

# ATTITUDES TOWARDS ONLINE PURCHASES BY LOW-INCOME CONSUMERS WHO HAVE ACCESS TO THE INTERNET

*Atitudes em Relação a Compras no Comércio Eletrônico por parte de Consumidores de Baixa Renda com Acesso à Internet*

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## Abstract

The main objective of this work is to analyze the attitudes and purchase intentions of low-income consumers with internet access in relation to electronic commerce, by examining their beliefs, motives, and underlying objections and, as a result, their purchase intentions. This exploratory study is qualitative in nature. Data was collected through semi-structured interviews with Brazilian low-income consumers. The study indicates that low-income shoppers have an overall negative attitude towards e-commerce and found three variables that are known to be affecting low-income shoppers' attitudes

## Resumo

O objetivo principal deste trabalho é analisar as atitudes e intenções de compra em relação ao comércio eletrônico por consumidores de baixa renda com acesso à internet, buscando identificar as crenças, os motivos, as objeções subjacentes e por consequência as intenções de compra. A presente pesquisa de cunho exploratório utilizou uma metodologia qualitativa. Os dados foram coletados através de entrevistas semiestruturadas com compradores brasileiros de baixa renda. Como resultado principal, o estudo indicou que os compradores de baixa renda possuem uma atitude geral negativa em relação ao

towards the internet, namely: distrust regarding stores policies; negative feelings about e-commerce; and the need for peer approval. This study contributes to the field by applying the traditional ABC Attitude model to analyze online consumption in Brazil. It also furthers our understanding of the variables present in each of the three components of the ABC Attitude model (Affect, Behavior and Cognition) and has detected new variables that emerged from the field research and presents justification and support for them found in the literature by examining what affects these attitudes towards the online market.

**Keywords:** Online Purchase Attitudes, Low-Income Consumer, Online Purchase Intention, Consumer Behavior.

comércio eletrônico e descobriu que três variáveis estavam afetando as atitudes dos compradores de baixa renda na internet, a saber: a desconfiança com relação às lojas; os sentimentos negativos relativos ao comércio *on-line*; e a necessidade de aprovação dos pares. Os resultados da pesquisa ampliaram o entendimento acerca das variáveis presentes em cada um dos 3 componentes do tradicional modelo ABC (*Affect, Behavior e Cognition*) das atitudes, detectando novas variáveis que emergiram do campo, justificando e apoiando os aspectos que afetavam tais atitudes no mercado *on-line*.

**Palavras-chave:** Atitudes da compra *On-line*, Consumidor de Baixa Renda, Intenção de Compra *on-line*, Comportamento Consumidor

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## INTRODUCTION

During 2020, while the Coronavirus (COVID-19) pandemic devastated the world obliging people to quarantine in their homes, electronic commerce was boosted on a global scale (Sociedade Brasileira de Varejo e Consumo [SBVC], 2020). Given this fact, understanding why low-income consumers are not participating in this panorama is fundamental. We need to know the difficulties presented by online consumption for people in this social class and the difficulties that companies have in accessing this consumer market.

Without a doubt, the COVID-19 effect has increased the number of online purchases and purchasers as demonstrated by a study conducted by the National Confederation of Store Owners together with the Credit Protection Service and Offer Wise Surveys. It states that 91% of Brazilian internet users made an internet purchase during the past 12 months, which represents an increase of 5 percent compared to 2019 (CNDL/SPC, 2021). According to a study by Ebit/Nielsen (2021), this form of purchase already represents 78% of B2C electronic commerce. This same source also indicates an increase in the number of e-commerce consumers with 13.2 million new consumers compared to 2020, which represents an increase of 23% (Ebit/Nielsen, 2021).

Despite this impressive increase in online purchases and purchasers, there remains a difference in the access to the internet in terms of social class, with the following distribution being reported: 95% for the upper class; 93% for the upper middle class; 78% for the lower middle class; and 57% for the lower classes. According to Barbosa, a manager at Cetic.br involved in the 2021 Information and Communications Technology Household Survey, there was a strong increase in the use of the internet among our most vulnerable citizens, however the inequality of access remains, and most internet users are still young, educated and wealthy individuals (Tic Domicílios, 2021).

With this clear evidence, the academic community is urged to study how the least favored classes make their purchases. Da Costa et al. (2021), in a systematic review of the e-commerce literature in Brazil from 2011 to May 2021, indicate that this subject is still quite new, and this area needs to be studied in greater depth. Previous studies have examined the intentions of online consumers to understand elements such as the risks and doubts related to online purchases which have been examined by Soopramanien (2011) and Dias and Hemais (2015). Eckert and Milan (2016) studied the profile of purchases made in the electronic environment; the characteristics of these consumers was examined by Silva, Pereira and Ferreira (2015); and the decision to make an internet purchase, examined by Menegatti et al. (2017).

More recent studies seem to focus on specific economic sectors such as food and beverages (Chen, Liang, Liao & Kuo, 2020), tourism (Tarkang, Alola, & Nange, 2020) or specific consumers such as different generations (Sharma, Singh & Pratt, 2020; Janavi et al., 2021). The article by Peña García et al. (2020) presents various considerations about the main elements that create the intention to purchase online among Colombian and Spanish consumers and found substantial differences between these consumers. Among Colombians, the tendencies to make an impulse purchase and buying online are much stronger than among Spaniards. This article emphasizes the great importance of taking different consumer cultures into account.

This study will deal with the research gap: online purchase attitudes of a specific consumer group, low-income Brazilians. It provides continuity to the work of Dias and Hemaïs (2015) regarding doubts of low-income consumers in terms of internet purchases, but also seeks a more psychological focus by using an attitude model, seeking motivations and objections, as well as updating this subject, given that online purchases have evolved substantially during this interregnum.

Fundamental to understanding this distancing of low-income online consumers are personal aspects, their beliefs and feelings. Within this context, there has arisen an interest in investigating purchasing attitudes and intentions towards electronic commerce on the part of low-income consumers with access to the internet, using the ABC Attitude model.

Thus, this work seeks to understand why low-income consumers with access to the internet do not make electronic commerce purchases. The objective is to investigate through semi-structured interviews which attitudes impede the utilization of the digital medium. In going beyond the boundaries pointed out in this research and seeking to elaborate sales strategies designed for low-income consumers including those for electronic commerce (B2C), we hope to make contributions to an increase in online sales in the retail market due to the buying potential of this social class.

## **A REVIEW OF THE LITERATURE**

### **Consumer behavior**

Hawkins and Mothersbaugh (2019) define the scope of consumer behavior as being broad and, therefore, quite complex, extensive, and multidimensional. Along the same lines, Casotti (1999) suggests paths that take into consideration the sensitivity necessary in this area of multidisciplinary knowledge whose focus is a complex human being with multiple realities based on various factors.

Views of the general nature of consumer behavior vary markedly from author to author, with some tending to emphasize more macro-aspects, such as cultural influences, in addition to the more micro-aspects of the individual. Even Hawkins and Mothersbaugh (2019), who propose a structured conceptual model, warn that consumer behavior is rarely simple, conscious, or even structured in real life. These authors affirm that examining this discipline based on separate categories such as internal and external influences is arbitrary, because these influences are interconnected.

Even though purchase intentions are the result of a multifaceted group of forces and influences, we have opted in this study to delimit our scope based on the concept of attitude. Of the concepts used to understand consumer behavior in terms of purchases, attitude seems to be the most appropriate.

We will now present the main concepts concerning attitudes presented by seminal authors such as Katz (1960), Smith (1969), Ostrom (1969) and Zajonc and Markus (1982) and other more recent authors, also from the area of psychology, who have made important contributions to the field. Then we will seek to include some consumer and marketing behavior authors for a better understanding of the importing of this psychological concept to these areas. In this review, we will also include consumer behavior authors who use this concept to study the decision-making process and more specifically intentions regarding online purchases. Finally, we will make a brief review of the works of authors about low-income consumer behavior.

### **Attitudes**

In psychology, attitude is a broad concept which indicates a lasting and generic psychological state in relation to a given object (situation, idea, or person). In other words, attitude is an internal tendency, a guide to face the facts and events of life, whether they are real or symbolic. The best-

known model is made up of three aspects of attitude: cognitive elements (beliefs, values, judgements); emotional elements (favorable or unfavorable emotions); and conation or the willingness to act. It is said that attitudes are generic because there is a tendency to generalize them in terms of similar events or objects (Sheth et al., 2001; Solomon, 2016; Hawkins & Mothersbaugh, 2019).

This concept has been extensively used and debated and at the same time updated. Douglass (1977) affirmed that the “attitude” concept has been central and special to psychology ever since the 1920s. Chaiklin (2011), in his review of the literature, presents evidence that this concept continues to be researched and disseminated.

One of the precursors of the proposition of a functional approach to attitude was Katz (1960), who proposed four functions: knowledge, utility, defense of the ego, and an expression of value. Attitudes related to defending the ego, for example, could be stimulated by threats, appeals to hatred, and repressed impulses and authoritarian suggestions, which can be altered by the removal of the threat, catharsis, and self-perception. Attitudes that express values are awoken by items associated with the values of the individual and the need to reaffirm his or her self-image, and they can be altered, showing the appropriateness of new beliefs or those modified by self-concepts.

In a parallel study, Smith, Bruner and White (1956) suggested that attitudes perform three main functions: the evaluation of the object, social adjustments, and externalization. The evaluation of objects refers to the capacity of attitudes to summarize positive and negative attributes of objects, determining whether they are beneficial or harmful. Social adjustment is realized because attitudes help people identify themselves with others whom they like and disassociate themselves from people they do not like. Externalization is filled by attitudes which protect us from internal conflicts.

Knowledge and Katz’s utility functions are similar in function to Smith’s evaluation of objects, while the defense of the ego function is similar to Smith’s externalization function. Katz also proposes that attitudes can serve as an expressive function of value, with an attitude expressing the individual’s self-concept and central values (Haddock & Maio (2004). The ABC model initially developed within the field of Psychology by Ostrom (1969) emphasizes the interrelations between knowing, feeling and doing, given that it is not possible to determine consumer attitudes about a product by just identifying cognitions about it.

Authors like the psychologists Eagly and Chaiken (1993) argue that attitudes can be predicted just based on belief (cognition). To them, the attitude is a psychological tendency which is expressed through the evaluation of something with some degree of favor or disfavor. However, they strongly agree with Olsom in the sense that the evaluation process which drives the attitude is not just cognitive and can be simplified by the union of affect, behavior, and cognition of the consumer in relation to the object of the attitude, the ABC model (Zajonc & Markus, 1982).

The cognitive component, which consists of beliefs and information related to the attitude object, is also considered as antecedent and prevalent in the understanding of the judgement, in order for the problem and its solutions to be understood, so that its components can be constructed (Katz & Stotland, 1959; Rosenberg & Hovland, 1960). Tracing the concept of cognition to consumer behavior, Iglesias and Alfinito (2006) show its composition through mental processes which have the function of explaining environmental aspects and processing external information. The cognitive system itself creates a knowledge network to organize information and facilitates the decision-making process of the buyer’s purchase, turning it into something simpler.

In regard to the second component affect, Gardner (1985) understands it as a group of mental phenomena characterized by experience and the conscious state of subjective feelings which are generally accompanied by emotions. Extending his sub-components a little further, Eysenck and Keane (1994) understand affect as a broad term generally used to encompass a range of experiences such as emotions, humor and preferences.

In introducing the idea of affect within the marketing environment, Holbrook and Gardner (2000) refer to a specific group of emotional reactions caused by specific consumer experiences. Therefore, the characteristics of emotion can be summarized and related to external agents, given that this is a cognitive evaluation and not an event per se; they can also be accompanied by physiological reactions divided into two groups – positive and negative - and can focus or direct attention to something which is probably important at the moment.

Continuing with our description of the model, it is necessary to define the term behavior or conation, which can be understood as the intention to conclude an action. Gade (1988) believes that the tendency to act is partially composed of learned responses and responses learned from previous experience, confirming that behavior is associated with the intellectual. This behavior can be positive – in the case of wanting to act in favor, helping, supporting or buying – or negative – expressed by the act of rejecting and attacking instead of buying.

Part of the behavior expressed by intention include what consumers intend to do in the future and how they intend to do it (Nyer, 1997). This is also seen as the main filter of attitudes, because it is effectively this construct which spends energy in making decisions (Solomon, 2016).

### **Attitudes and the Decision-Making Process**

The classic decision-making process in consumer behavior used to understand how buying decisions are made is the decision-making process which features five linear sequential steps, which has been quite criticized, and for online purchases it has been substituted by the customer journey model (Edelman & Singer, 2015). The ABC Attitude model and the purchase journey model have been combined into a model called the purchase journey pyramid by authors Grewal, Noble, Roggeveen, and Nordfält (2020). The journey that they propose consists of three stages, which are: pre-purchase, purchase, and post-purchase, in a circular format, to indicate that they cannot be realized in a linear manner. This is because there can be looping in this process in which past experiences affect current and future experiences which have been incorporated considering their behavioral aspects and influences, such as emotions and cognition.

The influence of attitudes on purchase intention can make customers skip from the pre-purchase to the post-purchase stage, a fact attributed to a greater emphasis on the experimental capacity of this form in which, after the product is experimented in the pre-purchase phase, they jump to the post-purchase stage (Grewal et al., 2020). In addition, technological advances such as artificial intelligence and the Internet of Things (IOT) can facilitate the fundamental non-linearities which mark these journeys. Customer processes and journeys are being more and more influenced by a variety of technological advances, and retailers, manufacturers, and customers need to understand, adapt and alter their purchase processes to leverage the benefits of these advances.

Attitude has been studied as an influencing factor for online purchases because it is related to the predisposition to take action (Caro et al., 2011). Experience with the internet can be a powerful influencer of attitudes in relation to online purchases according to Grewal et al. (2020).

### **Low-income consumers and their online purchase intentions**

The market formed by low-income consumers still lacks business models that really benefit these consumers. Pels and Sheth (2017) emphasize that due to various low-income consumer perceptions and conditions (opportunities / restrictions), businesspeople need to adopt various approaches, and this is why the authors propose a model for business development especially designed for emergent economies.

The consumer market at the base of the pyramid, consisting of the lowest socioeconomic levels, is characterized by illiterate consumers, a lack of means of communication, remote locations, and insufficient consumer experience. These are individuals with individual restrictions in terms of income, knowledge, and access to information, due to the structural limitations of education, health, housing, and transport, which are common in their reality. These characteristics can be listed as aspects which can complicate the adoption of new technologies (Nakata & Weidner, 2012).

In Brazil, the terms most often used for this market are "low income" or "lower income". In the literal sense, these terms are appropriate for referring to these consumers, because these people have low acquisition power (Nogami, Vieira, & Veloso, 2018).

Hemais and Casotti (2014) perceived that these consumers are changing, becoming more conscious of the legislation that protects them, and have begun to use the internet to complain and demand their rights. Expanding the knowledge of this portion of the population, Dias and Hemais (2015) offered a better understanding of the relationship between low-income consumers and online



consumption. They identified that low-income consumers have limits in terms of their relationship with the internet. While they perform activities online which they believe will not affect their security, they feel comfortable because they have control of the effects that the internet can cause. The moment they perceive it as a possible threat, because they do not know what can happen, they resist expanding its limits. According to the authors, this view appears to be what undermines the relationship between low-income consumers and electronic commerce.

Another obstacle found among this portion of the population concerns the delivery of online products. According to a study by Muzetti (2018), companies end up restricting deliveries to slums, and charge more for products that take more time to arrive in residences there. Despite all of these barriers, Dakduk et al.'s study (2020) of intentions of using mobile commerce (purchases made using cellphones) shows that conditions of convenience, hedonic motivations, habits and perceived trust significantly and positively predict intentions to use mobile commerce (purchases made using cellphones) by a sample of low-income Ecuadorian consumers. The perception of the use of this mode of purchasing is that it is an enjoyable experience, which has a direct and positive impact on intentions to use it.

A succinct analysis of recent publications about purchasing intentions on the internet in general, not only considering the low-income public, indicates that research is focused on specific aspects such as the importance of the intention button for online purchases (Cucato et al. (2021), or the need for videos in purchasing decisions regarding hotel services (Silva et al. 2020), or economic sectors such as food and beverages (Chen, Liang, Liao & Kuo, 2020), tourism (Tarkang, Alola, & Nange, 2020) or specific consumers such as studies of different generations (Sharma, Singh & Pratt, 2020; Janavi et al., 2021).

With such specific studies about consumers who already make purchases on the internet, who mostly are not the consumers at the base of the pyramid, one can perceive the need to research to research beliefs and obstacles which inhibit a large portion of low-income consumers from making purchases on the internet. These findings guide and are the reason for this study.

## METHODOLOGY

In this study, we use the Orion method developed by Saunders, Lewis, and Thornhill (2016). When a study's objective is understanding the attitudes and intentions associated with online purchases, the most appropriate philosophical method is considered to be interpretivism (Saunders et al., 2009).

It can be said that, since the objective is understanding the attitudes and intentions associated with online consumption, the goal is gleaning qualitative insights from the perspectives of the interviewees. For the purposes of this study, a conceptual structure was developed which combines inductive and deductive methods (Saunders et al., 2009). This combination can be used because the study moves between induction and deduction as it practices the method of constant comparison (Suddaby, 2006).

Semi-structured interviews were chosen as the empirical data collection technique. To select the participants, social stratification and average household income from the ABEP study (2019) were used. This being so, based on the ABEP's values, the classification of the federal government's Unified Registry, and the minimum wage of R\$ 1,045.00 per month which was in effect in May 2020, this study considers low-income families which earned up to a minimum wage per person, or up to three times the minimum wage in total family monthly income.

The selected interviewees were residents of recognized low-income communities in the city of Petropolis, located in the state of Rio de Janeiro. These communities lack basic infrastructure and are inhabited by families who lack financial resources. This thus diminished doubts and discussions related to the classification of low-income consumers. The interviewees were selected based on request and indications of people close to the researcher.

In terms of the sample of 13 low-income consumers, 4 were women and 9 were men. Even though there were some formal workers employed in functions such as production assistants, maids and caretakers, there was a group of interviewees who were unemployed during the interview period.

These people do “odd jobs” to survive, such as housecleaning and manual labor. The age of the participants in this study varied from 21 to 60 years old. None of them finished college or gained more than twice the minimum wage.

There were various difficulties in trying to get the interviewees to elaborate or try to isolate the reason why they were inhibited in making online purchases, due to the difficulty of abstraction. The solution was the introduction of a projective question, placing them in a hypothetical situation so that they, based on this situation, would be able to elaborate a response. Due to this difficulty in terms of elaborating the questions posed, the interviews lasted around 16 minutes.

The script was based on a conceptual structure of attitudes, which led the researcher to ask questions regarding the three components of attitudes and some findings from previous studies. In addition, issues such as the influence of peers were included, along with knowledge of the internet, as well as basic impediments such as having a credit card or a residential address, and online purchase drivers. These questions were elaborated to allow participants to respond in a general manner.

For the analysis of the interviews themselves, the content category analysis proposed by Bardin (2011) was employed. The material was first explored, then the results were treated, and inferences and interpretations were made. In this manner, after the reading and rereading of the organized material and its codification, the information contained in the registered unit was systematically decomposed and reorganized.

This content was grouped by analogy into themes, obeying the standards of semantic classification, and then the existing elements in the interview content were classified and summarized in accordance with their meanings. The researcher analyzed and codified the interviews in an independent manner. Then the aspects of convergence and divergence in these individual analyses were observed, and gradually the final thematic classification proposed from the results was developed. Finally, the subject was reviewed by referring to the literature and seeking to understand a comprehensive and interpretive approach to the data.

The interviews were transcribed and the NVivo software was used to assist in the categorization and qualitative analysis of the data. This software helped organize, analyze and find information within the data from the non-structured interviews. The analysis of the results of the interviews which make up the qualitative part of this study was performed using content analysis. It was based on pre-defined categories such as attitude and its sub-components in relation to online purchases. Other categories which were not previously defined arose and it was necessary to search through the literature to determine whether there was an existing base to explain them.

As the interviews were conducted, it was possible to observe the attitude of the interviewees in relation to online purchases, the use of the internet, and the feelings and fears involved in this relationship. Based on this narrative, some other characteristics of the interviewees emerged which generated new categories such as drivers, which are the factors and items which encourage consumers to make their first online purchase.

## **RESULTS**

In order to meet this study's objectives, the narratives were categorized by low-income consumer characteristics – which included some of the subcategories such as guilt about making a mistake, fear, and insecurity, approval from their peers, and regret; attitude – which encompassed the subcategories beliefs, positive feelings, negative feelings, the intention to purchase on the internet; and finally the driver category which encompasses the interviews with the individuals who in some way encouraged them to make their first online purchase, and this category can contribute to online markets and stores.

The categories related to attitude came from the literature but were adapted to online purchase situations within the context of our interviewees. Within the category “low-income consumer characteristics” some subcategories emerged in the field research, but support for their analysis was found in the literature after the writing of the theoretical reference. This was the case with “guilt about making a mistake”. Finally, the “drivers” category arose during the data analysis. With the categories

established, the next step was to identify convergences and divergences among the individual analyses.

Some important arguments can be observed in the following responses. When questioned about what would be the main reason for not purchasing online, Interviewee 12 said: "The main reason is not having a credit card, because people who work for themselves do not have this regalia. I needed a product, and I asked someone else to buy it for me... and she used her credit card to do it" (I12). This individual explained that the invoice payment option (which is not always available) "Facilitates things. This way you don't have to depend on others. Sometimes you can use someone else's credit card, sometimes you can't." (I12).

This dependence on others to make payments or lend their credit card does not appear as common as is stated in Mattoso and Rocha's study (2008). "I was going to ask a relative of mine to buy it, because I don't have a credit card and the internet requires a credit card or an invoice payment. This would be very complicated for me, so I don't do this." (I18). Online purchases, because they are made more often than trips to a store, seem to have the potential to bother relatives and friends who lend their credit cards.

### **Guilt about making a mistake**

The "guilt about making a mistake" subcategory is theoretically based on the study conducted by Hemais and Casotti (2014), who focused on dissatisfaction with purchases on the part of low-income consumers. The authors show that many of these consumers reveal a propensity to believe that they are in a position of inferiority in relation with companies. In this manner, they describe some passive behavior which is in line with a situation of dissatisfaction.

This category arose when the interviews were analyzed, when it was possible to identify that the participants have a great deal of fear in making online purchases, mainly due to a fear of their making a mistake, or of being blamed for a mistake even when they are not responsible. Interviewee 1 explained, when questioned how they would arrange an exchange if they bought a damaged product, "No, I would be stuck with the product.... I could be wrong about this part, I'd have to research more, but I'm not interested, no" (I1). The interviewee demonstrates that he would not know how to exchange a damaged product and believes he would simply have to accept the damaged product.

### **Fear and insecurity**

Fear was a word that appeared a significant amount of the time during the interviews, and all of those interviewed related at least one fear as a justification for having made an online purchase.

I have a lot of fear about the product not arriving or arriving damaged, something like that, and I won't be able to exchange it. And, then I go online and see products, but I'm afraid that a cellphone will arrive broken, something like that, and I end up not buying anything. However, if I knew how to exchange a product, I would buy online.

(I4).

I'd like to, but my fear is stronger.

(I5)

A feeling of fear is strongly related to perceptions of risk. Some of the dimensions identified for online purchases are performance, psychological, time, social, and privacy, which are derived from the theoretical reference (Cunningham et al., 2005; Forsythe & Shi, 2003).

Some excerpts extracted from the interviews exemplify the fears caused by risks and insecurity presented above: "I believe that they are safe, but I have a little fear of purchasing something and not receiving what I was expecting, you know? Thus, I fear buying a pair of tennis shoes which arrive with the wrong size." The interviewee continued explaining what it would be like if he made the purchase online. "First, I research prices; then I look for the most secure website, after that I'd go to the most secure website; first I think I would choose the most secure website, not much based on the price, I'd go to the most secure website." (I6).



Interviewee 10 was the only one to mention “Privacy: the loss of control of personal information” as being one of the perceived risks: “My main reason for not purchasing online, you have to look at everything, is the theft of data, of cloning credit cards, you know?” In trying to explain the theft of data, he revealed that this discourse seemed to hide other risks such as the cloning of credit cards. The fact is that performance, psychological, time and social risks appear all the time. Social risk appears to be something negative, but during the interviews, the interviewees themselves solved this difficulty by suggesting the presence of relatives and friends during online purchases, as we will see in the following section.

### **Need for approval and the influence of peers**

It was possible to identify from the interviews that many of the interviewees felt the need for approval from their peers in relation to online purchasing decisions in terms of making the purchase or not, the products which they’d buy, their price and other factors. In other words, these individuals demonstrate an important concern with the evaluations of their peers, including relatives, friends, and those close to them.

Interviewee I6 commented that “I was going to buy online, because the price was very low and I wanted the stove, but then people started to say sometimes they don’t arrive, and I became afraid and didn’t make the purchase.” (I6).

The interviewees’ low level of education made them more insecure in their decision-making and gave the opinions of their peers great weight. As Interviewee I1 said when questioned about what he would do if he decided to make a purchase online someday: “If I were going to do it, I would ask someone to help me, but doing it by myself I don’t know, I don’t know [...] Then I speak to my wife, look at our budget to see if we have the conditions to make a purchase, then I choose installment payments” (I1).

There is a convergence in terms of the need for the approval of one’s peers, given that the interviewees affirm its importance in their consumption journey, which may be positive helping them make an online purchase, or negative when the opinions or evaluations of peers influence them in their purchase decisions. One characteristic of low-income communities is the need for their members to seek mutual help in various situations (Mattoso & Rocha, 2008). This support network also makes their members dependent on the opinions and support of friends, neighbors, and relatives.

### **Regret**

It has become evident how consumers criticize themselves after a poor purchasing decision, and how they judge with impartiality the price which they pay for a given product. Thus, after a bad experience with a product, stronger feelings of regret increase intentions of changing brands (Ng, et al., 2015).

According to Costa Filho et al. (2020), individuals who live on a limited budget assume that purchase decisions are made under the pressure of tradeoffs between the desired brand and financial restrictions. Thus, it is important to understand that in choosing a new purchasing channel, such as the internet, these tradeoffs become very strong for the low-income consumer, in addition to all the doubts and negative feelings associated with online stores and the purchasing decisions, and they are also not buying items due to their budgetary restrictions. Therefore, there may be no error in this choice, because the financial impact is considerable, thus the pressure and the fear of regret are notable in the responses of the interviewees.

When questioned whether they have fear of regret, the participants answered: “For sure” (I1); “I have a lot” (I6).

Interviewee 5, answering in relation to buying a product in a physical store and finding lower prices online. “I feel regret, a lot of regret” (I5), but this regret did not lead him to purchase online.

## Positive and negative feelings (Affect)

### **Positives:**

When questioned in respect to the elimination of the problem of a product arriving which is different from the one he bought, if it were possible to buy on the internet and pick up the product in a physical store, I4 answered that this would change his negative attitude towards making online purchases: "Then I'd buy, I'd buy. For sure" (I4).

In general, positive feelings are concentrated in relation to prices, such as Interviewee 2: "I think some things are less expensive" (I2). Interviewee 3: "Because you arrive in a store and don't see the price that you find on the internet, the rate is totally different from a store" (I3). Interviewee 5 in relation to delivery time, demonstrates the following positive feeling.

Interviewee 10, answering in response to the main reason involved in making the first online purchase: "Online the main reason for purchasing is that there are more sales you know?" (I10). In other words, even though they don't make online purchases, the interviewees demonstrated some type of positive feeling related to the advantages of online purchasing especially in terms of price, even though these feelings were not enough to make them decide to buy online.

### **Negatives:**

It is important to understand that negative feelings have a much greater impact on individuals in terms of online purchases. Asked whether he had made an online purchase, this interviewee answered: "I've never done this, I haven't even looked" (I1).

The difficulty that some interviewees have in elaborating their justifications for not making online purchases, makes it clear that it is something outside of the things they consider. "No, I've never made an online purchase. I consider it, but I don't do it. I don't have this understanding of online purchases." (I4). In terms of consumer behavior, the interviewees place the internet within their group of possibilities, but don't take it into consideration.

For other interviewees, their internal obstacles are very clear, as can be seen in the following statements: "I see so much wheeling and dealing there, people going around in circles, and I'm afraid of doing the same. I've heard my friends complain about buying one thing and getting another" (I1). "And I've seen cases, I know of cases which have taken a long time. Some arrive more quickly, like I said, but there are also cases in which they don't arrive (I2). "I'd be very interested in buying online, but I see a lot of fraud and these fake products today. I think they should diminish fraud a little for people to have a little more trust (I4).

## Intention to purchase (Behavior)

Negative feelings and beliefs are so strong that for some interviewees the internet isn't even a possibility even to research the prices of products. "No, I've never done any research" (I1).

The internet appears to be an option for searching for some of the interviewees. During the interviews, it was possible to perceive that even though most of the interviewees do not consider the internet as a purchasing channel, a reasonable number of them demonstrated their intention to consult products and prices online, which made it possible to create a new subcategory, which was the internet as a consulting option. When questioned, Interviewees 5 and 6, reacted in this manner: "We go to the internet looking at the product and value that we see in the stores to compare [...]" "I've done a lot of research. Yes, I look at the price" (I5). "I don't end up making a purchase, but I look at everything" (I6). Interviewee 13 goes beyond consulting, "[...] that one, the one with two little arms. The Free Market, that's it. I've already looked at it and even downloaded the app for curiosity, but I've never bought anything."

The fact that there is already the habit of researching, shows that for many consumers the fear has to do with payment and delivery.

## **Beliefs (Cognition)**

The cognitive part involves beliefs and information related to attitude that help in the understanding of the problem and its solution and the construction of its components (Katz & Stotland, 1959; Rosenberg & Hovland, 1960). Even though they are constructs that are conceived of separately, in practice the phrases of the interviewees about feelings and beliefs seem very interwoven with this.

The belief that long timeframes represent problems act as barriers to online purchases. This negative belief is very clear in I6's response: "It's because it takes a long time, there are some that cite a delivery time of ten business days, and you stay waiting to see if it will come or not. I think that's a really long time. It could be three business days, or four, then I'd feel more secure" (I6). The perception is that in reality it takes even longer. "It takes a long time, 15 or 20 business days; it's a lot." (I1).

Interviewee 1 reacted like this: "And... sometimes the delivery person is also a bandit or a swindler" (I1). Thus, it is possible to understand that beliefs support the decision not to buy. There are various personal aspects for each consumer which corroborate a negative decision, and they have the added aggravating factor of being very strong beliefs.

## **Drivers**

When questioned about what they should change, the interviewees considered some elements which could be considered drivers of online commerce. To make the first purchase, the interviewees responded, among other things: "Speed, that's what gives the buyer more security" (I1). In terms of the main reason for making an online purchase, Interviewee 12 responded: "The main reason is the difference in the price" (I12).

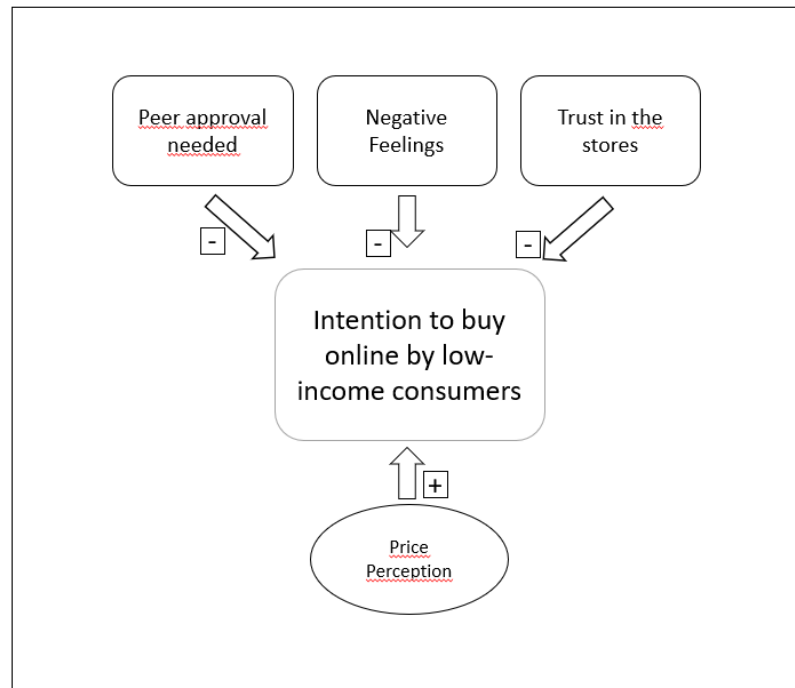
When asked about a possible refund of their money: "This is better. Free Market gives me this option, other stores do not and say that they will refund everything, but it's hard to trust this. Free Market has more people commenting..." (I4).

The reimbursement of the money would soften the fear of the wrong product or a damaged product arriving, but the distrust described above, seems to paralyze the intention to purchase. One thing which proved to be a driver was the existence of easy contacts or help at the time of the sale. It was a predominant factor in the responses, or in other words, the interviewees alleged that they would feel much more confident in making their first purchase if they had help from someone or direct contact with a store representative, with whom they could address their doubts to be able to finalize their online order. Interviewee 13 emphasized the need for personal support: "[...] even to enter in contact themselves, it would be easier to have this contact with them, because it is very difficult to get in contact with these people" (I13).

## **CONCLUSION**

This study's results have expanded the understanding of the variables present in each one of the three components of the traditional ABC Attitude model (Affect, Behavior and Cognition) detecting new variables that have emerged in the field, justifying and supporting aspects based on the literature in regard to what affects these attitudes in the online market when we are considering the consumer at the base of the pyramid.

The applied model served as a base to respond to the research question presented above: "Why don't low-income consumers with internet access make electronic commerce purchases, or opt to mostly make their purchases in physical stores instead of online?" In Figure 1, using the structure of the ABC model, the variables which were the most relevant for the purchase intention analysis specifically in terms of low-income consumers were emphasized. Thus, need for approval and help from their peers; negative feelings; and trust in stores, are variables that seem to have a negative influence on purchase intentions. Price perception, on the other hand, appears to have a positive influence on purchase intentions.



Source: Elaborated by the Author

**Figure 1.** Proposed applied model

In terms of the reasons which cause low-income purchasers to not make purchases in online stores, one of the preeminent underlying factors that has a strong impact on the attitudes of the interviewees is distrust of the digital environment, which is characterized by fear, insecurity, and unfamiliarity with it. Thus, consciousness and understanding of how to deal with internet sales websites has led to strong negative attitudes towards online purchases among low-income interviewees. The second underlying factor, which also negatively affects intentions in terms of online purchases is the opinion of people close to the purchaser who have had a negative experience, which contributes to the formation of negative feelings and beliefs.

The search for mutual assistance present in this segment gives this group a greater need for peer approval than other segments of society. Electronic commerce firms that wishes to appeal to this segment should use the force of the consumer's group as a reference, featuring interviews of their peers on websites to get closer to this segment and make them feel secure. In addition, to overcome these barriers websites should make people available to help people with online transactions.

A strong factor which is capable of positively influencing buying intentions is price. Unlike the obstacles described above, the perception of lower prices is of great importance for these low-income consumers who have access to the internet. In searches and in terms of intentions to make their first online purchase, the price factor is positive, or in other words, the interviewees noted that prices online are better, and this was considered the greatest incentive to purchase online.

In terms of contributions to the literature, this study offers two contributions, namely increasing our knowledge of low-income consumers, and providing information for the application of the attitude concept in understanding purchase intentions for online consumption by this segment of the population. This study presents a psychological view of the work of Dias and Hemais (2015).

The ABC Attitudes model has been used in various fields to predict behavior, but the model has not been specifically applied to online consumption by low-income consumers. Considering that the ABC Attitudes model has not been applied to the Brazilian context of online consumption by low-income consumers very often, this study therefore contributes new insights to this specific research area, and it is the most appropriate for this context.

The knowledge gained by other studies can all contribute in terms of management, given that the beliefs emphasized here can be modified by communication. Another practical application of this study consists of various suggestions for retailers in this market: beginning with presenting more

transparency about their website security and the treatment of personal data; they can also communicate various incentives for online purchases; give more details and convey more security in terms of delivery times; they can also take the bureaucracy out of exchanging and returning merchandise, implementing a guarantee of their money back; and finally, they can be clearer and take more responsibility in terms of consumer rights, in addition to the publicizing of lower prices than physical stores.

In the final analysis, the opportunity to encourage consumers to purchase online involves refuting a common belief among low-income consumers that the internet is not secure, and stores do not fulfill their obligations in terms of deliveries, timeframe, and the authenticity of the purchased product. The prevalence of these beliefs is reinforced by their peers, giving this circuit a negative realignment which makes online sales difficult. The need for peer approval has to be emphasized and it has the potential to change consumer cognition and leverage sales, generating conation in the purchase of online products.

A real effort is needed to include this portion of the public in electronic commerce, mainly because the poor still pay more (Caplovitz, 1964) and they still cannot overcome the existing barriers to online purchases which companies could make easier for them. This does not justify in any way neglecting those with low income in the online market due to these barriers, because these obstacles can be overcome.

The main limitation to this work was gleaning information from our interviewees, which was more difficult due to their relative inability to express themselves abstractly, preferring more concrete language in their explanations, and thus a large effort had to be undertaken by the researcher to determine the attitudes underlying their discourses which in general were short and superficial. This study can guide future research in the growing online market, especially if the variables used here can be tested quantitatively with a broader portion of the low-income public to verify the existence of correlations and patterns.

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