

Chapter 61

Advantages and Obstacles of Electronic Commerce in Sports Footwear

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ABSTRACT

The purpose of this article is to explore the perception of consumers regarding electronic commerce as a tool for sports footwear purchasing. Based on secondary sources, firstly, the authors define e-commerce and discuss its advantages and disadvantages. Then, the results of the empirical research are presented with the aim of (1) determining consumer perception of electronic commerce in the area of this specific product group, and (2) determining the difference between two generations of consumers. Two relevant age groups are compared: the younger population (18-39 years) and middle-aged consumers (40-59 years). The study was conducted on a sample of 202 respondents, of whom 110 are members of the young population and 92 are members of the middle age population. This research empirically confirmed that there are significant differences between generations when it comes to attitudes towards electronic commerce, thus this paper filling the existing gap in modern literature in retail and electronic commerce fields.

INTRODUCTION

Electronic commerce has been expanding over the last few years, and from one of the most unusual forms of trading it has become one of the leading business operation models, especially among business entities. At a time when laptops, smartphones and Internet-enabled tablets are widely and commonly used

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technologies, we can expect that gathering information about products, ordering products or services, and digital sales or purchasing activities are the common way of doing business in this digital environment. This is the fact, no matter of types of products sold and distributed.

Knezevic et al. (2017) claim that intermediaries/traders should provide efficient distribution of goods and services, contributing to the whole trade process keeping in mind aforementioned trends. Retailers should use those market drivers that will provide the sale using basic sales activities, elements, skills and forces that persuade consumers to buy products and pay for it at a desirable level of price suiting their channels to new consumer trends. Because 91% of Croatian citizens use the Internet to collect information on products and services (according to Croatian Ministry of Economy, 2017), trends in sales and production should follow market forces within various industries and for various types of products.

In this paper, we are dealing with a specific product group, i.e. “sports footwear”, because of its current worth and growing trends within this particular market. Euromonitor (2014) describes continuous growing trends in the footwear market since 2012. In addition, Global Market Insight (2018) claim that the athletic footwear market size was US \$80 billion in 2015 and is forecasted to grow at a compound annual growth rate of approximately 3% in the period from 2016 to 2023. Global shipments within this market were over 3.5 billion units in 2015 (according to Global Market Insights, 2018). Euromonitor (2014) shows the structure of the footwear market according to two criteria – gender and age of consumers. It further shows that women’s footwear still dominates sales in the general global footwear market.

The global market size of sports footwear is also rapidly growing due to the trend of using footwear products not only for professional sport purposes and trainings, but also for recreation, leisure time and other purposes. This massive trend started some time ago, when sports products, including sports footwear, were labeled “athleisure,” a portmanteau comprised of “athlete” and “leisure.” Key drivers of athleisure are: “Luxury goods heavy weights join in the wellness and experience trends”, “Health is new wealth” and “Wellbeing driven by millennials” (as discussed by Euromonitor, 2017). More and more people are motivated by increased awareness regarding a healthy lifestyle, more leisure time, efficient supply chains and increased purchasing power (rise of global spending on luxury goods and health and fitness), and are willing to purchase all kind of athleisure products including sports footwear. Moreover, Euromonitor (2017) states that athleisure is still going strong and will begin to evolve into a more sophisticated trend, influencing multiple categories and industries. Therefore, sports footwear products with usage for other purposes (i.e athleisure) are a fast-growing trend that will make a significant impact, not only in growing numbers, but also through multiplier effects on complementary industries. Consequently, the athletic footwear market is expected to witness significant growth due to rising disposable income, increasing awareness about healthy lifestyle, demand for comfortable and innovative footwear, and the growing e-commerce retail market (Grand View Research, 2013).

Internet purchase of sports footwear has potential and space for significant increase as well. Namely, market trends analysis and estimations show that the world market for sports footwear will grow both in traditional and in digital channels (see more details in Knezevic et al., 2017). Purchases of sports footwear are expected to increase accordingly in both sales channels. Because of the present and future role and significance of e-retail for purchase of footwear, it is essential to carry out primary research for specific product types in order to better understand consumer preferences for this particular commodity in different age groups.

Although consumer behavior varies significantly depending on the type of product being purchased, there are some studies dealing with apparel or shoes in classical sales channels (Rachulan et al., 2015; Rocha et al., 2005; Seock & Salus, 2008; Moschis et al., 2011). However, there is a lack of research ex-

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