Digital Shopping and Consumers' Perceptions in the United Arab Emirates

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Abstract: The purpose of this research is to analyse the perception of digital shoppers in the United Arab Emirates (UAE)., A survey was conducted, which included: students, employees, and professionals from different fields of UAE society. The findings show about 89 percent of those surveyed are familiar with online shopping and some of them are found comfortable that their personal information is kept confidential. Some participants still have concerns about the safety and the accuracy of online shopping. The findings show that about 45 percent of those surveyed think that online shopping is still risky. The results also show that about 20 percent of the surveyed population believe that delay in product delivery, lack of accuracy on websites, and information insufficiency are reasons services that do not comply with the needs of buyers and therefore still prefer traditional shopping over online shopping. The study concludes that there is a need for building safety awareness among shoppers which companies need to focus on. Furthermore, companies need to continually improve its offering of online services. This will result in providing customers with accurate information and in enhancing the products' time delivery.

Keywords: Digital shopping consumer's perception, economic analysis.

1. Introduction

Online shopping has become one of the fastest growing industries due to its unique benefits to both consumers and retailers, including 24-hour availability, less reliance on in-person store visits, the ability to save on travel expenses, market expansion, and lower remittance expenses. When people run out of something, they do not have to travel to visit stores and wait in line at cash registers to pay for the goods they have ordered all they have to do is use the search engine to look up the words, visit the website, click on the item they want, make the payment, and wait at home until it is delivered to their homes. According to internet statistics, both men and women are now starting to appreciate the experience of buying online. They spend more time online looking over everything and selecting the most economical options as a result of the reduced rates and greater selection.

Having awareness of the significance of the media in transferring information to all segments of the population efficiently, today consumers depend more than ever on the digital world, and businesses are now compelled and prepared to adapt their strategies and plans toward digital transformation with much greater urgency than before.

In the United Arab Emirates, the trend of digital usage has always been towards an upward direction, where internet users have increased from 5.66 million users in 2010 to 9.84 million users in 2021, an increase of 73.8 percent. Many consumers typically see this development with mistrust, which makes them wary of the nature of the services offered over the internet.

In particular, those who are switching to online buying from traditional methods are the focus of this study's poll, which aims to gauge consumer perception of digital shopping. This paper is formatted as follows: An overview of the literature review is presented in Section two. The data collection and research technique are reviewed in section three. The study analysis and findings are presented in Section four. The report concludes with a conclusion and a suggestion.

1.1 Research Objectives

To examine and analyze the perception of people towards online shopping in UAE.

To examine and analyze the people's trust on disseminating their personal information during the online shopping.

To examine and analyze the people's opinion on the sufficiency and accuracy of information provided on products on the internet.

1.2 Research Questions

What is the degree of awareness and knowledge do people have toward online shopping in UAE?

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What are the factors that influence online shopping?

Do people trust giving their personal information and credit card details during online shopping?

Do people think shopping online is risky or not?

Do information and description of products on the internet sufficient and accurate?

Do shoppers prefer online shopping to traditional shopping?

1.3 Problem Statement

While the trend of internet usage in the UAE has always been upward, making it simpler and faster for customers to buy products from the comfort of their homes or places of employment, this development is usually accompanied by skepticism from many users, which makes them reluctant about the nature of the services provided through the internet.

2. Literature Review

2.1 E-commerce in the UAE

With regards to the online purchasing in the United Arab Emirates, the government has consistently been passionate about encouraging e-business there. Most government entities have their own websites with e-commerce gateways already set up. Residents of the UAE are now more easily able to connect with commercial associations as they have grown accustomed to handling government departments online. Dubai Electric and Water Authority (DEWA) has found that 49% of its customers use online payment methods [1]. Despite E-growth businesses in the UAE, a few obstacles still stand in the way of its rapid advancement [2]. People continue to doubt that it is as secure as paying with cash, alleging that vendors are not always prepared to fulfill orders as required by customers. Sometimes it is noted that the delivered goods are distinct from those that were sought. The choices, sizes, colors, and other elements deviate from what the client had asked. People in the UAE frequently gripe that replacing goods costs a lot of money. In this way, many individuals in the UAE still do not like using e-business to browse and shop.

2.2 Relevant Studies

The concept of online purchasing - e-commerce - has been extensively studied by academics. Significant correlations exist between customer enjoyment, trust, repurchase intentions, and e-service quality attributes.

E-commerce is defined as any action that is carried out purely via the use of the internet and information technology [3]. E-commerce companies carry out their commercial transactions online and deliver goods, services, and products to customers' doorsteps. Due to its convenience and affordability, e-commerce has become more and more commonplace in recent years. Customers don't have to make a further trip to a showroom or store and instead they can make their purchases through the online platforms. They can certainly and profitably shop according to their convenient location and time. The likelihood that a client would become more efficient when shopping online will have a favourable impact on the entire purchasing process [4]. Customers prefer to buy a product when their intended use is thought to be beneficial and significantly impacted by enjoyment and online buying can be just as fun as physical shopping and can have a beneficial impact on shoppers [5,6,7].

In numerous lucrative areas, retail trading has seen substantial changes as a result of the internet's expansion over the past 20 years. Numerous research has demonstrated the significance of site technological factors and service quality in determining customer loyalty and satisfaction [8,9,10]. The technology-centred perspective includes technological aspects of an online business that influence customers' familiarity with using that technology [11].

The elements of online convenience that influence consumers' intentions to use online purchasing were identified by many scholars. The future of consumer purchasing is dependent on customer pleasure on prior purchases which keep customer to place another order from the same business [12]. Using a sample of 250 Portuguese young people who participated in the study, the author employed confirmatory factor analysis (CFA) and a covariance-based structural equation mode. According to the findings, Possession, Transaction, and Evaluation are the variables that have the biggest effects on how convenient online purchasing is. The authors concluded that retailers should be aware of the findings and the fact that consumers' expectations for online convenience have grown and periodic monitoring of consumers' opinions and expectations regarding online convenience is a must [13].

Researchers investigated the elements affecting internet shopping in Indonesia. Customers who had ever used an online shop application were asked to fill questionnaire and the partial least square was used to assess the data that had been collected. According to the study's findings, consumers' decisions to make purchases using an online shop application are favourably influenced by trust, perceived value, and buying interest [14].

Other scholars concentrated on online and mobile banking-based payments for goods and services and found that consumer perception of digital payments has a large and positive impact on how widely they are adopted. They also found that patient variables including gender, age, profession, and annual income have no appreciable impact on the perspective of customers. Yet, it was shown that the adoption of digital payments was significantly influenced by education [15].

Customers are more likely to have purchase intentions if they have a high level of trust for the website. Also, buyers are more inclined to make another purchase from a website if they have already done so and had a positive experience there [16]. Researchers discovered evidence of a beneficial relationship between client satisfaction, trust, and intention to buy [17]. Building trust is the key to luring customers to an online store [18]. Trust was discovered to be an antecedent of service quality in the broader services industry [19]. Researchers made an investigation of Chinese consumers' perceptions of Taobao as an online marketplace for high- or low-involvement product purchases. They concentrated on the various risk factors related to products and how online shoppers' perceptions of risk affect their trust in online buying as well as their desire to make a purchase. The findings of their study showed that while financial risk was positively related to consumers' trust and purchase intention, product risk and social/psychological risk were not [20].

Consumers' trust beliefs in an online recommender agent and commitment to follow its recommendations are significantly impacted by the explanation manner and availability, along with perceived personalisation. The perceived customization of the online recommender agent, which then mediates the implications on use intention, facilitates the effects of both the availability and manner of explanations on end users' trust perceptions [21]. Online encounters usually involve strangers who cannot rely on one another's past behaviours or the possibility of future interactions to establish a foundation of trust [22].

Researchers employed a model that explains the connection between consumers' assessment of the ethics of online retailers and their propensity to make another purchase. To test their research model, the authors used data from a survey of 518 Vietnamese internet shoppers and the partial least squares method. The findings demonstrated that, through the mediation of customer trust and perceived uncertainty, consumers' perceptions of the ethics of online retailers have an indirect impact on consumer repurchase intention [23].

The relationship between website brands, personal value, shopping experience, perceived risk, and purchase intention from travel websites was studied by scholars. They employed a partial least squares approach to evaluate the overall goodness-of-fit tests among 409 participants who had purchased travel-related items from websites. The findings emphasize various facets of the efficiency and appeal of travel agencies' websites. Its novel conclusion emphasizes the significance of personal worth as a user trait that can significantly influence online purchasing intention [24]. Others, examined how online trust affects perceptions of risk, attitudes, and online purchase intentions in Morocco. The findings of their study show that perceived size and reputation have a positive influence on online trust; that online trust has a significant positive influence on attitude and a significant negative influence on perceived risk; that online trust and attitude positively influence purchase intention; and that perceived risk has a significant negative effect on attitude and a negative influence on purchase intentions [25].

When shopping online, consumer worries differ depending on the type of personal data he or she provides. Researchers developed a taxonomy of information kinds based on consumers' general sensitivity to the information and readiness to offer it, as well as linked four perceived risk categories (physical, psychological, monetary, and social). Moreover, consumer segmentation analysis reveals that even when perceived magnitude and overall risk propensities vary by segment, the rank order of cluster risk perceptions remains constant [26].

Researchers examined the impact of perceived risk on consumers' intentions to shop online as well as their trust in and purchasing patterns on these platforms. The results provide crucial directions for future study on psychological factors influencing consumer participation in social media, pricing evaluation processes, different types of perceived risk, and online repurchasing behaviour and intention on social commerce platforms [27]. The implications of adopting mobile payment systems for impulsive purchasing and decision-making, particularly in the context of online product reviews, should be made clear in the following instructions. Trust has a positive effect on social norms, but perceived risk has a negative impact on perceived behavior control [28]. At the same time, intention over trust in product endorsements is influenced by social presence, proximity, and informational reinforcement—but not by emotional support or familiarity [29].

3. Research Methodology & Data

In this research, a quantitative analysis is used based on a created structured survey that was distributed among people in all disciplines such as businesses, households, students, employees, and professionals from different fields of society. The primary data for research was collected through non-probability sampling survey. The survey collected was of about 155 out of 200 distributed. Due to time and resource constraints, it was not possible to reach the desired sample. University students were appointed as enumerators to distribute the questionnaire for the face to-face process. When feasible, the respondents were provided with the questionnaire for self-administration. The survey was conducted at the end of 2020 with the help of

trained graduate students. The questionnaire survey is comprised of 16 questions that covers the main important areas that test people's perceptions toward online shopping in UAE.

4. Analysis and Findings

There were 155 responses to the 200 surveys that were sent out, and from those responses the major analysis displayed in table (1) and figure (1). 73% of the respondents were female and 27% were male, and 16.8% of those respondents said they weren't sufficiently knowledgeable of online buying. 83% of respondents are between the ages of 18 and 30; 14% are between the ages of 31 and 40; and 2.5% are over the age of 41. 23% of respondents are married, compared to 74.4% who are single, and 2.6% who are divorced. In addition, 17% of respondents were from the GCC, 17% were Arabs, 12% were Asians, 2% or so were Africans, and 2% were European.

Table 1: Profile of the respondents

Variable	Frequency	Percentage
Gender		
male	42	27%
female	113	73%
Age		
31-40	22	14%
0ver 41	4	2.6%
18-30	129	83.4%
Education level		
bachelor	129	83.4%
master	18	11.6%
high school	4	2.5%
diploma	4	2.5%
Nationality		
GCC	26	16.7%
Arab	101	65.3%
Asian	16	10.2%
Iran	3	1.9%
Others	6	3.9%
Marital status		
single	114	73.5%
married	41	26.5%
Gross income		
Less than 5000	71	46.40%
5000-10,000	53	34.6%
11,000-20,000	21	13.7%

21,000-30,000	6	2.9%
More than 31,000	2	1.4%
Use internet for shopping		
often	38	24.5%
always	22	14.2%
sometimes	73	47%
rarely	15	9.7%
never	7	4.6%
Sources helped to be familiar with online shopping		
social media	102	65.8%
friends and family	50	32.2%
others	3	2%
Comfortability on shopping online		
not comfortable	17	11%
quite comfortable	90	58%
very comfortable	48	31%
Comfortability on personal information being kept confidential when buying products online		
not comfortable	26	16.8%
quite comfortable	96	62%
very comfortable	33	21.2%
Shopping online is risky		
agree	56	36%
disagree	16	10.3%
strongly agree	14	9%
neutral	62	40%
strong dis	6	3.7%
Long time is required for the delivery of products and services on the internet.		
agree	31	20%
disagree	46	29.7%
strongly agree	4	2.6%
neutral	65	42%
strongly disagree	8	5.2
Description of products shown on the websites are very accurate.		

| agree | 53 | 34.3% |
disagree	27	17.5%
strongly agree	6	3.9%
neutral	62	40%
strongly disagree	5	3.3%
Information given about the products and services on the internet is sufficient.		
agree	59	38%
disagree	18	11.5%
strongly agree	7	4.5%
neutral	68	44%
strongly disagree	3	2%
hesitancy of giving credit card number while shopping online.		
agree	57	37%
disagree	27	17.5%
strongly agree	15	10%
neutral	38	24.5%
strongly disagree	17	11%
Shopping online preferability to traditional/conventional shopping.		
agree	47	30.4%
disagree	20	13%
strongly agree	10	6.5%
neutral	66	42.6%
strongly disagree	10	6.5%
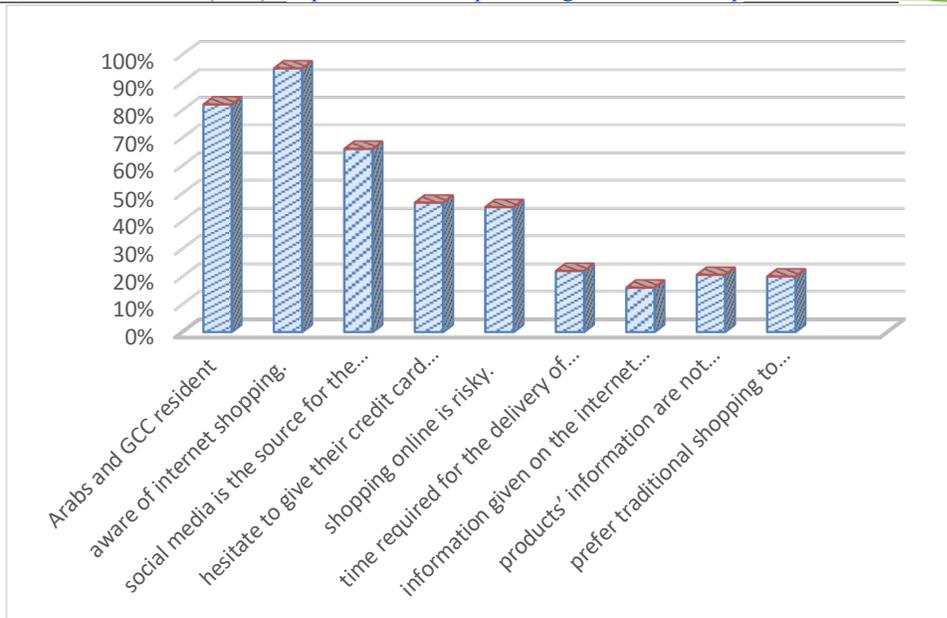
Fig. 1: *Profile of the respondents*

83% of respondents have a bachelor's degree, 11.6% have a master's degree, 2.5% have a diploma, and 2.5% have a high school diploma when it comes to education and income. 12.3% of those surveyed earn less than 5000 dirham per month, 34% earn between 5000 and 10000 dirhams, 13.5% earn between 11000 and 20000 dirhams, 3.9% earn between 21000 and 30000 dirham, and 3.2% earn more than 30000 dirham.

In question eight, the respondents were asked how often they use the internet for shopping. 38.7% responded with often, 47% responded with sometimes, 9.7% rarely, and 4.5% responded with never. In the next question, the shoppers were asked about the sources that helped to be familiar with online shopping. 65.8% responded with social media, 32.2% responded with friends and families, and 2% with others. In question ten, the respondents were asked if they are comfortable with shopping online. 31% of the respondents feel very comfortable, 58% are quite comfortable, and 11% are not comfortable at all.

On the other hand, one question was asked if customers hesitate to give their credit card details while shopping online or not. 46.6% agree that they hesitate to do so while 28.4% disagree and 25% are neutral, figure **(2).**
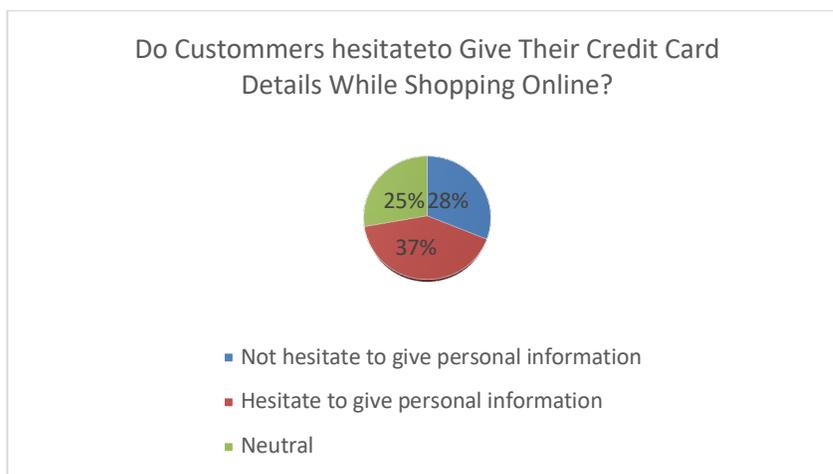

Fig. 2: *Customers' hesitance to give credit card details while shopping online.*

In the next question, to know how comfortable people felt about their personal information being kept confidential when buying products online, 21.3% of the respondents are very comfortable, 62% are quite comfortable, and 16.7% are not comfortable. In question 15, to know if people think shopping online is risky or not, 45% of the respondents agree it is risky while 14% disagree, and 41% are neutral, figure (3).

Fig. 3: *Risk of shopping online*

When participants were asked if time required for the delivery of products and services on the internet takes long, 22% agreed while 35% disagreed. When participants were asked if the information and description of products given on the internet are sufficient and accurate, 42.6% agree that information given is sufficient while 16% disagree, figure (4).
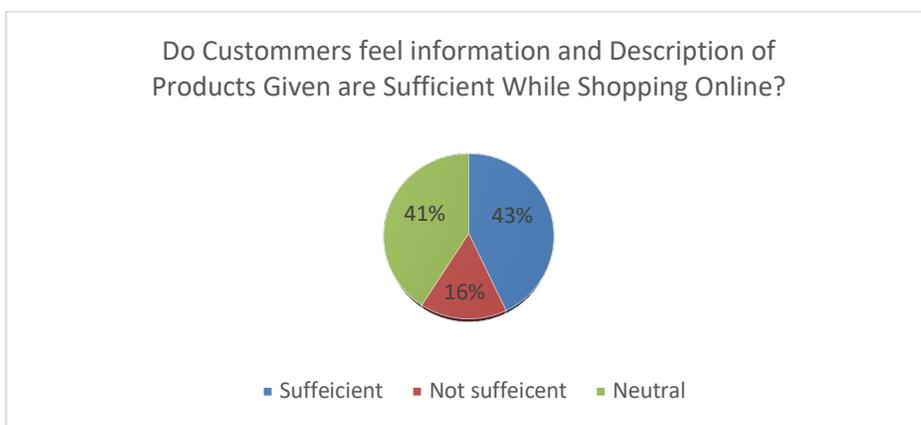

Fig. 4: *Sufficiency of information & descriptions of products*

On the other hand, 38% agree that description of products given are accurate while 20.6% disagree. Finally, when participants were asked if they prefer online shopping to traditional/conventional shopping, 36.8% agree that they prefer online shopping while 19.7% disagree and still prefer traditional shopping, figure (5).
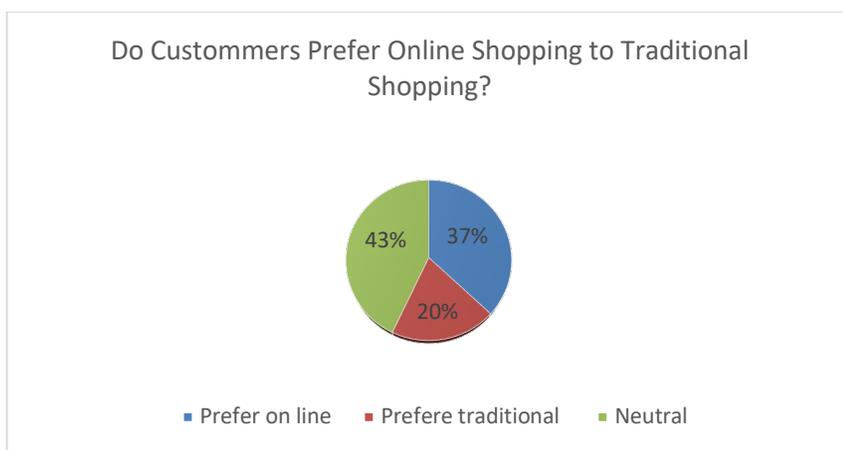

Fig. 5: *Preference of online shopping to traditional shopping*

In conclusion, a sizeable percentage of those polled are familiar with internet shopping and comfortable using it as a source for their buying needs. With bachelor's degrees, an average monthly salary of 7,500 emirates dirhams, and social media as their main channel for online sales, the majority of them are young to middle-aged people. The findings of Singh, S. (2017),

who found that characteristics including gender, age, occupation, level of education, and annual income had little to no impact on how consumers perceive items, are in direct opposition to these findings.

Although the vast majority of participants say they feel at ease and are familiar with the online purchasing process, some still have concerns about its security and dependability. Yet, 37% of respondents still had second thoughts about disclosing personal information, and 45% think online shopping is riskier than traditional retail. This backs up the assertion made by Wijaya, T., et al. (2021) and Jadil, Y., et al. (2022), who discovered that trust online has a significant positive influence on attitude and a significant negative influence on perceived risk. They also discovered that trust online has a favourable influence on consumers' decisions to make purchases using an online shop application.

5. Conclusion

According to the study's findings, a significant portion of people surveyed are familiar with online shopping and feel at ease using it as a source for their purchasing needs. Most of them are young to middle-aged individuals with bachelor's degrees, an average monthly income, and social media as their primary source of online sales. These results go counter to Singh, S. (2017)'s discovery that factors including gender, age, occupation, level of education, and annual income have little to no effect on how buyers perceive products.

Although a large majority of participants express comfort and familiarity with the internet buying procedure, some nevertheless have reservations about its reliability and security. Yet, 37% of respondents still feel hesitant to share personal information, and 45% believe that internet purchasing is riskier than traditional shopping. This supports the claim made by Wijaya, T., et al. (2021) and Jadil, Y., et al. (2022), who found that trust has a favourable influence on consumers' decisions to make purchases using an online shop application and that trust online has a significant positive influence on attitude and a significant negative influence on perceived risk.

On the other hand, some of those surveyed believe that the delay in product delivery, the lack of accuracy on websites, and information insufficiency are services that do not comply with the needs of buyers and therefore still prefer traditional shopping over online shopping.

Together with the previously mentioned issues, some participants still favour traditional over online purchasing because they feel that services like delayed product delivery, inaccurate website content, and insufficient information do not meet customer needs.

The study's conclusions suggest that online shoppers should be made more aware of safety concerns and that online services can be enhanced by providing more accurate information. This result is crucial for online businesses who want to increase website traffic and revenues by reassuring clients about the accuracy and safety of online transactions.

Conflict of interest

The authors declare that there is no conflict regarding the publication of this paper.

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