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Understanding Consumer Behavior in E-shopping: A Case Study of Iraq with an overview of E-shopping in the global and Arab regions

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ABSTRACT

In the age of technology and the spread of the Internet, the diffusion, of e-shopping has increased. The Internet has made the commercial transactions faster and simplest and both the sellers and buyers get benefited by this technology. E- shopping provides a perfect example of the business revolution. Electronic Commerce has made life easier and more innovative of an individual. Consumer Behavior from e shopping differs from the spot market. The paper's goal was to review the consumer behavior in electronic-shopping and analyses the factors which influence customers' behavior in e-shopping at Iraq. The research question in this paper is the way that consumers act during e-shopping. Data was accumulated from the questionnaire survey by using Google Forms. The survey was prepared in the Arabic language. The data were collected in April 2017. A total of 492 respondents participated in the study. The study has shown the majority of Iraqis' are not doing e- shopping with 47%, therefore, it's clear that the tendency of e shopping is not very well known in the Iraqi economy as mostly and whole individuals, usually visit the store before e-shopping. also, It was given an overview of the e-shopping in globally and in the Arab region

Keywords: On-line shopping in Iraq, Consumer behavior, Internet, Arab region, E-commerce,

1 INTRODUCTION

1-1 Background

Electronic Commerce's evolution ensures that it dominates the world economy. Online sales are predictable to overtake conventional sales in under ten decades in the United States of America [1]. The activity of online shopping, which falls under the Electronic Commerce umbrella, is considered to be one of its significant features. It is leading the transformation in individual's shopping behavior from traditional shopping to online shopping. Worldwide retail world wide web earnings are forecast to achieve nearly $4.058 billion in 2020 [2]. The large benefits made available by e-shopping provoke company supervisors, marketing sections, and retailers to offer their services and goods through internet sites to entice the biggest amount of clients, not merely to national markets but also internationally. Behind improvements within the field, communities remain lagging regardless of of shopping society is just one such area. Despite growth in the number of Internet Surfers in Iraq which reached 7.980 million, about 21.3% of the total population in 2016, [3]. The customer's behavior towards e-shopping has not

been focused on enough. Particularly, in Iraq, where e-shopping has developed a peak, an increasing number of people are eager to learn about Online shopping or e-commerce. In this case, the paper is discussing customer behavior, how the customers make their purchasing decisions, in Online shopping.

1-2 Research Problem

To boost and attract a client that is on the web it is necessary to realize about their behavior and know what they wish and desire. Ever since e- shopping would be the new medium of shopping with new requirements of shoppers. All clients have their particular needs and requirements for services and products that It's essential for all e-retailers to identify and comprehend in their shoppers. The Issue is that the vast majority of the on-line sellers usually do not know more about the cultural and societal standards about Iraq and Iraqi consumer behavior. Where consumer behavior relies on perceptions, its income distribution, age, language, economic factor, education, and other facets.

1-3 Paper Question

How shoppers or consumers behave while shopping online? And Which are the Main factors affect consumers to shop on the web?

1-4 Purpose of Study

This paper's purpose will be to spot and also gain insight towards electronic- shopping of products with respect to Iraq economy. explore attention of consumer towards e shopping of electronic goods in Iraq's and identify factors which effect consumer Behaviour to shop on the web in Iraq,

1-5 Objectives of the study

a. To assess the behavior of consumers towards e-shopping in Iraq.
b. To determine an appropriate framework for assessing the consumer behaviors of online shoppers.
c. This paper gives a general overview of the e-shopping in Globally and the Middle East.

1-6 Significance of the study

a. The study was done in order to provide an understanding of the influencing factors affecting a consumer's' decision before they decide to make an online purchase dealing. The findings of this study will also help investors, technopreneurs, the Iraqi government, consumer protection bodies, retailers and marketers to formulate policies, frameworks and marketing strategies that will increase the penetration of e-shopping in Iraq.
b. The findings will also assist retailers who work in the field of e-commerce to improve the quality of their services to the consumers.
c. The study is also to add information to the research area of e-shopping and e – commerce in Iraq by providing an up to date analysis of the sector.

1-7 Research Methodology

An online questionnaire was developed to collect data on Consumer Behavior towards e-shopping in Iraq by using Google Forms. The survey was prepared in the Arabic

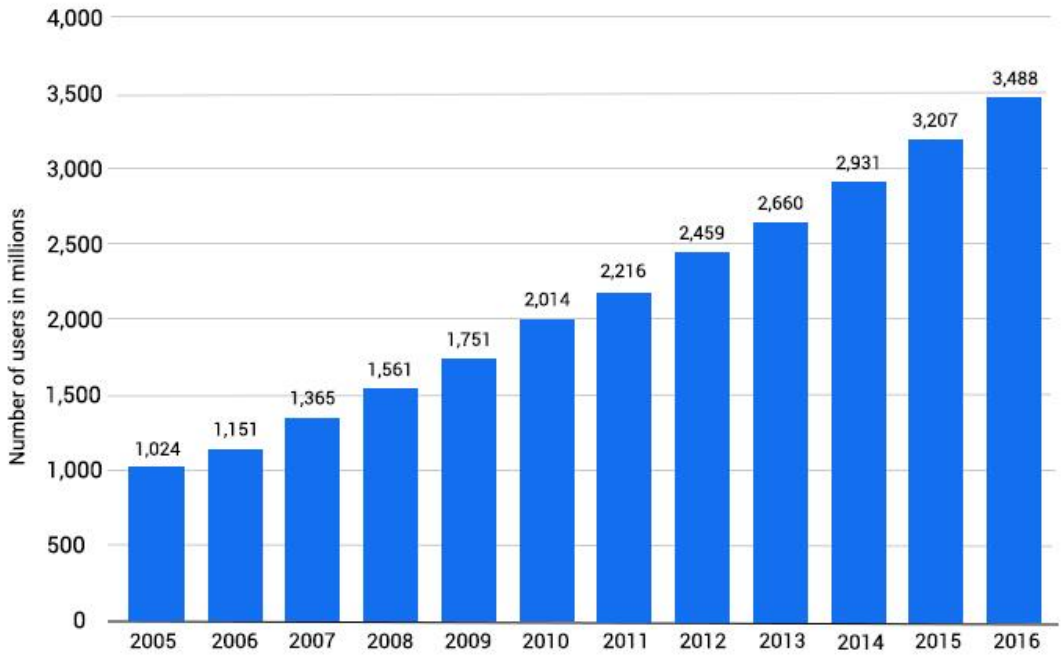
language. The data were collected in April 2017. A total of 492 respondents participated in the study.

2 LITERATURE REVIEW

2-1 Background to the Internet

The Internet service's Source can be traced back from the late 1960's, into an experiment of USA 'Ministry of Defense the aim of that would be to create a communication system which may share computer resources at one university[4]. The explosion of the Internet came with the introduction of the Web graphical browser that transformed the plain text Internet to an easy graphical environment, offering multimedia of text, sound, and pictures. From the 1990's, Internet usage started to expand rapidly one of schools and universities. The expansion was pushed farther by the more affordable cost of computers, easy to use, and continuous progress of the available content. The Republic of China will be the largest market in the world. The Republic of China had more than twice the amount of united states, over 721 million customers with almost 290 million surfers. India's Republic ranked second. There has

Figure 1 : Number of internet users worldwide from 2005 to 2016 (in millions)



Source: www.statista.com

been estimating of 3.5 billion online users across the globe in 2016, this means annually the internet was accessed by approximately 45 percent of world populace[5]

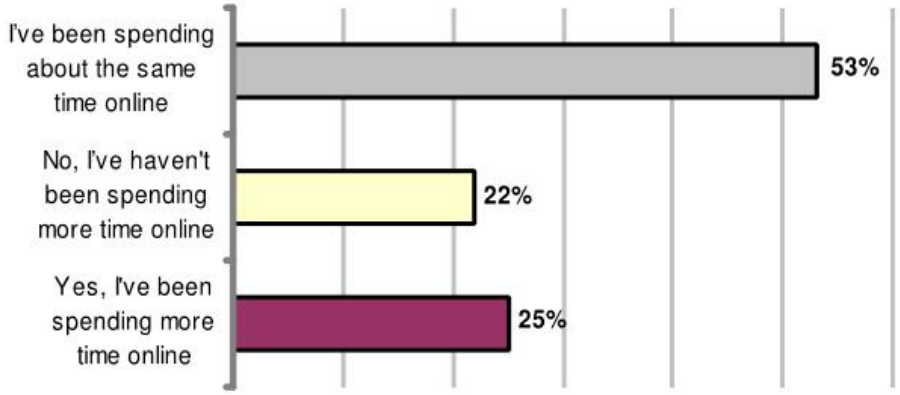
2-2 E-commerce and E- shopping

As a result of increasing Internet users, improved access to broadband, rapid revolution and extensive use of smartphones, the spread of social media, such as Facebook,Twitter, and Instagram Electronic commerce has paved its way within the international markets. e-commerce has been defined as a method of purchasing and selling of products over the internet. The term was developed later and it had been added: "exchange of information" additionally to "purchasing and selling of products"[6]. OECD defines E-commerce as "the sale or buys of products over the Internet." Work in the field of e-commerce is especially demanding due to so many concerns like delivery costs, shipping, data protection, security, infrastructure, and culture[7]. These concerns are fundamental to be considered as these may have an effect on the acceptance of Electronic Commerce. For an online business to be successful in both domestic and, international markets, it needs to gauge and deal with the said concerns. For private customers around the world, the very famous kind-of e commerce falls into the business to consumer (B2C) category, which has on-line retail. It refers to the act of buying goods and services over the web[8]. Eshopping has never been more popular than now. Several elements lead to the prominence of E shopping.. Customers can perform E Shopping in the home or even at the office in moments, that is much more effective compared to conventional purchasing in local shops[9]. There are great deals on-line with added benefits such as no taxation and free delivery.Furthermore on e shopping is becoming more secure as security policies have been imposed by market places that are online. Generally, "E-shopping begins with research and shopping research begins with search". On-line shoppers regularly use mainstream search engines such as Google to locate services and goods at the search engine results along with sponsored adverts. " Not only advantages but also risk is related to e- shopping. generally speaking, web users avert e-shopping because of several factors, including Credit-card fraud , Lack of privacy , Non-delivery risk and Lack of guarantee of quality of products. Concerned authorities are devising plans to diminish the risk engaged with e-business " [10].

2-2-1 Consumer Behavior over Internet

The Web helps users save money and time from delivering lowbudget in-home communication, information, and entertainment services. Along with purchasing products . e-consumers employed the web to compare prices, seek out news ,

Figure 2 : Consumer Spend More Time Online

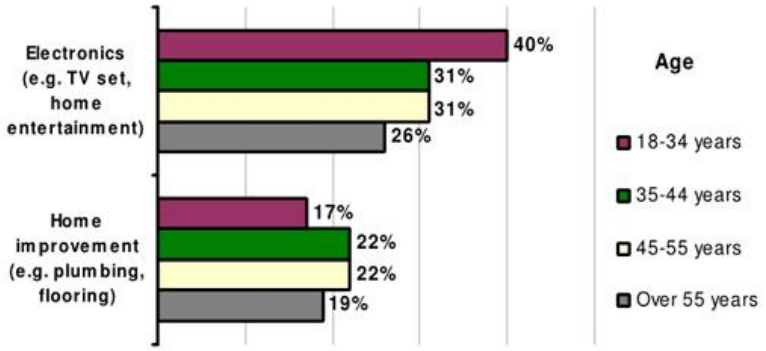


Source: PriceGrabber.com
Base: Online Consumer Confidence Survey 2/10/09-3/9/09 | n =4,101 US Online Consumers
Question 8: As a result of the recession, have you been spending more time online overall?

information and visit SocialMedia[11] .Based on Consumer Behavior Report, "One in 4 Users, they spend more Hours on the Web Due to the Difficult economy and 53% of Users said That They spend Roughly the Same quantity of time on the Web". Based on PriceGrrabber survey, individuals are divided by age wise after which take the e-shopping to study the scenario. After a survey it's definitely demonstrably shown that old age on-line consumers are not the same as younger on-line consumers.

Because of the older on-line buyers possess the perception of purchasing and saving while younger on-line customers Don't Have Any expertise and do not Have Sufficient maturity to purchase products with projected spending. With the assistance of below figure, It's clearly demo.

Figure 3: Online Planned Spending by Age Segments



Source: PriceGrabber.com
Base: Online Consumer Confidence Survey 2/10/09-3/9/09
Question 7: With many merchants offering aggressive sales to generate business, have you (or do you plan to) purchase big-ticket items in any of these categories? Select all that apply
Question 17: What is your age?
Answer 17: 18-34 years old, n = 593 | 35-44 years old, n = 873 | 45-54 years old, n = 1,117 | 55+ years old, n = 1,152

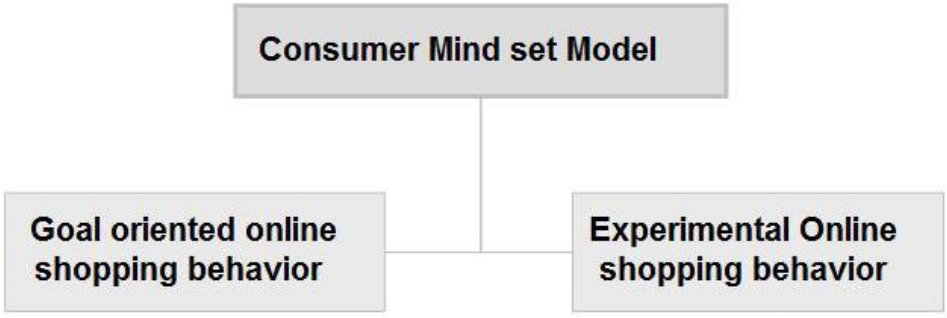
Consumer behavior (usually called buyer behavior) involve all purchaser activities associated with the disposal, purchase, and use of goods, including the buyer's emotional, behavioral, and mental reactions which precede, follow, or even determine

these actions. [12]. In other words, it refers to the study of how an individual buys goods and services Buyer behaviour means a lot more than only the manner that a person buys services and products such as car and face soap. Additionally, it contains consumers' use of services, ideas, activities, and experiences like visiting the dentist, having a vacation, donating to UNICEF., and attending a concert. Additionally, consumers make decisions like reading novels by writers voting for politicians, watching television shows or movies starring celebrities, and attending festivals featuring rings.. Consumer behavior on the e shopping Has Long been the topic of Significant research in the past (5)years in the Middle East, however understanding it is made tough by the truth that the most entities involved, businesses & consumers, have already been transformed [13]. First, Every customer is presently a personal computer user. The on-line shopper performs most of the functions of a traditional consumer onto a computer whilst interacting with a system, for instance, a commercial site web site. She /He , therefore, in addition, exhibits all the characteristics of a PC user. The convenience store was transformed through information technology into an on-line store[13].

2-2-2 Consumer mind-set model for e shopping

The theory of consumer mind-set. A mind-set describes "specific cognitive orientation". Based on this theory,, Each consumer mind-set is Made up of various thoughts, modes of feeling and variety of information processing[14]. Propensity into shopping is directly influenced by consumer mind-set. on-line consumers are goal-oriented in place of experimental when on-line buying was chosen by them. Purchaser mind-set two varieties of determinants one's goal-oriented and also next one is experimental[15]. Dholakia and Bagozzi additionally contributed their attempts in mind-set formation & influence (M.S.F.I) model factors contributing mind-set on consumer are introduced by them. In accordance with the M.S.F.I model , customer research behaviour depends upon Internet Site selection. Length of site visit and data gained has effect on one's minds Mind-set comes with a series on effective, cognitive and behavioral facets of consumer's activity in e shopping.

Figure 4: Mind set Consumer behavior model



Source : Mind set consumer behavior model based on (Yoram Wind, Digital marketing , 2001, p. 171)

2-2-2 Key factors influencing the consumer to shop online

There Are Lots of factors affect clients in related to how Shoppers make the purchasing decision. The Purchasing decision procedure starts long before real Purchase and continues long after . Some times in regular purchases, shoppers skip a portion of their buy decision procedures.

A- Web search engine

It is a software system that's designed to search for info on the web. Search-engines were used by Internet Surfers to search out the info. Since searchengines primarily help users' judgment to rank sites, electronic retailers must ensure website quality will meet and serve the specific search engine's requirements.

B- Convenience

Convenience factor describes that it Is easy to search or browse the information through Internet is easier than the traditional shopping. E- shopping is much more convenient than traditional shopping. Instead of taking out your car and visit shop to shop you can just sit at your residence and do the shopping. During Internet, consumers can seek product Catalogue, However, if the purchaser looks for the same thing in a store that is traditional it is difficult to see time-consuming and visit physically. [10]. "Onl-ine consumers hold several benefits in terms of convenience, for instance, flexibility, less time consuming, very less physical exertion".[16].

C- Price

Price was a critical element for purchaser, on e shopping. However, argued that usually, e shoppers have been not price-sensitive, the reason ,of these consumers' price comparisons among several e retailers on each product or service had been a waste of time and also the cost difference was very little [17].

D- Time saving

Time savings have become the most essential and affecting elements of e shopping. browse or Search an internet catalog can conserve some time. People can conserve time and may decrease effort by purchasing online. E shopping conserves time also it can decrease the time required to visit the store. [18] Time saving really isn't the element for those shoppers to search on line. As it requires some time to get products delivery. Nevertheless, the timesaving issue could be found through dimensions i.e. "An individual residing in London could store at Amazon's at Washington, (via the internet) in significantly less time than it requires to visit the neighborhood department store".".

E- Security

Security is another overriding issue which affects shoppers to purchase on the web. However, several internet surfers avert e-shopping due to privacy factors, nondelivered risk, credit card fraud post, purchase service and so on. Security is among those features which restricts shopping as they assert that There's a High Number of shoppers who do Not Desire to shop online Due to Their concern with the Safety of the information[18].

F- Website design

Website site design and shopping activity are key influencing variables of online shopping. Web site customer service, web site privacy - security and web site reliability/fulfillment are significant features which affect the understanding of user or the buyer of on-line buying [19]. Web design quality has a Substantial Effect on shopper Selection of Electronic**.**

G- Non-delivery risk

In spite of this isn't a familiar occurrence while shopping online not receiving their commodities after buying them online is a common fear consumers share. Possibility loss of a delivery is where commodities are damaged or lost and make a fear in buyers that they would not get their commodities on the agreed time frame that the business stated[20]. There are so many factors that influence whether or not the buyer receives their delivery, for instance, improper shipping and handling during transportation.

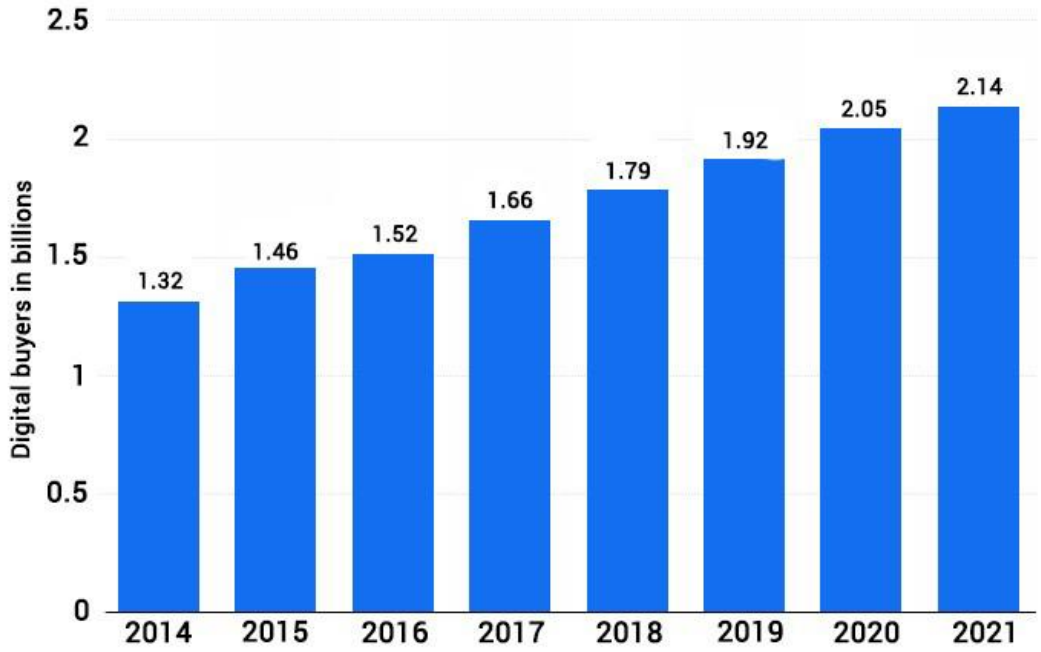
2-4 E- Shopping & e Stores

When Compared to traditional stores, online stores have features: They're convenient and Time Saving with No Longer walking and waiting in lines Will Be needed. They're open at all times and They're reachable, anytime and anywhere. These stores provide purchasers with rich and free information about goods and services[21]. They even have some on-line tools to assist shoppers to compare and make purchase choices among different goods and services. Interactivity is the main feature between marketing communication (MarCom) on the Internet and traditional mass media. Nowadays e-shoppers have a lot of control and bargaining power than shoppers of a convenience store because the internet offers a lot of interactivities between consumers and goods /service suppliers also greater availability of information regarding goods and services[22].The Internet moves the balance of power in favor of shoppers as it became uncomplicated for them to make shopping comparisons and evaluate options without being pressured by the salesperson. e-stores reduce transaction costs and have an advantage for both buyers and sellers[23].However, e-stores as well as have disadvantages compared to traditional stores. e-stores customers can't have any sense about an Item they see on the internet (tasting, seeing, touching) as they search for and buy products. In e-stores, there is low trust and high risk because of the lack of face-to-face communication. In spite of this problem can be reduced by using certain software tools such as the online recommendation agent.

3- E-Shopping and E-Commerce worldwide

For private digital buyers around the world, the foremost well-known kind of Electronic Commerce falls into the business to consumer (B2C) category, which has on-line retail or on-line shopping. In 2016, an estimated 1.61 billion individuals all over the world buy products online[24].

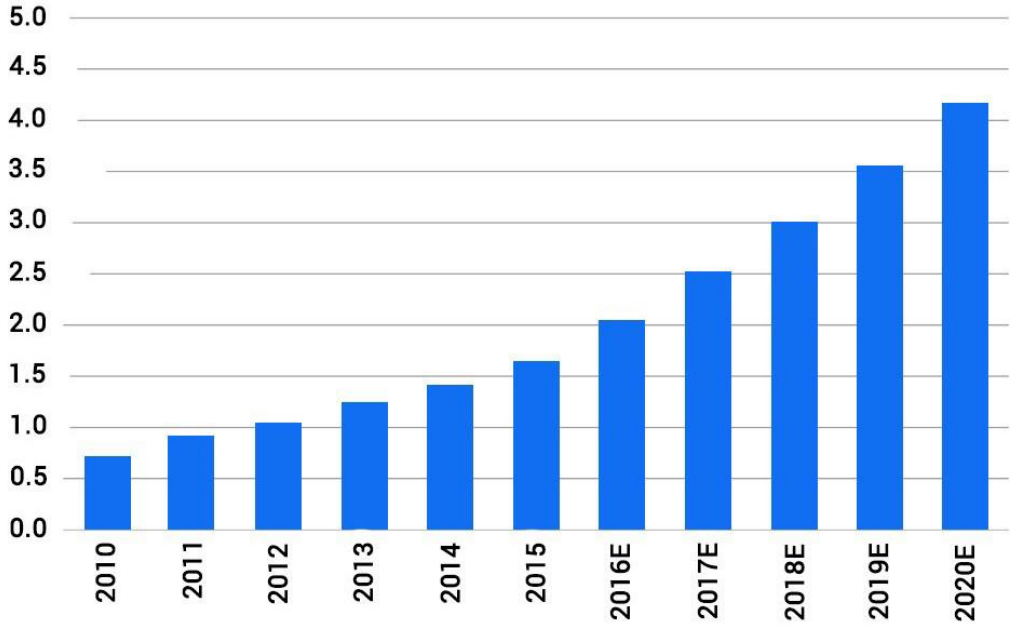
Figure 5: Number of digital shoppers worldwide from 2014 to 2021 (in billions)



Source: https://www.statista.com

This timeline shows a forecast of the number of digital shoppers all over the world from 2014 to 2021. In 2021, over 2.14 billion individuals worldwide are expected to shop for products online, up from 1.66 billion Universal digital shoppers in 2016.In 2016, total sales of online retail stores amounted to 1.9 trillion U.S. dollars and It is expected to reach 4.06 trillion U.S. dollars by 2020.

Figure 6 : Online sales , Global ($ Trillions)



Source: e-Marketer, Prologis Research

This statistic gives data on Online sales worldwide from 2010 to 2020. In 2016, Online sales worldwide amounted to 2.0 trillion US dollars. Online shopping is one of the most famous economic activities around the world.

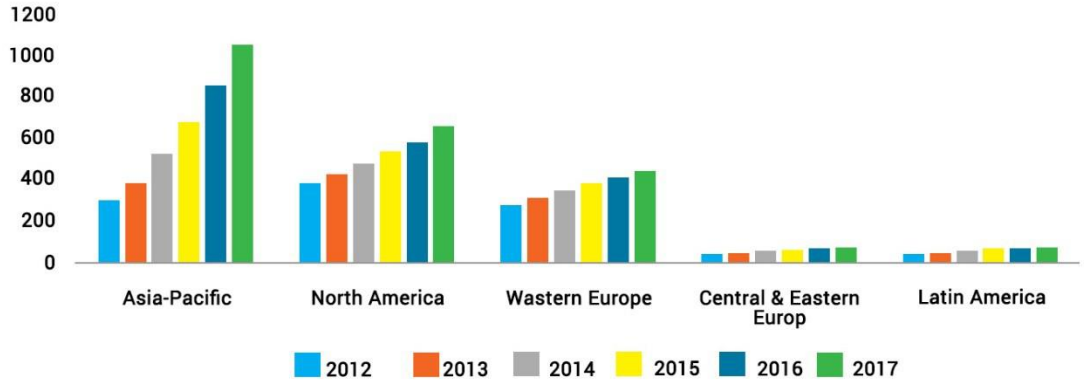
But usage varies from region to region, for instance, Asia-Pacific has seen a boom in e-commerce sales over recent years and achieved higher sales than North America and Western Europe in terms of Business to Consumer (B2C) sales[25]. The below table and graph shows the exponential development that the Asia-Pacific region has been getting versus the corresponding growth figures.

Table 1 – B2C E-commerce Sales Worldwide by region (2012–2017)

In US$ billion	2012	2013f	2014f	2015f	2016f	2017f
Asia-Pacific	301.2	383.9	525.2	681.2	855.7	1,052.9
North America	379.8	431.0	482.6	538.3	597.9	660.4
Western Europe	276.8	308.9	342.0	374.5	404.0	432.6
Central and Eastern Europe	41.5	49.5	58.0	64.4	68.9	73.1
Latin America	37.6	48.1	57.7	64.9	70.6	74.6
Middle East and Africa	20.6	27.0	33.8	39.6	45.5	51.4
Global	1,057.6	1,248.4	1,499.2	1,762.7	2,042.5	2,345.0

Source: eMarketer, January 2014

Figure 7: B2C E-commerce sales worldwide by region(in billions US $)



Source: eMarketer, January 2014. Includes products, services ordered and leisure and unmanaged business travel sales booked using the internet via any device, regardless of the method of payment or fulfillment.

E-Commerce activity depends on access to the web and because the world's online footprint will increase, consumers will inevitably increase the quantity of goods and services they purchase online.

4- E- SHOPPING IN THE ARAB WORLD

With access to the web becoming progressively easier, more and more shoppers from the Arab World prefer shopping online. The surge in online purchase may also be attributed to the fact that obtaining an online shopping card or a credit card is comparatively simple in the Arab World now[26]. The one factor that was causing concern to on-line shoppers in the Arab World is the element of risk. The e- shopping trend in the Arab World is on a perennial upward surge over the last few years according to different independent reports and surveys. The United Arab Emirates is doing the lion's share of online shopping followed by Kingdom of Saudi Arabia, Egypt, and Kuwait. The role the internet plays in consumer behavior in e-shopping in the Arab World remains varied. 17% of consumers say they finish their entire shopping trip on-line and 67% are doing their research on-line[27].

Figure 8: Shopping Behaviour in the Arab world

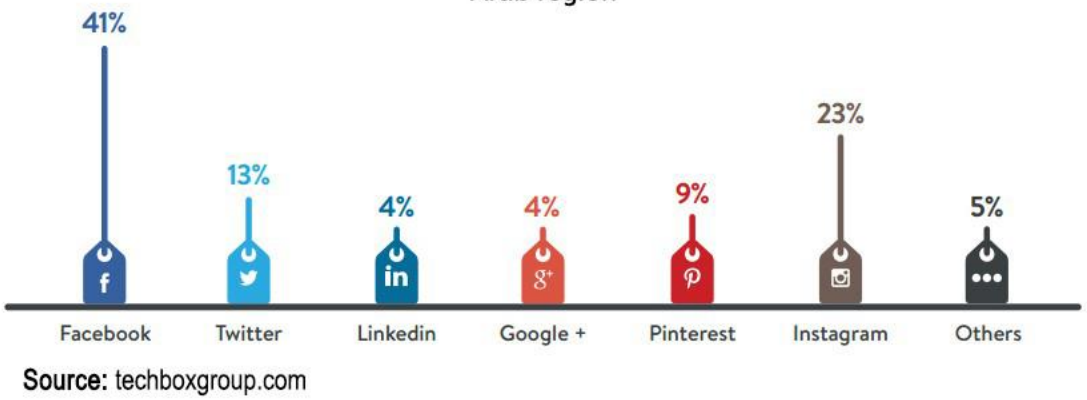


Source : www.payfort.com

For several users, the cost of goods and services is a major consideration when selecting between buying online or offline, 29% of consumers say the price is the main deciding factor. This is particularly true for the United Arab Emirates where 39% of consumers say the value of a product affects whether they purchase online. In all the Middle East countries e-shopping continues to increase with 61% of the population shopping online. The United Arab Emirates is leading the region with 71% of the country shopping on-line; followed by both Morocco & Jordan with 50% of the population remaining offline.

Pay Pal has published a Few statistics based on their own research about e-shopping in the region [28]. **Firstly:** There are one hundred and ten million Web users from North Africa and the Middle East just thirty million are currently shopping online. **Secondly:** Travel tickets are presently the largest pay for e-shoppers in the Middle East, with an average of $1,521 spent annually, followed by $250 on consumer, electronics. **Thirdly:** Around 10% of purchases in the Middle East are made on a tablet or Smart mobile phone, and 90% at a personal computer or laptop. **Fourthly:** About 80% of e-purchases in the Middle East are made with collect on delivery(COD). Credit and debit cards make up 15% and PayPal the remainder. The main ways for e- shopping brands to get in touch with customers in the Arab World is by using internet search engine improvement and social networking.

Figure 9 :E-commerce brands to connect with shoppers across the Arab region



Source: techboxgroup.com

Facebook is the major social channel among Arab online retail brands, together with 41percent using the service. Instagram is also proving popular with 23 percent of these corporations making use of the photo sharing app. For those trying to connect with online consumers across the Arab World, brands need to be conscious of the relatively acute demographics currently making purchases on line at the time i.e. Individuals aged 26-35 – and to try to know what could make internet users look to try out e shopping. Access is also a problem for many consumers. And that individuals can easily see that certain product types may be being marketed through on line channels compared to others. Social and search engine optimisation are proving vital for Digital commerce firms to reach much more consumers, hence it will be interesting to understand how e-shopping continues to evolve as search, social and mobile technologies. A study by Payfort, Souq.com has found the most success in the Arab World with almost 75% of consumers going to the website for their purchasing needs.

5 E-SHOPPING IN IRAQ

According to census.gov, the population of Iraq is 39.2 million while the population density is 89.6 people / sq km[29]. The growing use of internet in the Republic of Iraq provides a developing prospect for e-shopping. 7.980 million Internet users as of August 24, 2016, 21.3% penetration, according to International Telecommunication Union (ITU). With the expansion of internet over the last seven years, most of the companies have currently shifted online and the most prosperous among them are those who have invested a lot of money for opening an online shopping website in Iraq. E shopping in Iraq includes two styles. The first is the consumer shopping directly from w international web sites such as Amazon, Boohoo, e Bay, Alibaba and aliexpress. The second strategy involves some small businesses buying goods and products from international e shopping sites and then sell them to consumers via social media. Social media especially Facebook has helped a lot to spread e shopping in Iraq and the Arab region. Face book has increased in popularity because making the website accessible in Arabic in early 2009, owning approximately ((2.4)) million subscribers in November - 2012 and more than((9))million in 2015. A Research by - Arab Advisors Group - (AAG) at 2013 discovered around 77 percent of Web users in Iraq had a Facebook account nevertheless censorship has suppressed the usage of such social networking

services. Twitter is as well a favorite channel in Iraq and is frequently employed for political motives. Therefore it can be said that social media played a Significant role in the growth of e Purchasing in Iraq.

Table 2 - Facebook Stats for Iraq compared to other Middle East countries as at August 2016

Country	Facebook users (Active monthly people)	Percentage of Males under 34 years	Percentage of Females under 34 years
Bahrain	800-900k	66	66
Iraq	10-15m	76	82
Israel	4.5-5.0m	59	54
Jordan	4.0-4.5m	71	75
Kuwait	2.0-2.5m	61	64
Lebanon	2.5-3.0m	68	65
Oman	1.5-2.0m	75	75
Qatar	2.0-2.5m	70	70
Saudi Arabia	10-15m	72	74
Turkey	40-45m	62	66
United Arab Emirates	7.0-8.0m	70	69
Yemen	1.5-2.0m	81	87

(**Source:** Facebook) Note: no statistics available for Iran or Syria

5-1 ICT Status in Iraq

The Iraq War in 2003 a ruined, a large Section of the Iraqi communications infrastructure at its first days. Iraq had just one of the weakest Telecommunications services in the world due to the ramifications of a ruined Market, economic sanctions and also the 1991War. Ahead of the 2003 war, Iraq had less than (1,000,000) fixed-line subscribers without a nationwide cellular network. Mobile services began in most of Iraq in 2004.The flare-up of political tensions once more in Iraq means the present market is stifled by Civil Conflict. However once stable; the Iraqi telecoms market has a lot of potential for growth and development. Mobile services have been the fantastic development success story of the Republic of Iraq. 3 mobile network operators hold national licenses: Korek Telecom, Asiacell and Zain Iraq and in January 2015 all of them launched 3G services. As part of their license conditions, the mobile network operators are duty-bound to launch Initial Public Offerings (IPO)s and in 2013 Asiacell was The first mobile phone operator to do so. In mid-2015 however, ZainIraq finally launched its IPO which saw 25% of shares offered on the Baghdad Stock Exchange. Korek Telecom is yet to launch its IPO.The mobile market has grown quickly because of the lack of fixed-line services and inherent quality of mobile communication services. Mobile subscriptions are predominantly prepaid[30]. In 2015, however, a tax levy was introduced as part of Iraq's austerity measures, which saw a 20% increase applied for too mobile and net recharge (top-up) cards. in a country where there are already millions suffering financially – a price rise on services will increase the problems surrounding affordability.

Wireless Local Loop (WLL) licenses were awarded by The National Communications and Media Commission (CMC), in Sept 2006. The tender was first launched in Nov 2005, for the award of 3 national 10-year licenses with the potential for 5-year renewal, and additional 5-year regional licenses with the potential for a 2-year renewal[31]. Over sixty companies submitted bids.National licenses were awarded to Kuwait-based Kalimat Telecom and Jordan-based Itisaluna (now Zain Iraq). ITPC had already been granted a national license. Regional license recipients included Iraqtel (Telephone al Iraq – the telecom subsidiary of Al Emaar Holding Group) and VitalTel.

5-1-1 Iraqi telephone and postal company (ITPC)

ITPC is in charge of the fixed-line network in Iraq. ITPC is tasked with speeding up the connection of telephone lines in homes and businesses throughout Iraq. In March 2013 it contracted Ericsson to upgrade and expand its wireline network, with a goal to transition Iraq to an all-IP next-generation network[32]. By 2015 it aimed to have 9 million subscribers - up from around 4 million in 2013. However, the rise of tensions in Iraq again is expected to stall these plans for the time being.

5-1-2 Telecommunications Infrastructure

Iraq's already inadequate telecoms infrastructure was comprehensively damaged in the 2003 Gulf War. Around twelve exchanges were completely destroyed and so many parts of the fibre optic network. Post-war pillage Increased the damage[33].

Table 3 – Fixed lines in service and teledensity – 1990 - 2016

Year	Fixed lines (million)	Teledensity
1990	0.71	3.9%
1991	0.67	3.6%
1992	0.71	3.8%
1993	0.68	3.5%
1994	0.65	3.3%
1995	0.64	3.0%
1996	0.64	2.9%
1997	0.65	2.8%
1998	0.65	2.7%
1999	0.68	2.8%
2000	0.68	2.8%
2001	0.68	2.7%
2002	1.13	4.5%
2003	1.18	4.6%
2004	1.03	3.9%
2005	1.12	4.1%
2006	1.25	4.4%
2007	1.36	4.7%
2008	1.08	3.6%
2009	1.65	5.4%
2010	1.72	5.4%
2011	1.79	5.5%
2012	1.87	5.6%
2013	1.90	5.6%
2014	1.94	5.6%
2015 (e)	1.99	5.6%
2016 (e)	2.25	5.7%

(Source: ITU and other data)

During 2004 under the USA-funded Iraq reconstruction program, Nortel built a Dense Wavelength Division Multiplexing (DWDM) network within the south of Iraq, connecting Baghdad and Basra. In early2010 computer data Networks was contracted by IRAQI TELEPHONE AND POSTAL COMPANY to work and market the southern network, running from Baghdad to Basra, and on to the borders of State of Kuwait and the Islamic Republic of Iran.

5-1-3 BROADBAND ACCESS MARKET IN IRAQ OVERVIEW

Prior to 2003, the State Company for Internet Services (URUKLINK) was the sole ISP in Iraq. Access to the Internet is available via a variety of means including ADSL, fibre, satellite, WiMAX and CDMA WLL. Impediments to market development include high tariffs, low computer penetration and the lack of international Internet backhaul connectivity, both to neighbouring countries as well as access to submarine cables[3]. To improve Internet connectivity, the government has deployed fibre access networks and strived to reduce Internet tariffs. Internet cafes are used as an affordable method of Internet access. During October 2013 ISPs were required to reduce tariffs in response to a reduction in taxes levied by the government. An unwillingness by ISPs to do so resulted in the government ceasing to provide Internet connectivity. However, ISPs were only marginally impacted as redundant connectivity was available through Kurdistan.In 2014 the leading Kurdistan based ISPs were Newroz and IQ Networks, according to a study by Dyn Research - and the two companies' combined accounted for 73% of Internet traffic in Iraq in July 2014. There are also a large number of smaller ISPs players operating in a loosely regulated market. Generally speaking, the fixed broadband market is still considered to be in the emerging stages and recent industry data on the number of subscribers is unavailable.

Table 4 – Internet user penetration and estimates in Iraq - 2001 - 2016

Year	Users (million)	Penetration
2001	0.025	0.1%
2002	0.126	0.5%
2003	0.155	0.6%
2004	0.240	0.9%
2005	0.246	0.9%
2006	0.268	1.0%
2007	0.269	0.9%
2008	0.298	1.0%
2009	0.326	1.1%
2010	0.792	2.5%
2011 (e)	1.633	5.0%
2012 (e)	2.393	7.1%
2013 (e)	3.100	9.2%
2014 (e)	4.580	13.2%
2015 (e)	6.150	17.2%
2016 (e)	7.980	21.3%

(Source: ITU and CIA Factbook data)

Internet users are those accessing the Internet from school, university, or work, as well as from individual household or business accounts. Subscribers are individuals who pay

for Internet access accounts. For example, a work account is just one subscription but can have many users within that one subscription.

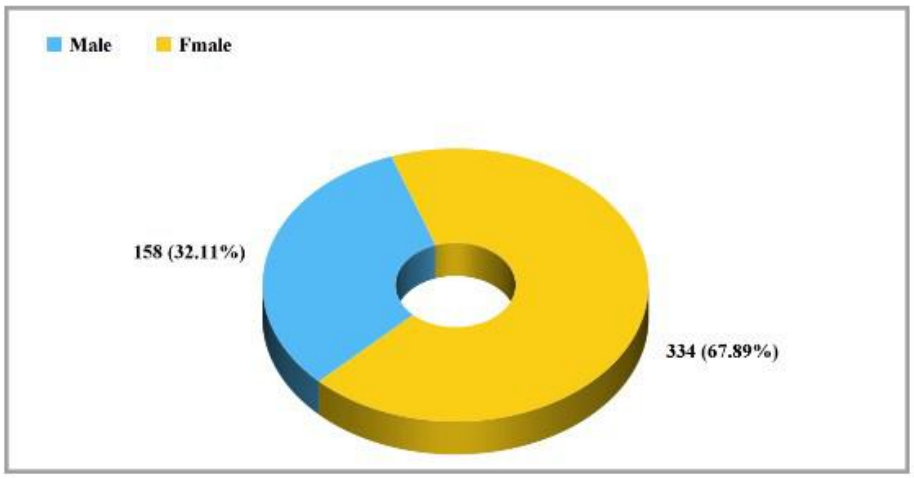
6 RESULTS

The questionnaire was designed to collect the elementary facts and data and moreover to analyze the data and how consumers behave with the purchase of goods and services online. In general segmentation, we've received following responses such as;

Table 5 : Gender Analysis

Gender	Frequency	Percentage
Male	334	67.89%
Female	158	32.11%
Grand Total	492	100.00%

Figure 10 : Gender Analysis

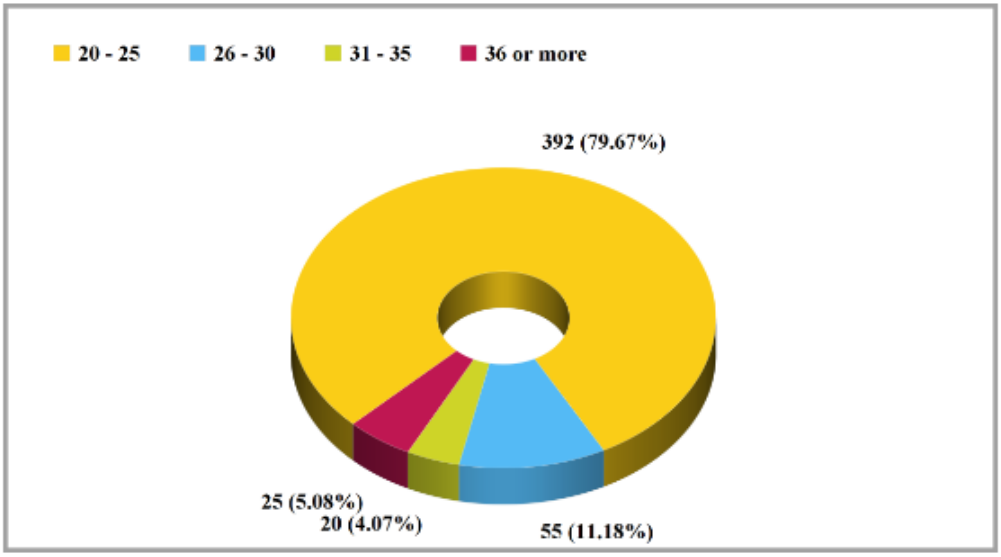


From the above figure and table , we have the ability to just study that bulk of the males are respondents of this survey as compared to females, we have 67.89% of males and 32.11% proportion of females have engaged in this survey.

Table 6: Age Analysis

Age Distribution	Frequency	Percentage
20 - 25	392	79.67%
26 - 30	55	11.18%
31 - 35	20	4.07%
36 or more	25	5.08%
Grand Total	492	100.00%

Figure 11 : Age Analysis

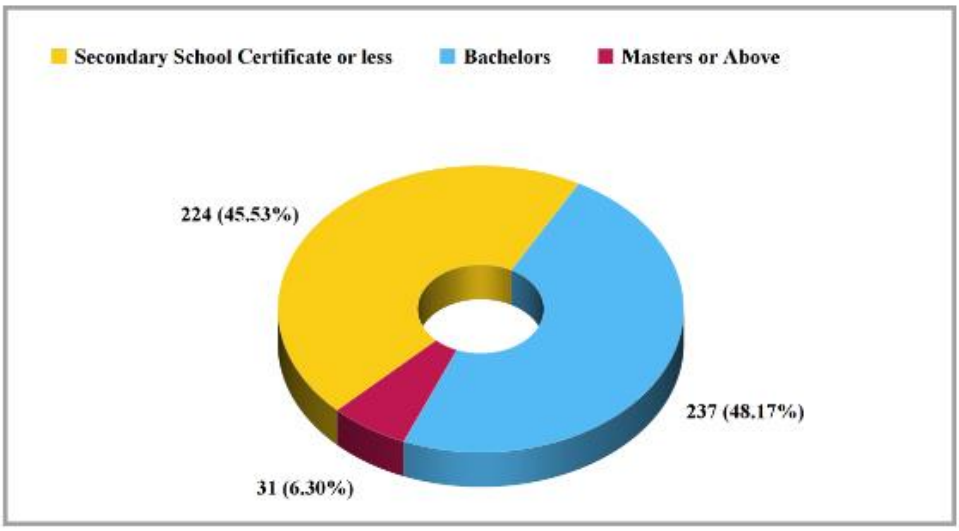


By the figure Termed as age analysis. It's apparent we have 392 frequencies within this survey area of this investigation., 20 / 25 with percentage 79.67 percent That's the Maximum percentage among age Distribution. In age distribution of 26 / 30, we have got 11.18 percent and 4.07 percent fall in 31 / 35 age and remainder 5.08 percent fall in over 36 yrs of age respondents.The questionnaire answers reveal the young generation that's active section of this research.

Table 7: Education Analysis

Education Background	Frequency	Percentage
Bachelors	237	48.17%
Secondary School Certificate or less	224	45.53%
Masters or Above	31	6.30%
Grand Total	492	100.00%

Figure 12 : Eduction Analysis

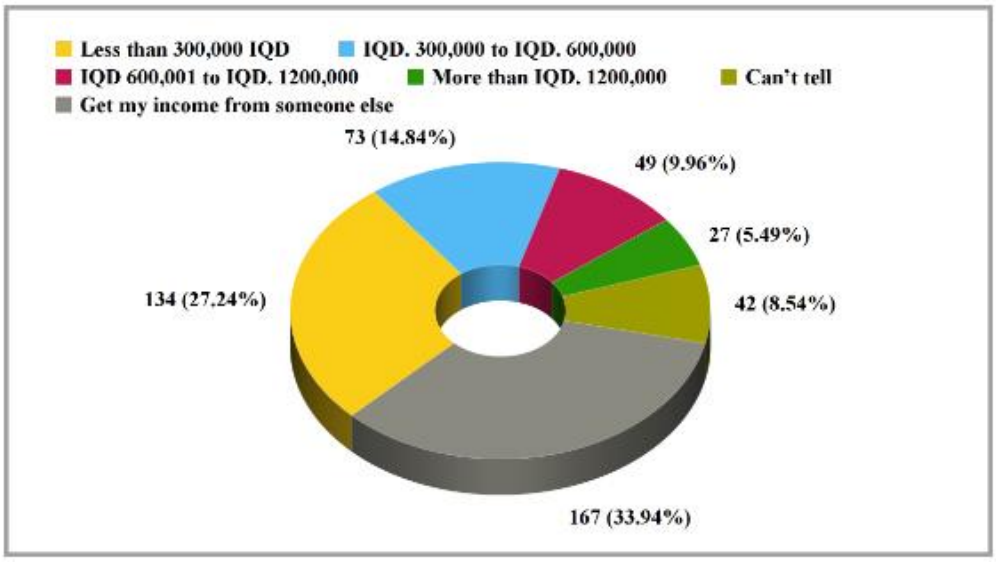


The highest frequency 48.17 percent falls under the class of Bachelors accompanied with the 45.53 percent who has got the Secondary School Certificate or even less. An extremely minimal proportion of nearly 6.30% classified in the Master's degree or Above respectively.

Table 8: Income Distribution among respondents

Income Distribution	Frequency	Percentage
Less than 300,000 **IQD**. (255.440**USD**)	134	27.24%
IQD. 300,000 to **IQD**. 600,000 (255.440**USD** to 510.206**USD**)	73	14.84%
IQD 600,001 to **IQD**. 1200,000(510.031**USD** to1,022.701**USD**)	49	9.96%
More than IQD. 1200,000 (1,022.701**USD**)	27	5.49%
Can't tell	42	8.54%
Get my income from someone else	167	33.94%
Grand Total	492	100.00%

Figure 13 : Income Distribution among respondents

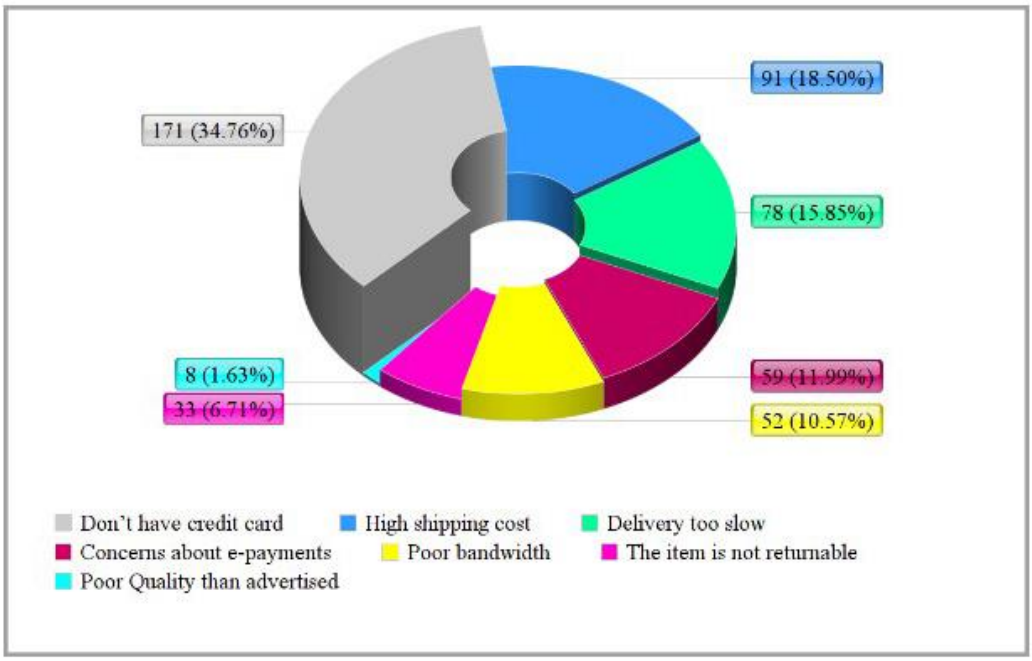


By the survey, it was Examined that the maximum Frequency in financial gain supply falls under (get my income from someone else). This is because most of the young people participating in the questionnaire are still studying at colleges.

Table9: The main barriers to E-shopping in Iraq

What are the major barriers which keep you far away from e-shopping	Frequency	Percentage
Don't have credit card	171	34.76%
High shipping cost	91	18.50%
Delivery too slow	78	15.85%
Concerns about e-payments	59	11.99%
Poor bandwidth	52	10.57%
The item is not returnable	33	6.71%
Poor Quality than advertised	8	1.63%
Grand Total	492	100.00%

Figure 14 : The main barriers to E-shopping in Iraq

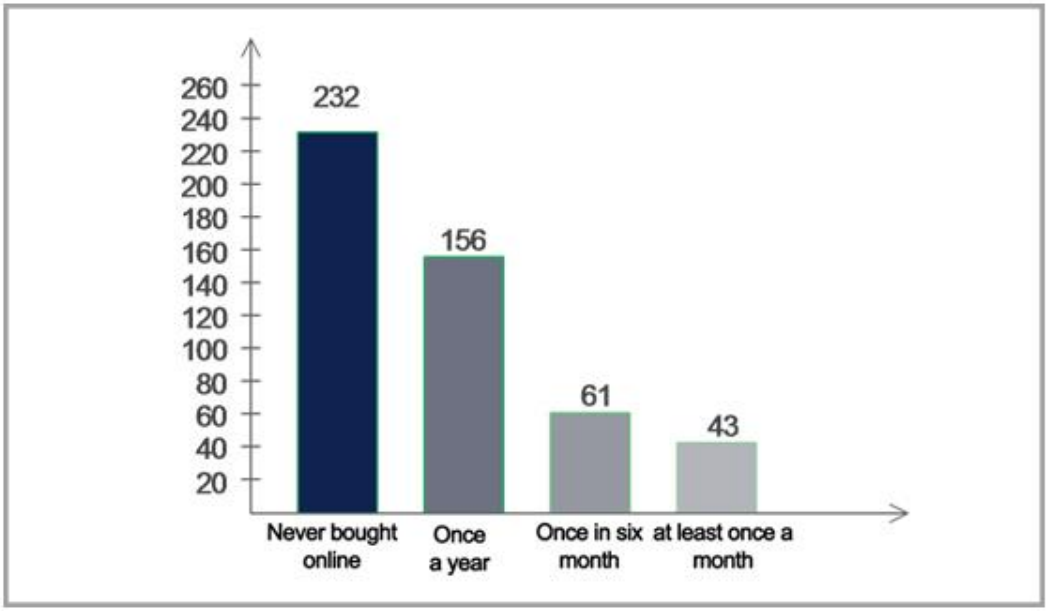


And also at the survey , it was inquired, what's the principal barrier that prevents consumers apart from shopping on the web. The questions has been asked out of people who do not go for shopping to gauge their own concerns in addition to from the user that is doing on the web shopping. In the survey, it's shown that Lack of credit card could be the most important barrier in internet shopping in Iraq. Because 34 % of those respondents rated Lack of credit card is the largest barrier in internet shopping in Iraq. 18 % of Individuals refuse the Concept of Internet shopping because of high Global shipping cost. That specific question was asked by seller's standpoint so that they may consider this point and attempt to decrease the barrier for both consumers and also raise the mindset of the user for internet purchasing of goods. Hence, the Internet seller of goods must think about the principal hurdles and supply security and safety payment methods with their customer plus they are also able to supply their onlinestore plastic cards in Iraq And need to increase the confidence level of folks of Iraq by providing them money back assurance centers, and supply retails stores in Iraq and ontime delivery.

Table10:Frequently buy online

How frequently do you buy online?	Frequency	Percentage
Never bought online	232	47.15%
Once a year	156	31.71%
Once in six month	61	12.4%
Frequently or at least once a month	43	. 8.74%
Grand Total	492	100.00%

Figure 15 : Frequently buy online

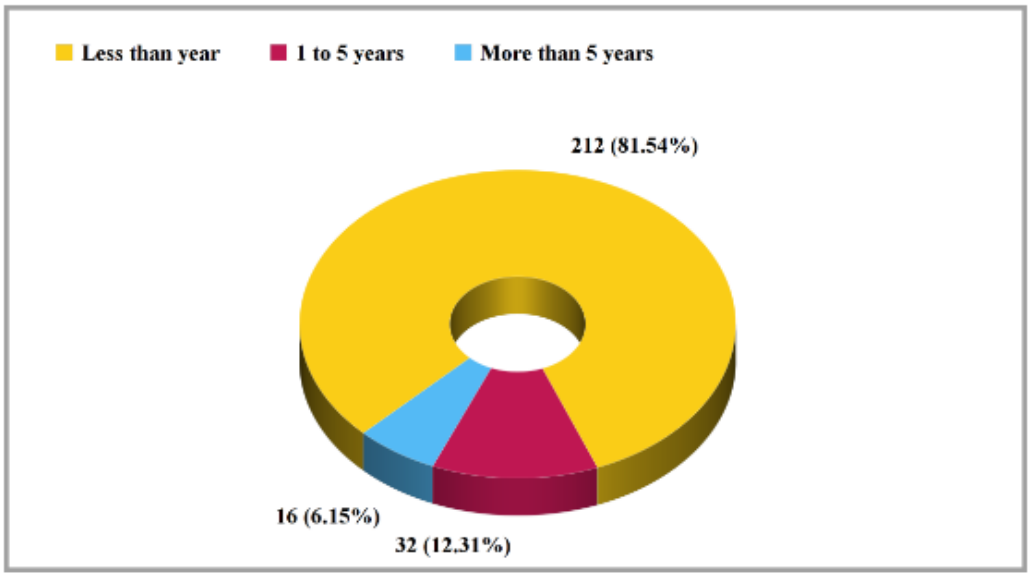


The vast majority of respondents had never bought online any product or service. Total 232 Frequencies that's the 47.15 percent of overall respondent.31.71% of respondents have bought goods and services online once a year, 12.4 percent is located underneath the category of respondents who purchase at least one time in six months. 8.74 percent respondents bought on the on-line things once in a month. It's Evident from the data that Most Those Individuals in Iraq aren't currently buying services and goods on-line. By the next question, we can investigate that how long people are buying on the web in Iraq. We realize that 47.15 percent individuals not made online purchases.

Table11: How long have been doing e- shopping

How long have been doing e-shopping	Frequency	Percentage
Less than year	212	81.54%
1 to 5 years	32	12.31%
More than 5 years	16	6.15%
Grand Total	260	100.00%

Figure16: How long have been doing e - shopping

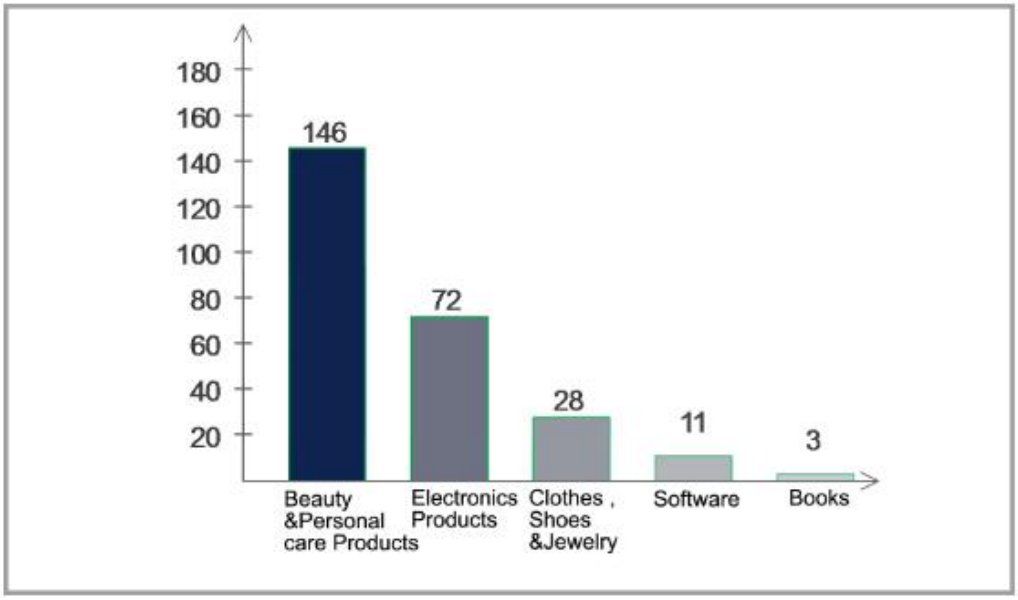


From the above question, it's clear that 82%of respondents have been doing e-shopping for less than a year, it indicates that individuals in Iraq aren't addicted to e-shopping and just currently involve in it. while12% of respondents are doing e- shopping since one to five years and 6% have been doing e- shopping more than five years.

Table12: Purchase online products

Products	Frequency	Percentage
Beauty and Personal care Products	146	56.15%
Cell Phones / Watches / Digital cameras & Photography Supplies / Computer (Electronics Products)	72	27.69%
Clothes , Shoes and Jewelry	28	10.77%
Software	11	4.23%
Books	3	1.15%
Grand Total	260	100.00%

Figure17: Purchase online products

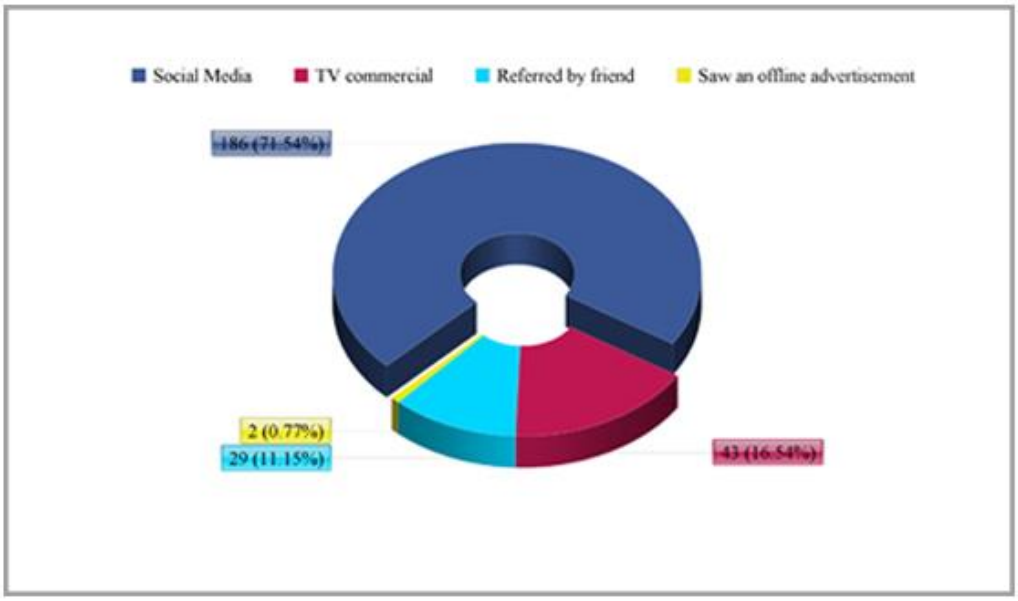


From the above chart, total 260 respondents who had made online buying out of which 146 respondents bought Beauty and Personal Care Products. It is the highest frequency of 56 % followed by electronics products of 28%. Clothes, Shoes, and Jewelry are bought by 11 % of consumers who are buying online. Software and books are bought by 4%, 1% respectively.

Table 13: How to get idea of purchasing online products

How did you get the idea of purchasing particular, electronics product through an online store?	Frequency	Percentage
Social Media	186	71.54%
TV commercial	43	16.54%
Referred by friend	29	11.15%
Saw an offline advertisement	2	0.77%
Grand Total	260	100.00%

Figure18: How to get idea of purhasing online products

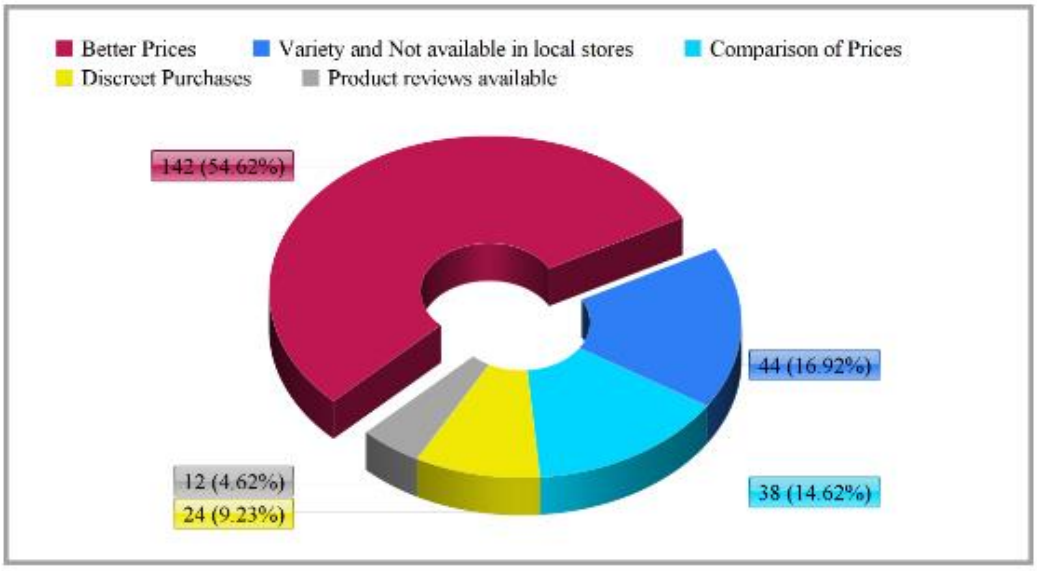


To discover the motivation behind e-shopping and the reasons that urge consumer for purchasing certain products from online stores, next question was asked that how they got the concept of buying a product from an internet store. As a consequence of large part of these individuals bought products on the tips of Social networking therefore that it would be better to do web advertising and boost customer care.

Table 14: Crucial Factor affecting consumer decision in Iraq

What are the key factors which affect your decision making in the final choice of the product?	Frequency	Percentage
Better Prices	142	54.62%
Variety and Not available in local stores	44	16.92%
Comparison of Prices	38	14.62%
Discreet Purchases	24	9.23
Product reviews available	12	4.62
Grand Total	260	100.00%

Figure 19 : Crucial factor affecting consumer desision in Iraq



As analyzed from the result in online shopping in Iraq, consumer concerns are Better Prices, Variety factor, Not available in local stores factor and Comparison of Prices. 54.62% of respondents consider Better Prices factor as the most significant variable accompanied closely by 16.92% those who believe Variety and not accessible in local stores. 28.47 percentage falls under the Sounding Prices of Comparison, Discreet Purchases and Product reviews available In Iraq, consumer mind isn't totally different, consumer behaviour is ordinary as other states consumer behavior standards. Nearly all the individuals' decision is influenced with the price deal, hence, the product's sellers should take care into account within their stores.

7 CONCLUSION

- This study has been completed to determine the buyer behavior of Iraq towards e-shopping. e-shopping is increasing in Iraq but not as fast as compared to other GCC countries like the United Arab Emirates.
- E Shopping is remarkably well-liked among the males as in Iraq most e-shopping was made by men with 67 percent and vast majority of the respondents were teenagers aged between 20 to 25 years old with 79 percent weight and income distribution dropped into less than 300,000 IQD (225.44067146) as lower-middle-class whilst the bigger portion of their respondent have a bachelor's degree. From the survey, It's accessed that.
- The majority of Iraqis' are not doing e- shopping with 47%, therefore, it's clear that the tendency of e shopping is not very well known in the Iraqi economy as mostly and whole individuals, usually visit the store before onlineshopping.
- The E Shopping is Becoming popular among the Iraqi Youth since they believe it timesaving, comfortable and convenient. It's analyzed that from the survey if a shopper makes a mind to buy on-line products she or he's affected by so many things. The key facets that are essentially identified include better price, Variety, Not available in local stores and comparison of prices.
- The major obstacle in the Practice of E Shopping is That the Charge card issue. Credit cards aren't readily available to all in general as better part of these shoppers are young adults and in Iraq getting and taking good advantage of Credit cards is not a simple process.
- The online seller needs to consider the primary challenges and supply safety and security payment techniques with their customer plus they are also able to supply their onlinestore plastic cards in Iraq and need to increase the confidence level of individuals of Iraq by providing them money back guarantee centers, and supply retails stores in Iraq along with ontime shipping.
- e shopping increases daily because of retailers create a fresh design and fresh strategies to facilitate e shopping and make ease to an online user to do shopping in their home into the market without hassles of real appearance in the crowded life. Currently, customer can access numerous shopping sites and buy products based on selection with huge number of choices without constraints.

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