

Original Paper

Consumer Commitment in Bosnia and Herzegovina to Electronic or Traditional Purchase

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Abstract

The subject of the research refers to the attitudes and commitment of consumers to the usual or electronic shopping in Bosnia and Herzegovina. The aim of this paper is to investigate how much electronic is used in Bosnia and Herzegovina in relation to the usual purchase, i.e.. to what extent e-shopping is accepted in these areas, also another goal is to determine the factors that influence their behaviour in e-shopping. The purpose of this research was to determine the extent to which there is interest in this form of shopping in Bosnia and Herzegovina. The research was conducted so that the following hypotheses can be tested on a selected sample: H0-Customers in Bosnia and Herzegovina prefer traditional over online shopping.

Keywords

purchase, customers, sales

JEL code: M30

1. Introduction

With the advent and development of information technology, there have been global changes in business. There is the emergence of e-business, which has experienced the greatest expansion in trade and financial services. The main advantages of e-business compared to traditional business are related to increasing the quality of business, the emergence of new services, cheaper way of doing business, greater market share, and doing business globally. (Trivunčević , 2019)

Every company that wants to achieve success in the market of goods and services should be a priority in business, it should be an understanding of the needs, desires and aspirations of consumers, and a way of making purchasing decisions. Therefore, the idea of marketing that accompanies every successful company is to discover and satisfy the wishes and needs of the target group of consumers better than competitors. (Matanovic & Markov, 2020) The time becomes efficient and saves the energy spent. Information technology provides a great role in the business management aspect. Unlimited internet access to make information especially about online sales growing rapidly, and the community more

facilitated by the online shop. (Soegoto & Kusuma Wardhani, 2018)

2. Review of Literature

The speed and capabilities of this technology make companies that apply it more competitive. Companies (of all sizes) with the advent of the information revolution, are faced with the fact that they must become globally competitive, regardless of whether they are engaged in sales in the local or regional market, if they want to survive in the market. The Internet as a market affects both marketing and production and consumption. (Lukić, 2017)

Customer expectations are not to be considered as a permanent and stable category. On the contrary, expectations are variable before the purchasing process, during this process and also during the use of products or services due to different influences (changes in market circumstances, competition efforts, etc.). (Perić, Milovanović, & Vranešev, 2020)

Online shopping is a dynamic and intriguing area that greatly captures the attention of researchers. Providing new opportunities to attract and retain consumers, the development of the Internet has led to significant changes in the way of doing business and in consumer behaviour, and communication with consumers. (Kursan Milaković, Mihić, & Rez) Why is the customer important to the manufacturer? The producer is the one who does not have direct communication with the buyer as a trader, the trader is in constant verbal communication face to face with the consumer.

The goal of every seller is for the buyer to return to the place of purchase, in order for that to happen, it is necessary for him to be satisfied with the service of the sales staff of the given object. (Vidović , 2020)

Web advertising today is the fastest growing medium - many times faster than all other media combined. Unfortunately, the existing, mostly free, opportunities are not used in Bosnia and Herzegovina. For example, the following can be stated: “Numerous beekeeping associations have created their own websites and it is possible to put their detailed information on them with the range on offer. But few beekeepers take advantage of this opportunity. ” This is one example of not exploiting or partially exploiting online potential.

What must be provided by those who offer products or services is the trust of customers and users of services. It is necessary to provide a sense of physical belonging to the space, to gain the reputation of a reliable partner and one who can solve current problems. In traditional transactions, the trust of customers and service users is easy to define. From the point of view of customers and consumers, trust means that the customer gets the product he wants and that in case of any damage, he can return the product. During the purchase, the physical presence gives the opportunity to try, look, evaluate the product. From the point of view of the person offering the product or service, trust means that the buyer will pay for the goods he takes and that he will make the payment on time. (Lukić D. , 2015)

3. Method and Findings

The aim of this paper is to determine the attitudes of respondents regarding the choice of consumers in Bosnia and Herzegovina towards traditional or electronic commerce. If we look at the orientation of consumers in Bosnia and Herzegovina and their use of electronic commerce in the previous period, according to research conducted by the Agency for Statistics of Bosnia and Herzegovina. According to these surveys, Internet users bought / ordered goods or services online, 24.2% of Internet users made a purchase / order in the last three months, 13.4% more than three months ago, and 7.6% more than a year ago. 54.8% of Internet users have never bought or ordered goods or services online. The number of persons who bought / ordered goods or services online in the last 12 months was 37.6%, which is an increase of 5.5% compared to 2019 year. (Jovović, 2020)

To the question, last time (for private purposes) bought / ordered goods or services via the Internet, respondents gave the following answers:

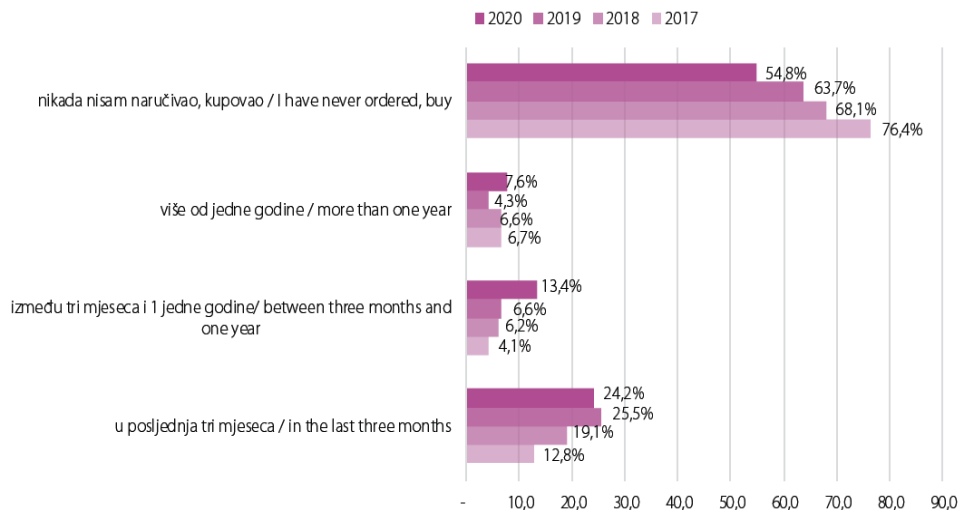


Figure 1. Agency for Statistics, Sarajevo, 2021 (Agencija za statistiku, 2021)

From the answer to the previous question, it is evident that consumers have gradually reduced the use of e-commerce in the last two years. The reason for this behaviour is primarily due to the previous period, the period of the pandemic that hit the world globally. The reduction in the use of this type of purchase was mostly influenced by the time of delivery of a certain item or even the non-arrival of the ordered goods.

To the question: The amount of money purchased / ordered goods or services (individuals who bought in the last 3 months) the results obtained are as follows:

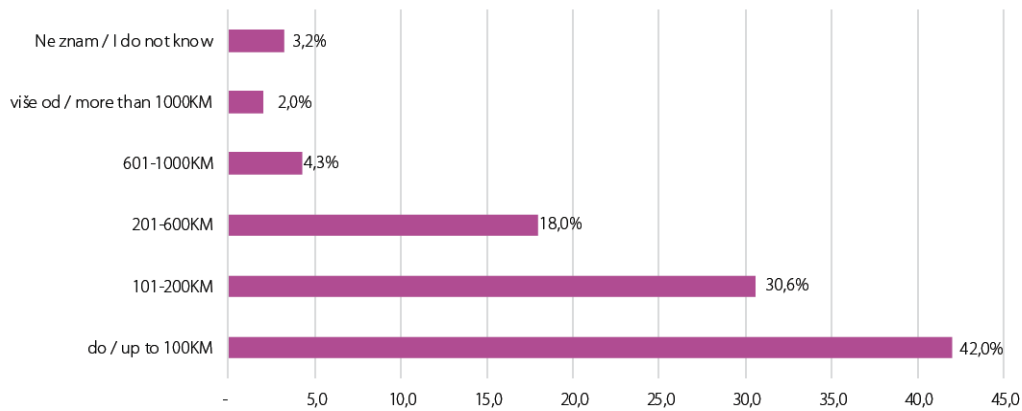


Figure 2. Agency for Statistics, Sarajevo, 2021, p: 3410 (Agencija za statistiku, 2021)

From the obtained answers it can be seen that customers are cautious towards this type of purchase, given that at most 42.00% of them buy products that are less than 100.00 KM, while only 2.00% of customers buy products that are more expensive than 1000 .00 KM, which is more than the average net salary in Bosnia and Herzegovina. According to the Agency for Statistics of B&H, the most ordered clothes were 56.1%, household goods 21.6%, consumer electronics 17.8%.

To the question: Which of the following identification activities have you used for private purposes to access online services through a website or application in the last 3 months?

Respondents gave the following answers shown in the following figure.

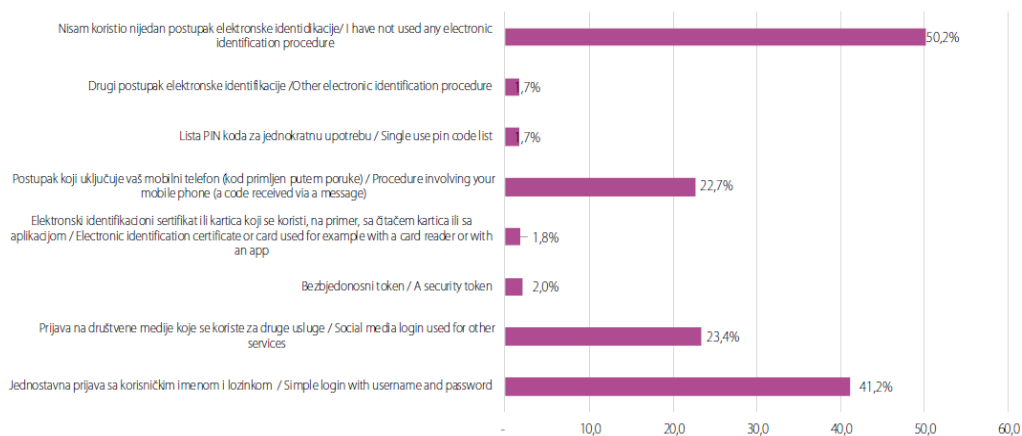


Figure 3. Agency for Statistics, Sarajevo, 2021, p. 3511 (Agencija za statistiku, , 2021)

From the answers received, the following can be concluded: the largest percentage of 41.2% accessed this type of service through their own user account, while the largest percentage of 50.2% did not use any of the electronic identification procedures.

The second part of the research in the paper is reflected in the conducted survey research of the authors

of the paper in order to prove or disprove the hypotheses. The research was conducted in Banja Luka on a sample of respondents aged 18-65, male and female, selected by random sampling. The technique was used, i.e., anonymous questionnaire method. The questionnaire consisted of basic sociology-demographic questions and questions related to obtaining data related to the hypothesis. The research was done in the period from 15.06. - 15.07.2021, 100 participants took part in the survey. After editing the questionnaires, it was determined that 16 ballots were incorrect and, in that case, they were rejected.

Demographic variables	Respondents	Percent
Gender		
Male	23	27.381
Female	61	72.619
Age		
Under 25	20	23.81
25-45	31	36.905
45 - more	33	39.286

Figure 4. Author Calculation

The answer to the set null hypothesis - was obtained by asking questions about the attitude of customers on the development of online shopping in the RS / BIH, what is the attitude of customers towards this purchase and which purchase is more preferred?



Figure 5. Author Calculation

The results of this survey showed that 44% of customers in RS / BIH buy online, while 56% of respondents prefer traditional shopping. Customers in RS / BIH are familiar with the benefits of online shopping. The most important advantages for online shoppers are the possibility of buying 0-24h 10 (16%), better prices 8 (12%), the possibility of ordering products that are not available near them 7

(9%), the possibility of comparing prices 6 (5%) and diversity of supply 5 (2%). The most common reasons why customers have a negative attitude about online shopping: The Internet as a means of communication is associated with fraud, misuse of personal data, misuse of confidential credit / debit card information. The main reason for choosing this type of store is the ability to see the product at a given time.

Hypothesis set: H_0 -Customers in Bosnia and Herzegovina prefer traditional over online shopping, it was tested using the appropriate test, ie. X^2 - feature independence test and with a probability of 95%. Starting data: Number of rows $m=2$, number of columns $k=5$. $r = (m-1)*(k-1) = (2-1)*(5-1)=4$, $X^2_{(a,r)} = X^2_{(0,05,4)} = 9,49$. Calculated value hi - square of the test Izračunata vrijednost hi - kvadrat testa: $X^2 = 0,406853481 < 9,49$, is less than the tabular critical value, which means that the set null hypothesis is accepted, the attitudes of the respondents are closely related where there is no statistically significant difference character.

4. Conclusion

Customers should be educated about online shopping, its benefits, ways to protect when shopping online. Often customers do not know the difference between legal and illegal online shopping. Buyers do not differentiate between these two types of online shopping, and the scams and abuses that most often occur in illegal shopping via social networks (Facebook and Instagram) are related to legal online shopping where the customer is protected by the Consumer Protection Act, which is not the case for illegal shopping. Customers need to be educated on how to distinguish between legal and illegal online shopping, which is most associated with fraud and data misuse. They believe that the biggest risk in online shopping is the misuse of debit / credit cards and unforeseen costs (customs, increased postage). The hypothesis was accepted.

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