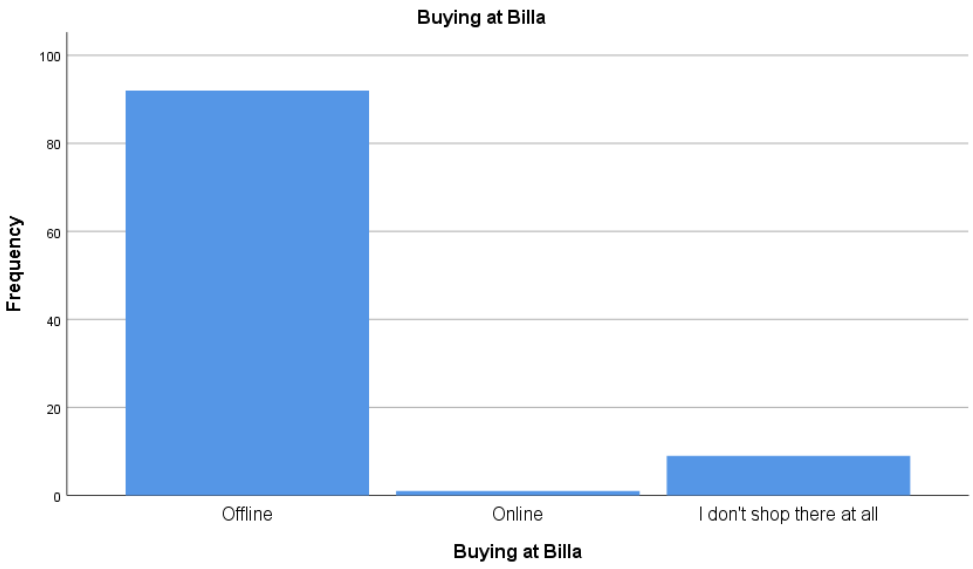

Figure 7 - Buying grocery at Billa

The frequency in case of Spar show a very similar with 91,3% buying offline, and 1,9% buying online. 6,8% do not buy at Spar at all.

Table 12 - Buying grocery at Spar

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	94	91,3	91,3	91,3
	Online	2	1,9	1,9	93,2
	I don't shop there at all	7	6,8	6,8	100,0
	Total	103	100,0	100,0	

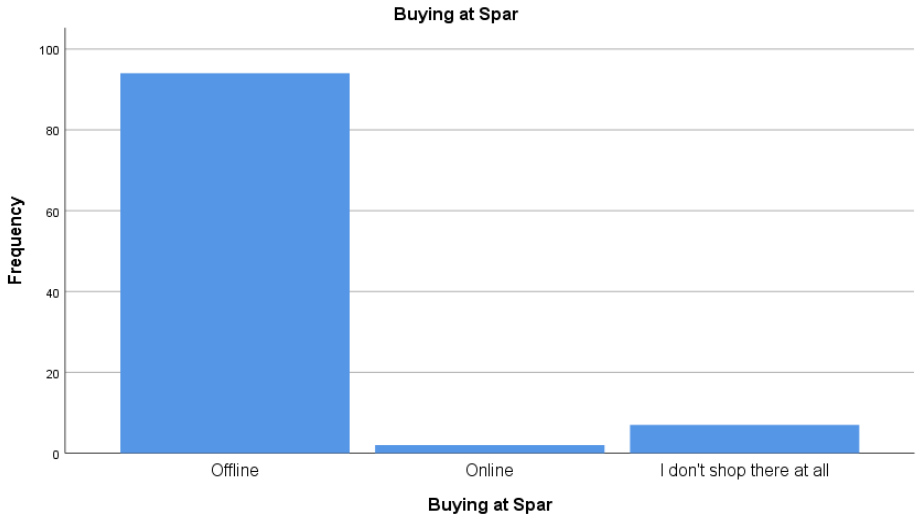

Figure 8 - Buying grocery at Spar

There is no significant difference in case of Merkur either. 81,6% buy offline at Merkur, only 1% online, while 16,5% do not buy there at all. Table 13 and Figure 5 show the results.

Table 13 - Buying grocery at Merkur

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	84	81,6	82,4	82,4
	Online	1	1,0	1,0	83,3
	I don't shop there at all	17	16,5	16,7	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

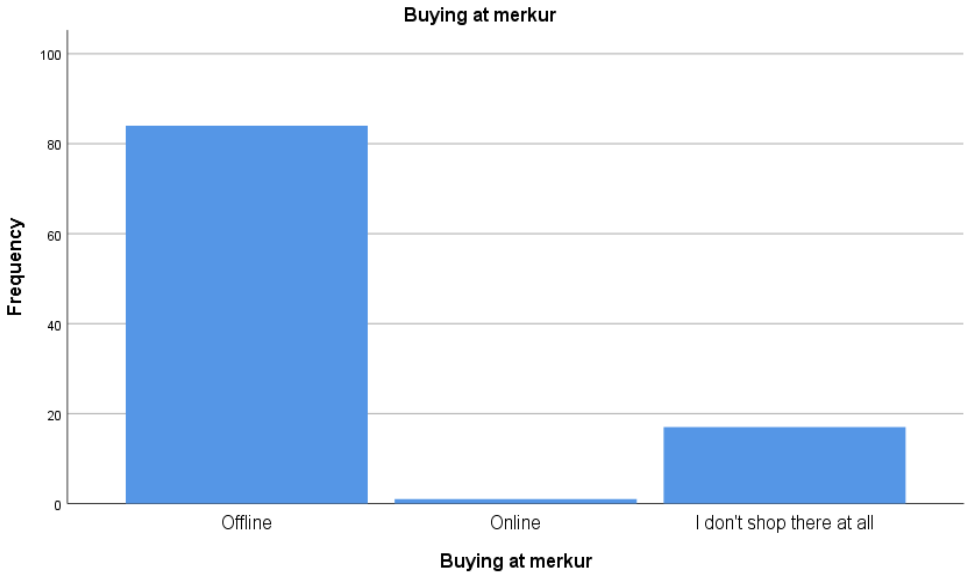

Figure 9 - Buying grocery at Merkur

Alfies currently offers groceries only online. However, it seems to be somewhat more popular among respondents with 34% of them stating that they buy there. This may mean that in case there is no physical alternative, consumers tend more to buy online. The rest of the respondents, 66%, do not buy at Alfies at all. Table 14 shows the results.

Table 14 - Buying grocery at Alfies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Online	35	34,0	34,0	34,0
	I don't shop there at all	68	66,0	66,0	100,0
	Total	103	100,0	100,0	

In general, the answers show the same distribution as in the case of Q1a and Q1b. Breaking down the questions regarding online or offline preference into specific shops, the tendency remains the same. A very high proportion of the respondents buy groceries exclusively offline, and only a small proportion online.

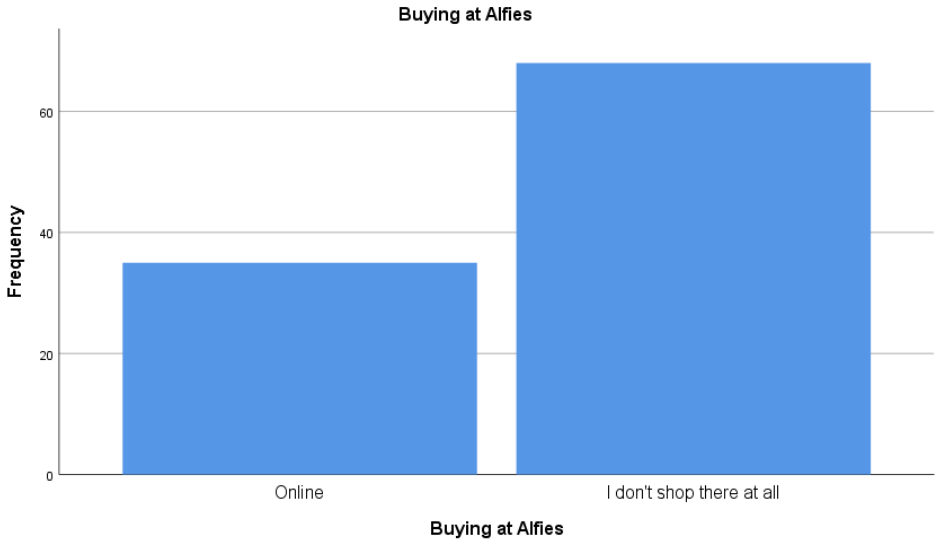

Figure 10 - Buying grocery at Alfies

Devices

The following questions aimed at investigating the devices of preference when buying groceries online. PC tends to be fairly unpopular with 69,9% of the respondents stating that they either never or only rarely use this device when shopping groceries online. 6,8% use it usually, while 7,8% always. Table 15 shows the frequencies of the scale.

Table 15 - When I buy groceries, I buy them on a PC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	69	67,0	67,6	67,6
	Rarely	3	2,9	2,9	70,6
	Sometimes	15	14,6	14,7	85,3
	Usually	7	6,8	6,9	92,2
	Always	8	7,8	7,8	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

On the other side, laptops and notebooks tend to be more popular. Although 40,8% never and 6,8% only rarely use this, 21,4% chose the option *usually*, and 8,7% *always*. The results can be seen in Table 16.

Table 16 - When I buy groceries online, I buy them on a laptop/notebook

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	42	40,8	41,2	41,2
	Rarely	7	6,8	6,9	48,0
	Sometimes	22	21,4	21,6	69,6
	Usually	22	21,4	21,6	91,2
	Always	9	8,7	8,8	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		

Total		103	100,0		

The frequency of use of smartphones when ordering groceries online shows a somewhat different pattern. Less respondents state that they never or rarely use a smartphone (35,9% - 11,7%). 21,4% chose the golden middle way, sometimes, while 22,3% state that they usually use a smartphone. Only 7,8% order always via smartphone. (Table 17).

Table 17 - When I buy groceries online, I buy them on a smartphone

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	37	35,9	36,3	36,3
	Rarely	12	11,7	11,8	48,0
	Sometimes	22	21,4	21,6	69,6
	Usually	23	22,3	22,5	92,2
	Always	8	7,8	7,8	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

Table 18 - When I buy groceries online, I buy them on a tablet

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	65	63,1	63,7	63,7
	Rarely	9	8,7	8,8	72,5
	Sometimes	13	12,6	12,7	85,3
	Usually	14	13,6	13,7	99,0

	Always	1	1,0	1,0	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

In general, and according to the frequencies of the use of the above mentioned devices, there is no outstanding difference.

4.3 Items bought either online or offline

The following question group (Q4a-Q4m) examined what items do the respondents prefer to buy online, offline or through both channels. The answers to these questions answer the first research question as well. Items have been grouped in order to get a picture about the tendency how customers purchase these products, taking for example perishability into account. Because the answers are given nominally, a number of chi 2 tests were applied to see whether there is dependence between independent variables such as age and gender and the products purchased. Tests were done in cases where there is no shift in one direction.

The first group of items is *alcohol and soft drinks*. As Table 19 shows, 68,9% of the respondents prefer to buy them offline, and 7,8% of them online. 23,3% buy alcohol and other drinks either offline or online.

Table 19 - Alcohol/soft drinks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	71	68,9	68,9	68,9
	Online	8	7,8	7,8	76,7
	Online, offline	24	23,3	23,3	100,0
	Total	103	100,0	100,0	

Regarding the level of education and buying alcohol and soft drinks online, chi 2 test could not be conducted because 71,4% of the cells have expected count less than 5 (Table 20).

Table 20 - Association between buying alcohol & soft drinks and Age

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	13,359[a]	12	,343
Likelihood Ratio	14,101	12	,294
Linear-by-Linear Association	,057	1	,811
N of Valid Cases	103		

a. 15 cells (71,4%) have expected count less than 5. The minimum expected count is ,08.

No association was found between gender and buying alcohol and soft drinks online or offline either (p=,018), and the same applies to the number of household members (p=,419).

Bread and bakery is the next category, in which case freshness is an essential factor. It is reflected in the answers as well, as no respondent chose the option *online*, and only 1,9% buy them both offline and online. Table 20 shows the results.

Table 21 - Bread/Bakery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	101	98,1	98,1	98,1
	Online, offline	2	1,9	1,9	100,0
	Total	103	100,0	100,0	

Canned and jarred goods are not perishable, therefore buying them online could be a convenient access to these products. However, according to the answers, respondents do

not prefer purchasing them online, with only 1,9% choosing this option, while the vast majority, 86,4% buys canned and jarred goods offline. 9,7% state that they buy them either online or offline.

Table 22 - Canned/jarred goods

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	89	86,4	88,1	88,1
	Online	2	1,9	2,0	90,1
	Online, offline	10	9,7	9,9	100,0
	Total	101	98,1	100,0	
Missing	System	2	1,9		
Total		103	100,0		

As in the case of bread and bakery, freshness is essential when selecting dairies. The answers here also indicate a great shift in the direction to offline shopping with 99% of the respondents choosing this option, and with the remaining 1% stating that they buy them online. No one chose the option offline/online.

Table 23 - Dairies

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	102	99,0	99,0	99,0
	Online	1	1,0	1,0	100,0
	Total	103	100,0	100,0	

The delivery of frozen goods has to be properly arranged, and it may as well be a risk category from the perspective of online shopping. Slightly more respondents buy frozen items online, 1,9%, and 3,9% of them buy both online and offline. The vast majority of the respondents, 92,2%, however, still choose to purchase these items offline.

Table 24 - Frozen goods

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	95	92,2	94,1	94,1
	Online	2	1,9	2,0	96,0
	Online, offline	4	3,9	4,0	100,0
	Total	101	98,1	100,0	
Missing	System	2	1,9		
Total		103	100,0		

Meat also belongs to the strongly perishable goods, which may be a reason why 98,1% of the respondents buy these exclusively offline (Table 25). The same applies to vegetables, in which case 99% of the respondents buy only offline (Table 26).

Table 25 - Meat

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	101	98,1	99,0	99,0
	Online	1	1,0	1,0	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

Table 26 - Vegetables

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	102	99,0	99,0	99,0
	Online	1	1,0	1,0	100,0
	Total	103	100,0	100,0	

The following groups of items do not belong to the food category, and they are not perishable. The tendency of shopping slightly changes as well, comparing the answers to the earlier categories. Less respondents buy household and cleaning items, for example, exclusively offline (67%). 8,7% of them purchase them only online, while 22,3% state that they buy these products either online or offline.

Table 27 - Household/cleaning

		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Offline	69	67,0	68,3	68,3	
	Online	9	8,7	8,9	77,2	
	Online, offline	23	22,3	22,8	100,0	
	Total	101	98,1	100,0		
Missing	System	2	1,9			
Total		103	100,0			

Chi 2 test was applied to examine whether there is association between gender and buying household items. Table 28 represents the results regarding gender. It can observed that no significance was found with p=,577.

Table 28 - Household/cleaning and gender

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1,099[a]	2	,577
Likelihood Ratio	1,106	2	,575
Linear-by-Linear Association	1,085	1	,298
N of Valid Cases	100		

a. 2 cells (33,3%) have expected count less than 5. The minimum expected count is 4,32.

The same frequency applies to healthcare products. 8,7% of the respondents buy these only online, which is the same number as in case of household goods. However, 24,3% consider buying these products either online or offline, whereas 65% of them still prefer to buy them in supermarkets.

Table 29 - Healthcare products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	67	65,0	66,3	66,3
	Online	9	8,7	8,9	75,2
	Online, offline	25	24,3	24,8	100,0
	Total	101	98,1	100,0	
Missing	System	2	1,9		
Total		103	100,0		

A large scale of paper products is usually available online today. However, according to the answers, most people still prefer buying those offline (70,9%). Only 9,7% of the respondents

state that they buy paper products exclusively online, while 19,4% of them choose both channels.

Table 30 - Paper products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	73	70,9	70,9	70,9
	Online	10	9,7	9,7	80,6
	Online, offline	20	19,4	19,4	100,0
	Total	103	100,0	100,0	

The same applies to pet care. 74,8% of the respondents buy products for their pets in traditional stores, and only 3,9% orders from the internet only. 11,7% chose both channels.

Table 31 - Pet care products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	77	74,8	82,8	82,8
	Online	4	3,9	4,3	87,1
	Online, offline	12	11,7	12,9	100,0
	Total	93	90,3	100,0	
Missing	System	10	9,7		
Total		103	100,0		

4.4 Motivation

The last group of questions are actually statements, and investigate the motivation behind the respondents' decision making process. Likert scale was applied in these cases as well, and following answers were defined on a five point scale:

1. Strongly disagree

2. Disagree

3. Neutral

4. Agree

5. Strongly agree

In the following, the frequency of the answers will be presented as well as how the demographic features of the respondents influence their motivation. For data on a Likert scale are ordinal, Mann-Whitney U tests and Kruskal-Wallis tests were employed.

Statement (Q5a)*: Online shopping helps me keep control of my shopping cart*.

According to the answers, 26,2% of the respondents strongly disagree, 14,6% disagree, and 29,1% remained neutral. However, 30,1% either agrees or strongly agrees (Table 31).

Table 32 - Online shopping helps me keep control of my shopping cart

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	27	26,2	26,2	26,2
	Disagree	15	14,6	14,6	40,8
	Neutral	30	29,1	29,1	69,9
	Agree	22	21,4	21,4	91,3
	Strongly agree	9	8,7	8,7	100,0
	Total	103	100,0	100,0	

The following questions consider convenience issues.

Statement(Q5b): *It is convenient ordering from every device with internet*.

23,3% of the respondents strongly agree with this statement, while 28,2% of them agree. It means, however, that slightly more than half of them actually agree that it is comfortable to order from internet. A relatively high proportion chose to remain neutral, 30,1%, while only a low proportion of the respondents disagree or strongly disagree.

Table 33 - It is convenient ordering from every device with internet

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	9	8,7	8,7	8,7
	Disagree	10	9,7	9,7	18,4
	Neutral	31	30,1	30,1	48,5
	Agree	29	28,2	28,2	76,7
	Strongly agree	24	23,3	23,3	100,0
	Total	103	100,0	100,0	

Statement(Q5c): *Online shopping allows me to order in bulk*.

This statement involves the question of convenience as well. As it has been pointed out in the literature review, customers occasionally prefer to purchase greater amounts of goods. With one of the respondents not answering this question, most of them agree with the statement to an extent (49,6%). However, many of the respondents chose to remain neutral in this case as well, 29,1%. 8,7% disagree, while 11,7% strongly believe that statement is not true.

Table 34 - Online shopping allows me to order items in bulk

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	11,7	11,8	11,8
	Disagree	9	8,7	8,8	20,6
	Neutral	30	29,1	29,4	50,0
	Agree	29	28,2	28,4	78,4
	Strongly agree	22	21,4	21,6	100,0
	Total	102	99,0	100,0	
Missing	System	1	1,0		
Total		103	100,0		

Statement (Q5d): *It is easier to buy online because it gets delivered to your doorstep*.

In this case as well, convenience seems to be an important factor of consideration. 28,2% of the respondents strongly agree, 32% of them agree that doorstep-delivery makes online shopping easy. 19,4% remained neutral, 13,6% disagreed, and only 6,8% disagreed strongly with the statement

Table 35 - It is easier to buy online because it gets delivered to your doorstep

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	6,8	6,8	6,8
	Disagree	14	13,6	13,6	20,4
	Neutral	20	19,4	19,4	39,8
	Agree	33	32,0	32,0	71,8
	Strongly agree	29	28,2	28,2	100,0

Total	103	100,0	100,0	

Statements Q5a-Q5d, which refer to the convenience of online grocery shopping, were tested whether there is an association between the demographic characteristics and the statements. Mann-Whitney U test applied, however, none of them rejected the null hypothesis.

Statement Q5a: p=,260

Statement Q5b: p=,081

Statement Q5c: p=,669

Statement Q5d: p=,186

The same applies to the results of the Kruskal-Wallis Test, when the level of education was considered. None of the four statements showed association with this demographic feature. Kruskal-Wallis Test was employed as well when examining the association between the four statements and the age group. In this case, an association was found regarding the statement 'Online shopping helps me keep control of my shopping cart.' (p=,019) The following table and figure indicate the results.

Table 36 - Online shopping helps me control my shopping cart vs age

Independent-Samples Kruskal-Wallis Test Summary

Total N	103
Test Statistic	9,995[a]
Degree Of Freedom	3
Asymptotic Sig.(2-sided test)	,019

a. The test statistic is adjusted for ties.

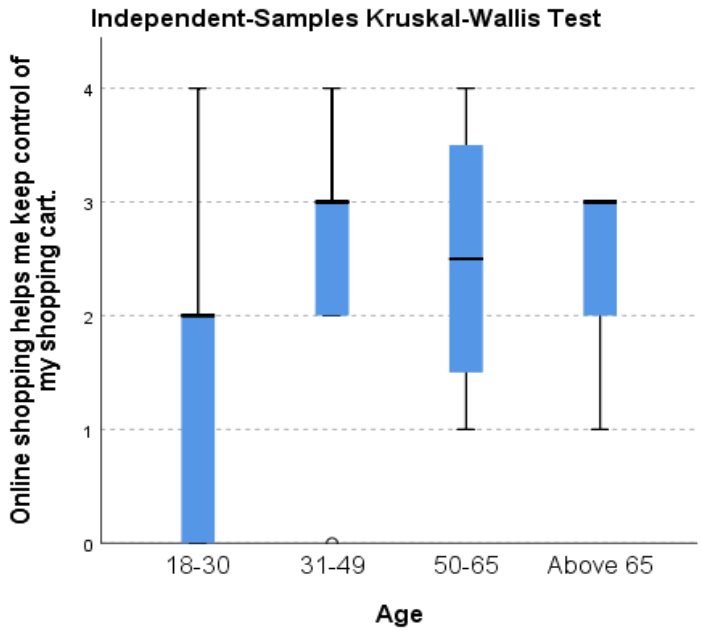

Figure 11 - Online shopping helps me control my shopping cart vs age

According to the literature, there may be certain periods of time in the lives of the customers when health issues are barriers to visiting traditional shops. This can be due to being immobile for a while. It is also indicated in the literature that in such a case, preference for shopping groceries online may increase significantly, while after the health related problems cease, customers return to traditional shopping.

Statement (Q5e): *Online shopping may help one to overcome health related problems.*

However, only half of the answers from the respondents show general agreement with this statement with 45,6% either agreeing or strongly agreeing, 27,2% remaining neutral, and 27,2% either disagreeing or strongly disagreeing.

Table 37 - Online shopping may help one to overcome health related problems

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	14	13,6	13,6	13,6
	Disagree	14	13,6	13,6	27,2
	Neutral	28	27,2	27,2	54,4
	Agree	26	25,2	25,2	79,6
	Strongly agree	21	20,4	20,4	100,0
	Total	103	100,0	100,0	

As pointed out in the literature review, Huyghe et al. (2017) examined the choice of customers between healthy food (virtues) and unhealthy ones (vices). The authors assumed that due to the symbolic presentation of food through online channels, consumers will choose significantly less vices online than in traditional stores. Their findings underlined their assumptions.

Statement (Q5f): *Online shopping helps me buy healthier food*.

However, the answers of present study show a completely different pattern. A large proportion of the respondents either strongly disagree (38,8%) or disagree (26,2%) with the above statement. Only 8,7% agree and 5,8% agree strongly.

Table 38 - Online shopping helps me buy healthier food

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Stronly disagree	40	38,8	38,8	38,8
	Disagree	27	26,2	26,2	65,0
	Neurtal	21	20,4	20,4	85,4
	Agree	9	8,7	8,7	94,2
	Strongly agree	6	5,8	5,8	100,0
	Total	103	100,0	100,0	

Differences between demographical groups have also been examined here. Regarding gender, the Mann-Whitney U test did not found any differences between male and female shoppers (p=,582). Figure 7 shows the results of the test.

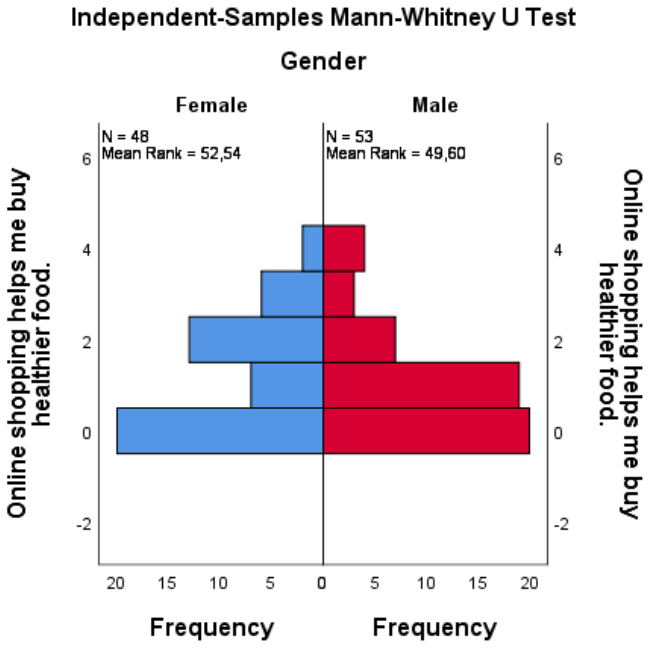

Figure 12 - Online shopping helps me buy healthier food – gender differences

However, the relation between this statement and the level of education has also been tested with Kruskal-Wallis Test, in which case some significant differences could be observed (p=,010).

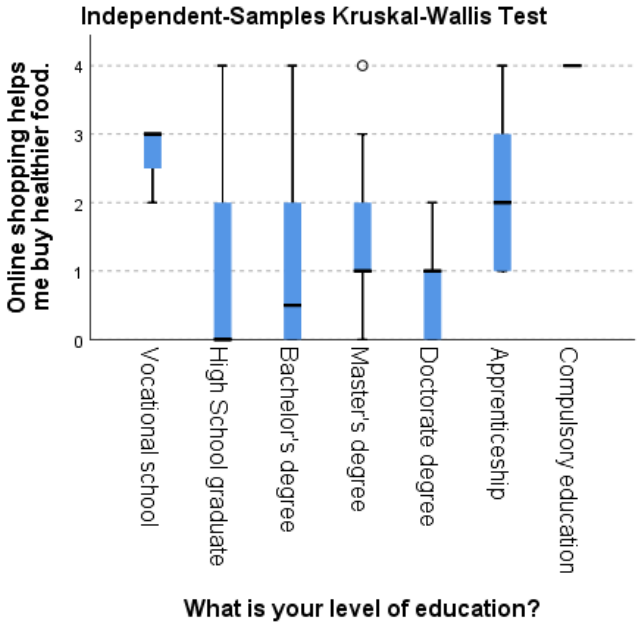

Figure 13 - Online shopping helps me buy healthier food – level of education

Online stores definitely have an advantage to traditional stores and specialties are more often available through this channel than offline.

Statement (Q5g): *Availability of products which are not available in the store is advantageous.*

Respondents also agree with this statement: 33% strongly agree, 32% agree, and only 11,6% disagrees or strongly disagrees.

Table 39 - Availability of products which are not available in the store is advantageous

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	2,9	2,9	2,9
	Disagree	9	8,7	8,7	11,7
	Neutral	24	23,3	23,3	35,0
	Agree	33	32,0	32,0	67,0
	Strongly agree	34	33,0	33,0	100,0
	Total	103	100,0	100,0	

Statement (Q5h): *Offline buying is traditional therefore I prefer it.*

Beside those who gave a neutral answer (26,2%), 29,1% agrees strongly, and 21,4% agrees that because of the traditional nature of offline shopping, it is more preferable. 14,6% of the respondents disagree, 8,7% strongly disagree with this statement.

Table 40 - Offline buying is traditional therefore I prefer it

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	9	8,7	8,7	8,7
	Disagree	15	14,6	14,6	23,3
	Neutral	27	26,2	26,2	49,5
	Agree	22	21,4	21,4	70,9
	Strongly agree	30	29,1	29,1	100,0
	Total	103	100,0	100,0	

Statement (Q5i): *I prefer offline because of privacy concerns*.

The already existing literature mentions consumers' concerns about privacy regarding online shopping including the possibility of fraud or certain risk factors at payment. Due to these factors, customers may prefer offline shopping. However, a fairly high proportion of the respondents either strongly disagree (18,4%) or disagree (25,2%) with this consideration. Only 15,5% agrees strongly and 18,4% agrees.

Table 41 - I prefer buying offline because of privacy concerns

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	19	18,4	18,4	18,4
	Disagree	26	25,2	25,2	43,7
	Neutral	23	22,3	22,3	66,0
	Agree	19	18,4	18,4	84,5
	Strongly agree	16	15,5	15,5	100,0
	Total	103	100,0	100,0	

The following statement considers risks in general.

Statement (Q5j): There is lower security risk when buying offline.

The answers are fairly similar to the previous one in this case: 13,6% agrees strongly, 25,2% agrees, 31,1% remains neutral, while 30,1% either disagrees or strongly disagrees.

Table 42 - There is lower security risk when buying offline

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	16	15,5	15,5	15,5
	Disagree	15	14,6	14,6	30,1
	Neutral	32	31,1	31,1	61,2

	Agree	26	25,2	25,2	86,4
	Strongly agree	14	13,6	13,6	100,0
	Total	103	100,0	100,0	

In the literature, Verhoef & Langerak (2001) indicated a factor as an advantage of buying offline, and this is the joy of the activity. According to the authors, shopping has a certain social fulfilment online shopping completely lacks. This perspective was examined here as well.

Statement (Q5k): *Buying offline is more social*.

More than half of the respondents consider this statement as true, with 34,% of them strongly agreeing, and 31,1% of them agreeing. 15,5% chose to remain neutral. 11,7% disagree with the statement, while 7,8% do not consider buying as a social activity at all.

Table 43 - Buying offline is more social

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	8	7,8	7,8	7,8
	Disagree	12	11,7	11,7	19,4
	Neutral	16	15,5	15,5	35,0
	Agree	32	31,1	31,1	66,0
	Strongly agree	35	34,0	34,0	100,0
	Total	103	100,0	100,0	

Q5h, Q5i and Q5k statements were tested, all of them which refer to the advantages of offline buying. Again, Mann-Whitney U Test and Kruskal-Wallis Test were used. In the case of gender, no significance could be yielded. However, regarding age, significance could be observed in all three cases. However, no ties were observed in the case of the level of

education. Table 44 presents the results of the association between age and the three statements.

Table 44 - Age vs advantages of offline shopping

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Offline buying is traditional therefore I prefer it. is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	,025	Reject the null hypothesis.
2	The distribution of I prefer buying offline because of privacy concerns. is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	,006	Reject the null hypothesis.
3	The distribution of Buying offline is more social. is the same across categories of Age.	Independent-Samples Kruskal-Wallis Test	,026	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,050.

The same authors, Verhoef & Langerak (2001) point out that online shoppers may be concerned about how to return a damaged product.

Statement (Q5I): *Returning groceries bought online is difficult.*

The results in this case indicate agreement as well. 20,4% of the respondents agree strongly, 35% of them agree. 22,3% are neutral in this regard. Only 10,7% disagree and 11,7% strongly disagree that it is difficult to return groceries in case they are bought online.

Table 45 - Returning groceries bought online is difficult

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	11,7	11,7	11,7
	Disagree	11	10,7	10,7	22,3
	Neutral	23	22,3	22,3	44,7
	Agree	36	35,0	35,0	79,6
	Strongly agree	21	20,4	20,4	100,0

	Total	103	100,0	100,0	

Another reason for choosing to buy groceries offline is the fact that online shopping lacks the opportunity of physically touching, smelling, sensing the product, which is often crucial when selecting groceries, especially food.

Statement (Q5m): *I like to feel the product before buying.*

The vast majority of the respondents agree with this statement, according to the frequencies of the answers. 54,4% strongly agrees, 28,2% agrees, and in this case, only 10,7% remained neutral. 4,9% of the respondents disagrees, and only very few, 1,9% disagrees strongly.

Table 46 - I like to feel the product before buying

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	1,9	1,9	1,9
	Disagree	5	4,9	4,9	6,8
	Neutral	11	10,7	10,7	17,5
	Agree	29	28,2	28,2	45,6
	Strongly agree	56	54,4	54,4	100,0
	Total	103	100,0	100,0	

Other concerns regarding buying groceries online include the fact that due to the delivery time, consumers have to wait until they have their products ordered online. It is considered to be a great disadvantage in case of groceries, for goods are often needed immediately. The next statement examines this factor.

Statement (Q5n): *Direct availability of goods is an advantage in buying offline.*

As in the case of the previous statement, there is strong agreement in this matter as well. 53,4% of the respondents strongly agree, 30,1% agree, 12,6% remained neutral. Only 4,9% disagree or strongly disagree.

Table 47 - Direct availability of goods is an advantage in buying offline

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1,0	1,0	1,0
	Disagree	4	3,9	3,9	4,9
	Neutral	13	12,6	12,6	17,5
	Agree	31	30,1	30,1	47,6
	Strongly agree	54	52,4	52,4	100,0
	Total	103	100,0	100,0	

Statement (Q5o): *There is more supply of groceries offline*.

Regarding this statement, a high proportion of respondents remained neutral (36,9%), making the results somewhat unsure. The remaining respondents agree and strongly agree that offline grocery supply is greater (24,3%-24,3%). However, 10,7% disagree, 3,9% strongly disagree with this statement.

Table 48 - There is more supply of groceries offline

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	4	3,9	3,9	3,9
	Disagree	11	10,7	10,7	14,6
	Neutral	38	36,9	36,9	51,5
	Agree	25	24,3	24,3	75,7
	Strongly agree	25	24,3	24,3	100,0

	Total	103	100,0	100,0	

Statement (Q5p): *I am likely to buy my groceries online.*

Due to the relatively high proportion of neutral respondents again (32%), the answers indicate some uncertainty regarding this statement. 17,5% state that they are very much likely to buy groceries online in the future, while 10,7% state that they most probably will. 27,2% of the respondents are not planning online grocery shopping, while 11,7% exclude this possibility.

Table 49 - I am likely to buy my groceries online

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	12	11,7	11,7	11,7
	Disagree	28	27,2	27,2	38,8
	Neutral	33	32,0	32,0	70,9
	Agree	11	10,7	10,7	81,6
	Strongly agree	18	17,5	17,5	99,0
	5	1	1,0	1,0	100,0
	Total	103	100,0	100,0	

The last statement investigated whether respondents would recommend shopping groceries online to other family members and friends.

Statement (Q5q): *I will recommend my family members as well as friends to buy groceries online.*

However, the majority of the respondents that did not remain neutral (23,3%), either strongly disagree (33%) or disagree (31,1%). Only 12,6% state that they will recommend or highly recommend online grocery shopping.

Table 50 - I will recommend my family members as well as friends to buy groceries online

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	34	33,0	33,0	33,0
	Disagree	32	31,1	31,1	64,1
	Neutral	24	23,3	23,3	87,4
	Agree	9	8,7	8,7	96,1
	Strongly agree	4	3,9	3,9	100,0
	Total	103	100,0	100,0	

5 Conclusions and Recommendations

5.1 Major contributions

This thesis aimed to examine current trends in online grocery shopping in Austria and how customers are motivated when deciding on buying their daily groceries online. Groceries are in a unique position within the digitized business world due to characteristics that sometimes make it complicated to purchase such items from online stores as well as some barriers that cannot be overcome online. It has been pointed out in the literature review that consumers play a crucial role in triggering any types of business for they have the choice which company's product or service to buy. Therefore, companies should be well-informed about the motivations of customers and ongoing trends for these may significantly influence the decision making processes of consumers.

Digitalization has brought other perspectives into the business world as online shopping spreads. A new consumer type appeared seeking for convenience, which is the online shopper. Companies needed to adjust to the unique situation. However, companies differ to the extent they are forced to, or they intend to go online. Digitalization, however, does not seem to have hit grocery retail sharply in Austria. Only a very insignificant number of consumers tend to buy groceries online. Therefore, this research aimed to investigate the

motivations and other factors that may contribute more to choose online grocery shopping, and thus providing companies with recommendations.

RQ1: What are those grocery products consumers prefer to buy online or offline?

The already existing literature indicated that perishability, the only indirect availability of groceries, and the lack of opportunity to feel them physically are the main barriers that prevent customers from buying online. The survey as well indicated a significant shift toward buying groceries offline, almost regardless of what items they aim at buying. The only factor that was indicated as important is that online stores offer products not available in offline stores as well.

According to the survey, all perishable and fresh products are bought almost exclusively offline, these are the following with a frequency ranging from 92 to 99%: bread and bakery, dairies, frozen goods, meat, and vegetables. Alcohol and soft drinks are also bought, mostly in traditional shops. However, with a somewhat lower frequency than perishables. The same applies to canned and jarred goods. It is actually healthcare and paper products that are most frequently bought both online and offline, and less regularly exclusively offline.

RQ2 What motivates customers in their decision on shopping groceries online or offline?

In the survey, several motivational factors were given to the respondents in order to decide which of them are the most important ones regarding online or offline grocery shopping. In the case of online shopping, convenience is a crucial factor, which underpins the findings of previous literature as well. The outstanding results are the following:

- The fact that items are delivered to the doorstep seems to be one of the most important motivations for more than half of the respondents either agree or disagree.
- Significant disagreement could be observed in the case of the consideration of whether online shopping may help one buy healthier food. More than 60% either disagreed or agreed with this statement.
- More than 60% of the respondents agree or strongly agree as well with the fact that online stores often offer more specialties and items not available in traditional stores.

Regarding the motivations for buying groceries offline, the following outstanding results emerged:

- 65% of the respondents find offline shopping more social than online shopping.
- Sensing the food before buying is a crucial factor with the one of the most outstanding agreement: 54% strongly agrees that it is important to touch, smell and feel the product before buying it, and another 28% agree. This factor will always be a barrier to offering groceries online. Online shopping makes it impossible to provide consumers with the opportunity to feel the product physically.
- The other outstanding result is shown in the factor of direct availability of product when buying offline. 82% either strongly agree or agree with this factor.

RQ3 How do demographic characteristics influence consumers' online grocery purchasing intentions?

The research did not find any significant correlations between the gender of the customers and online purchasing intentions. According to the results, the motivational factors and intentions are equally distributed across genders. The choice of whether to buy groceries online or offline was not influenced by any of the given demographic characteristics either.

Association between convenience factors in case of online shopping and demographic characteristics were tested as well. However, the online association identified was between age and the statement 'Online shopping helps me control my shopping cart'. The test result showed that this aspect is more important for the age group 18-30 and 50-65. Another significant association was observed between the statement 'Online shopping helps me buy healthier food' and the level of education, which can be an interesting aspect as maintaining a healthy lifestyle is an increasing trend.

5.2 Business recommendations

The aim of this thesis was to assess what motivates customers to buy online and how these motivations manifest in grocery shopping. Some supermarkets in Austria already offer the opportunity to do everyday shopping online such as Billa, Spar, and Merkur, whereas Alfies is one that operates exclusively online. However, as it has been shown in the research, there are severe barriers to taking groceries online. According to the findings, the following steps are suggested for companies.

5.2.1 Analysis

At first, it is crucial for the companies that offer groceries to assess the trends carefully and target groups currently observable in the market. Even those companies that state that local retailers have no need to go online, have to consider this option, for digitalization is spreading in all aspects of life.

The following questions should be addressed:

- What opportunities does the company have to offer groceries online?
- How does the company segments currently, and is it still up-to-date?
- In case the company has no online store yet, are there any requests from the customers in this direction? If yes, is it worth taking into account to go online?
- Who will be the new customers that possibly will be motivated enough to buy groceries online? How should the company address them?
- How can the company overcome some critical barriers such as the perishable nature of lots of the grocery items or the impossibility of physically feeling them before buying? Or what can the company offer as compensation?

5.2.2 Design the goals

As a second step, it is crucial to define clear goals for the future. It is especially important for smaller grocery stores as well to decide whether to go online or not because they need to design their strategies accordingly and focus on aspects most important for the companies. In case a supermarket store already has an online store as well, it is essential to define clear goals in supply and to assess how each segment of grocery consumers could be addressed. Therefore, as a third step, segmentation also has great significance.

5.2.3 Segmentation

Segmentation is an essential step for both larger supermarkets and smaller stores because segmentation defines how the company should and will address the target groups, and which strategy it will implement. In today's competitive world, mass segmentation may leave lots of waste behind, especially in the market of groceries. In that case, due to some motivational factors such as changes in the state of health, market niches have to be identified. When segmenting consumers, it is that their demographics and motivations that have to be taken into account. The literature and the research showed that although there is no difference

between male and female shoppers, age can be a defining factor. While the younger generation is almost always online, the older generation may have a state of health due to which shopping groceries online and getting it delivered to the doorstep may be a crucial convenience factor.

5.2.4 Monitoring

Finally, monitoring one's companies strategies have to be applied to assess whether the strategies that having been implemented are proving to be successful, or changes are necessary for further improvement. In particular, for groceries to going online, it is important for the companies to take all advantages and disadvantages into account. As it has been pointed out in the literature review, consumers still highly trust the traditional way of everyday shopping. It is, therefore, crucial to offer items or services that may compensate for the already mentioned deficiencies of online grocery shopping. Monitoring can be easily conducted in several ways, such as interactive communication through social media or the opportunity of providing feedback through various platforms. In the case of online stores, the chance of leaving feedback on the own website of the company may be advantageous.

5.3 Limitations and future research direction

One limitation of the study is that it has a focus on the Austrian market within the grocery industry, which means that trends in other European countries remain hidden. However, such research that allows examining other countries as well is too time-consuming and complicated for the present thesis. Therefore, the author chose to concentrate on the Austrian grocery branch.

Especially, as branches, digitalization and marketing strategies related to it are developing very fast, it should be of high importance to investigate these changes over time in the Austrian market of groceries. The importance lies in the fact that respondents highly prefer traditional stores to online ones, even though online shopping has gained great significance over time.

Although generalizability suffers from the restriction only investigating the Austrian market of groceries, it was the researchers' choice, as the topic is an exciting research field with less existing literature on it. However, it was a limitation of the paper to find up-to-date critical literature on buying groceries online and especially how demographics influence intentions do actually not exist.

Another limitation of the study lies in the results. As it has been pointed out, a significant shift in the direction of offline shopping was observed with more than 85% of the respondents selecting this opportunity. Due to this fact, tests that analyse associations between online/offline shopping tendencies and motivations and demographics were difficult to be conducted. Finally, in order to gain as much reliability, validity and generalizability, this research project sticks on concentrating on a comprehensive, consistent and diligent data reconciliation.

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