



IMPACT OF PRIVACY POLICIES ON CONSUMER CONFIDENCE IN E-COMMERCE PLATFORMS IN VIJAYAWADA

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ABSTRACT :

Rapidly growing ecommerce is increasing concerns about safeguarding consumer data privacy issues. Privacy policy is important for transparency of information about collecting, using and securing personal details from users' side. This paper is about people that buy products from an online store through internet commerce sites. Also it highlights some of those issues affecting customer trustworthiness. The primary data was gathered via a survey of 72 e-commerce customers at Vijayawada which was analyzed by means of descriptive statistics, chi-square test, one-way ANOVA and linear regression. Approximately 69 percent of respondents knew about e-commerce website privacy policy while only around 38 percent read it frequently or regularly. Perceived privacy practices explained 44.8% of the variation in policy-driven consumer confidence ($\beta = 0.67$, $p < 0.001$), and consumer confidence was the strongest predictor of the intention to buy from and continue using a platform ($\beta = 0.85$, $p < 0.001$). Transparency and ease of use for privacy policy helps build customers' confidence towards buying products from websites. This research helps businesses of online shopping to enhance their data protection measures and increase trust among customers. In general, good privacy policy helps create an secure, trustworthy and customer-focused e-commerce experience.

Keyword: Privacy Policy; Consumer confidence; eCommerce; consumer trust; data privacy; online shopping; data security; Vijayawada.

1.1 Introduction

E-commerce is rapidly expanding to provide customers more convenient shopping experiences through a variety of products at lower prices along with safe online payments services. Nevertheless, there are growing worries about people's data being accessed through these sites due to their popularity on internet services today.

While there has been a lot of progress made by e-commerce companies in terms of sales figures, issues related to data protection remain an issue that affects consumers' behavior.

Customers must enter their private details like names, address, telephone numbers, email addresses, bank account info and credit card details while making an online purchase. Customers are becoming more concerned about protecting their personal details from being accessed by hackers or thieves through hacking attacks on websites of online stores where they shop for goods and services. Failure of protecting customers' data may harm their confidence towards buying products from us again in future.

Privacy policy is important for all types of online stores now days. Privacy policies are documents which describe what kind of data collection, storage, processing, sharing and protection occurs by organizations for their customers' private details legally and ethically. Also provides users' privacy policy details such as data usage policies, consent requirements for cookies from third parties to protect personal information. Privacy policy design is good for promoting transparency and accountability so that customers can decide whether or not they want to share their private data. On the other hand, long-winded, complicated or vague privacy policies can lead to confusion and lower customer trust.

One of the fastest growing commercial towns of Andhra Pradesh is Vijayawada which saw an increase to higher rates for internet access as well as e-commerce sales during this period. In Vijayawada consumers are more reliant towards online stores to buy electronic devices clothing apparel food kitchenware medicine and beauty products. Nonetheless, even though there is an increasing trend towards e-commerce among people today they still have doubts regarding how effective these websites are at protecting users' data and ensuring its safety.

1.2 Problem Statement

E-commerce is growing rapidly which changes how people buy goods because it offers convenience at low prices with many options available for purchase online. Nevertheless, as more people go online today they need to provide their details like names and addresses which raises issues regarding confidentiality protection and safety of these records. While most e-commerce sites have a privacy policy that assures customers regarding how they collect information from them for usage purposes as well as security measures; however, many people don't read it properly nor are aware enough

about what is stated therein. There are few studies on Vijayanagara about this topic as it's an area of interest for e-commerce companies to know more about their customers' trust levels through privacy policy information.

1.3 Review of Literature

1.Huang, Yen and Popova (2012)

Huang, Yen and Popova researched on what effect of an online privacy policy is to consumer privacy concern and trust. There were 500 participants to this survey; half of them (250) came from Russia while another half (250) was from Taiwan. Researchers studied how privacy policies relate to consumer trust towards them as well as their concern about privacy issues while providing data on internet usage habits of customers.

2.Bhattacharya, sharma and Gupta (2023)

The study examines how the country of origin of an e-retailer influences consumer's privacy concerns, trust and purchase intentions. It is relevant to the present research because consumer confidence in e-commerce platforms may depend on how safely personal information is handled and how trustworthy the platform appears.

3.Parsheera, Rahman and Sane Bailey.

Parsheera, Bailey and Rahman and Sane researched privacy policy for five major websites available to people on internet from India. Researchers studied ease of accessing and understanding policy documents. Also they did an interview with college student about their knowledge of privacy policy details.

4.Wang and Herrando (2019)

They researched privacy assurance and consumer behavior on social commerce sites. This research was about young adults' privacy protection issues such as trustworthiness of information sources for buying products or services. Privacy assurance had a positive impact on institutional trust according to these findings.

5.Singh, Misra, Quan, Radic, Lee and Han (2024).

Misra Singh, Quan Radic Lee Han is a study on consumer trust of e-commerce websites. This paper is concerned with issues like data protection measures including reliability of information and privacy concerns which affect users' confidence towards using online stores services. Data was collected by this research from 780 participants through structural equation modeling. Information integrity and confidentiality are positively related to consumer trusting beliefs according to this study.

6.Sathasivam, Srikant, Adhinarayana and Chandran (2025).

Sathasivam, Srikant, Adhinarayana and Chandran researched consumer attitudes towards privacy policy awareness and issues related to online retail. This paper is about collecting data from customers by an online store when they sign up for a shop or make purchases via cookie technology. Information gathered will help us make suggestions for you as well as tailor options according to your needs. Also, it raises issues regarding how much data is gathered from customers through e-commerce companies' websites.

1.4 Research Objectives

Assess consumers' knowledge about privacy policy for online shopping sites.

Identify factors of privacy policy affecting customer trustworthiness.

For analyzing how much more transparent is a privacy policy on an online store to consumers' confidence towards it.

For analyzing how issues related to privacy affect people's buying behavior when shopping online.

For better privacy policy improvement towards enhancing customer trust and satisfaction.

1.5 Research Gap

Variability of results: privacy matters for certain Indian research but not so much to other ones like Punjabi study. There needs local information for resolving it.

Gap between countries: These papers were conducted on a national level; they also came from other states such as Punjab and West Bengal. There was no specific information about Vijayawada or Andhra Pradesh found; please do a quick search yourself for confirmation before saying otherwise.

Gap construction: most research measures overall privacy perception rather than a specific privacy policy like clarity, disclosures about data-sharing practices among users.

Gap between regulation: This research is older than India's Digital Personal Data Protection Act, 2023.

RESEARCH METHODOLOGY

2.1 Research Design

This paper is an example of descriptive analysis through a cross sectional survey method for this purpose. Quantitative methods were used since there is a need to measure consumer knowledge, attitudes towards products/services and behavioral intention through statistical analysis.

2.2 Population, Sampling and Size

Vijayawada is a consumer base that uses an e-commerce platform to buy products from it through internet-based stores. Since there was no full list of these customers to work from, we had to use convenience sampling for our survey participants. There are 72BYTES OF RESPONSES RECEIVED AND USED FOR ANALYSIS. No responses were given; two respondents left one Likert item (S9) blank, which is retained as per Section 2.5.

2.3 Data Source

The primary data was gathered by means of an online survey conducted via Google Forms on 27-29 September 2026. The secondary information was obtained through literature review of papers published under section 1.3. The respondent's names were not included for this study and do not appear here.

2.4 Questionnaire Design

There are three questions to this survey. A part called Part A is a respondent profile which includes age groups, occupations, popular ecommerce sites usage statistics and time spent on those websites. Part B (awareness and behavior) includes knowledge about privacy policy awareness levels among users; how often they read it out-of-office; their own level of comprehension regarding this topic; types of information that people think are collected by companies through these services; significance given towards protecting private details from unauthorized accesses/interference/surveillance etc.; if any person would have refused to use such service due to lack thereof for security reasons beforehand; and some other question related to trustworthiness of online websites/apps based upon confidentiality issues faced during usage. C Part 1 is a perception scale that has ten items (S1-S10) rated by respondents using a five point Likert scale.

2.5 Coding of Responses and Construction of Variables

The ten Likert scale items are exported from this study as 1=Strongly Agree and 5=Strongly Disagree. All ten items are scored by subtracting their recorded score from a new score of 6 for each item (5 = Strongly Agree). The self-assessed level of knowledge, frequency of reading and importance of privacy was rated on a scale from 1 to 5. Three composite variables are created from averages of related statements as shown in Table 2.1. The Purchase Intention score for those who didn't respond to question 9 was calculated from just S10.

Table 2.1 is about composite variable reliability.

Variable	Statements	Meaning	Cronbach's α
Perceived Privacy Practices (PPP)	S1–S4	How adequately respondents feel platforms protect data, offer privacy choices and explain data use	0.840
Policy-driven Consumer Confidence (CC)	S5–S8	Extent to which clear, updated policies and good protection raise trust and feelings of safety	0.786
Purchase Intention (PBI)	S9–S10	Likelihood of buying from and continuing with a platform that protects data	0.784

The Cronbach's alpha value of each composite is 0.840, 0.786, and 0.784 respectively while that of all ten items as a whole is 0.903 which exceeds the generally accepted level at 0.70 according to Nunnally. A person wrote "Lecturer" as their job title on that form of data collection tool (platform), but it will not be included for analysis by means of ANOVA per site.

Hypothesis 2.6 This paper is about hypothesis .

These null hypotheses are formulated to be consistent with our research goals and will be tested at a 5% level of significance.

Table 2.2: Null hypotheses and statistical tests

No.	Null hypothesis	Test
H01	There is no significant association between awareness of privacy policies and having avoided/stopped using a platform.	Chi-square
H02	There is no significant association between frequency of reading privacy policies and having avoided/stopped using a platform.	Chi-square
H03	There is no significant association between age group and awareness of privacy policies.	Chi-square
H04	There is no significant association between occupation and awareness of privacy policies.	Chi-square
H05	There is no significant association between understanding of privacy policies and the belief that privacy policies influence confidence.	Chi-square
H06	Mean consumer confidence does not differ significantly across age groups.	One-way ANOVA
H07	Mean consumer confidence does not differ significantly across groups by frequency of reading privacy policies.	One-way ANOVA

No.	Null hypothesis	Test
H08	Mean consumer confidence does not differ significantly across the most-used e-commerce platforms.	One-way ANOVA
H09	Mean purchase intention does not differ significantly across levels of understanding of privacy policies.	One-way ANOVA
H10	Perceived privacy practices have no significant effect on consumer confidence.	Simple linear regression
H11	Perceived privacy practices, consumer confidence and importance of privacy have no significant effect on purchase intention.	Multiple linear regression

2.7 Statistical Tools

The frequencies percentage mean standard deviation are used to analyze this information. The chi-square test for independence is used to analyze relationships among categorical variables, with Cramér's V being an effect measure; categories are combined if they have less than five occurrences per cell (less than 20%). One-way ANOVA compares group means (Levene's test checks equal variances, the Kruskal-Wallis test is reported as a non-parametric check, and Tukey's HSD would be applied if ANOVA were significant); η^2 is the effect size. Ordinary Least Squares linear regression is used to estimate effects of variables upon outcomes by providing coefficients b, standardized beta coefficient r² value adjusted R-squared values f df ratio of variances inflated factor durbin-watson statistic and shapiro wilk test for residuals data set. The data was entered into a spreadsheet by means of MS excel for analysis purposes; similar methods can be used on SPSS software as well. Cohen's effect size is defined by him.

DATA ANALYSIS AND INTERPRETATION

3.1 Profile of Respondents

Table 3.1: Demographic profile of respondents (N = 72)

Variable	Category	Respondents	Percentage
Age group	18–20 years	33	45.8
	21–23 years	23	31.9
	24–26 years	7	9.7
	27–30 years	7	9.7
	Above 30 years	2	2.8
Occupation	Student	55	76.4
	Private employee	8	11.1
	Government employee	5	6.9
	Business/Self-employed	4	5.6
Most used platform	Amazon	29	40.3
	Flipkart	16	22.2
	Myntra	14	19.4
	Meesho	12	16.7
	Invalid entry*	1	1.4
Duration of use	Less than 1 year	11	15.3
	1–2 years	19	26.4
	3–5 years	25	34.7
	More than 5 years	17	23.6

*One respondent entered "Lecturer" (an occupation) in the platform field.

Table 3.1 shows that the sample is young and student-dominated: 77.8% of respondents are aged 23 or below (45.8% are 18-20 and 31.9% are 21-23), and 76.4% are students, with the remainder employed in private (11.1%) or government (6.9%) jobs or self-employed (5.6%). Amazon is the most popular site among them at 40.3%, next to Flipkart at 22.2%, Myntra at 19.4 % and Meesho at 16.7%. The average American household has a total of 7.2 million square feet (1,300 m²) of living space.

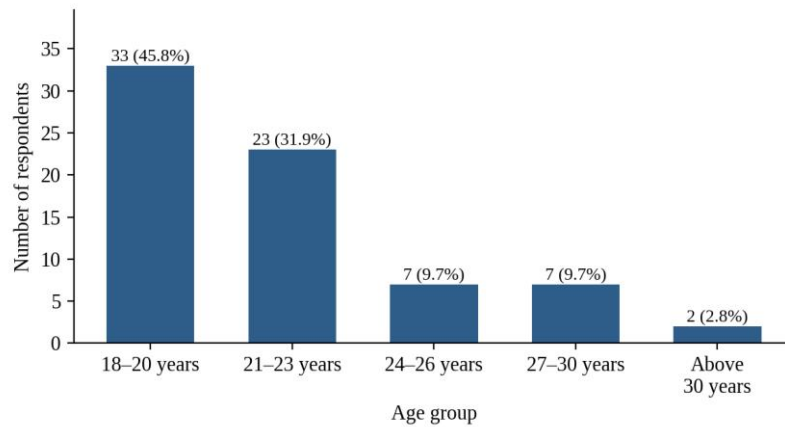


Figure 3.1: Age distribution of respondents

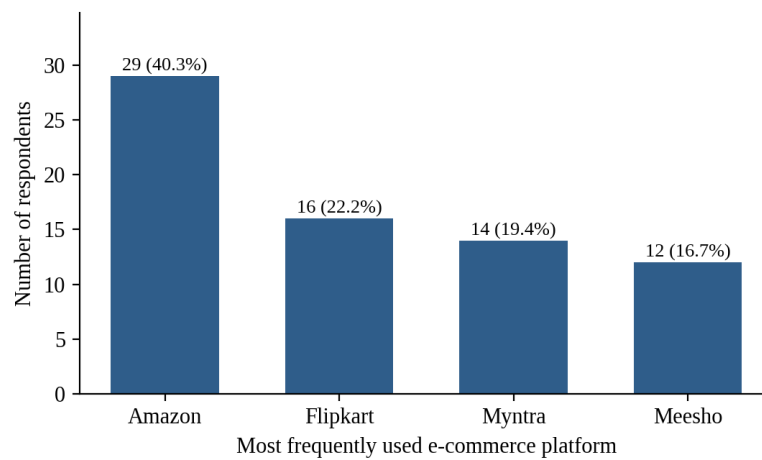


Figure 3.2: Most frequently used e-commerce platform

3.2 Awareness and Privacy Behaviour

Table 3.2: Awareness, reading behaviour and privacy concerns

Variable	Response	Respondents	Percentage
Aware that platforms have privacy policies	Yes	50	69.4
	No	13	18.1
	Not sure	9	12.5
Reads privacy policy before use	Always	14	19.4
	Often	13	18.1
	Sometimes	28	38.9
	Rarely	9	12.5
Understanding of privacy policies	Never	8	11.1
	Very well	17	23.6
Importance of privacy when shopping online	Well	18	25.0
	Moderately	22	30.6
	Slightly	12	16.7
	Not at all	3	4.2
Importance of privacy when shopping online	Extremely important	18	25.0
	Very important	20	27.8
	Moderately important	18	25.0
	Slightly important	11	15.3

Variable	Response	Respondents	Percentage
	Not important	5	6.9
Ever avoided/stopped using a platform for privacy reasons	Yes	30	41.7
	No	25	34.7
	Not sure	17	23.6
Overall: privacy policies influence my confidence	Strongly agree	27	37.5
	Agree	16	22.2
	Neutral	28	38.9
	Disagree	1	1.4
Data believed to be collected	All of the above	31	43.1
	Location information	12	16.7
	Payment and banking information	10	13.9
	Browsing and purchase history	10	13.9
	Name and contact details	5	6.9
	Not sure	4	5.6

Awareness (Objective 1). Eighty-nine point-of-ten people (69.4%) are aware of e-commerce websites' privacy policy whereas eighteen percent do not know about it and twelve-five percent don't know anything at all. Reading is not awareness does lead to reading: only 37.5% read the policy always or often, 38.9% read it sometimes and 23.6% rarely or never. About half (48.6 percent of respondents are knowledgeable about these policies while 20.8 percent have some knowledge on them only slightly or none at all. Almost 43.1 percent think that these sites gather all kinds of personal information such as names and contact info, payment details, locations, and web browsing habits.

Privacy concern and behaviour. Over 52.8%, more than half of the respondents considered privacy extremely or very important while shopping online whereas 41.7% had stopped using a site due to privacy issues and security problems. When asked directly, 59.7% agree or strongly agree that privacy policies affect their trust towards an online store while 38.9% are neutral and only 1.4% disagree.

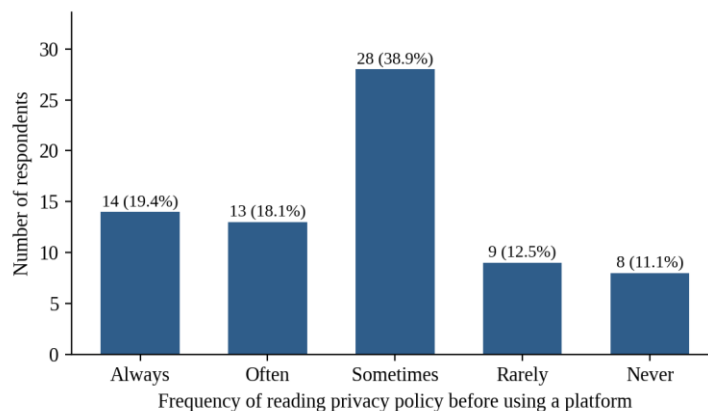


Figure 3.3: Frequency of reading privacy policies before using a platform

3.3 Descriptive Analysis of Perception Statements

Table 3.3: Mean scores of perception statements (5 = Strongly agree)

No.	Statement	N	Mean	SD	% Agree*
S1	I believe e-commerce platforms take adequate measures to protect customers' personal information.	72	3.85	0.96	66.7
S2	I believe e-commerce platforms protect data from unauthorized access.	72	3.72	0.98	63.9
S3	E-commerce platforms give me enough privacy settings and choices.	72	3.68	1.05	55.6
S4	E-commerce platforms clearly explain how customer information is collected and used.	72	3.64	1.27	59.7

No.	Statement	N	Mean	SD	% Agree*
S5	Unclear privacy policies reduce my confidence in an e-commerce platform.	72	3.69	1.19	58.3
S6	Regular updates to privacy policies improve transparency and customer trust.	72	3.96	1.18	66.7
S7	A clear privacy policy makes me trust an e-commerce platform more.	72	4.10	0.91	76.4
S8	Good privacy protection makes me feel safe while shopping online.	72	4.03	1.03	77.8
S9	I am more likely to buy from an e-commerce platform that protects my personal data.	70	3.93	1.07	64.3
S10	I am more likely to continue using an e-commerce platform that protects my privacy.	72	4.06	1.03	75.0

*Percentage scoring 4 (Agree) or 5 (Strongly agree) after reverse-scoring.

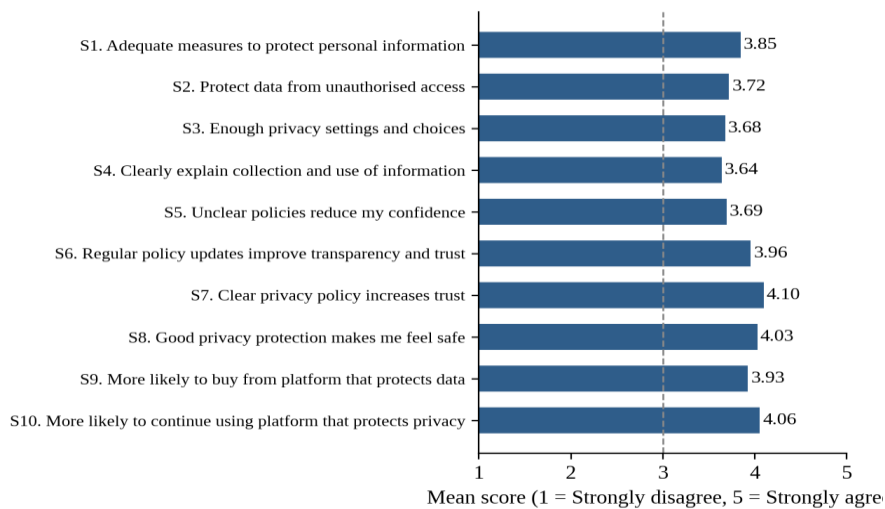


Figure 3.4: Mean agreement with the perception statements (dashed line = neutral point)

All ten statements are significantly positive compared to a mean value of 3 (range 3.64–4.10). Respondents agree most strongly that a clear privacy policy increases trust (S7, mean 4.10), that they would keep using a platform that protects their privacy (S10, 4.06) and that good protection makes them feel safe (S8, 4.03). The lowest means relate to what platforms currently do: clear explanation of data collection and use (S4, 3.64) and adequate privacy settings and choices (S3, 3.68). To put it simply, people care a lot about transparency and security of information but they feel like companies provide these services for free without any cost to themselves. Composite score for privacy perception is 3.72 SD=0.88, consumer confidence is 3.94 SD=0.85 and purchase intention is 4.01 SD=0.95.

3.4 Hypothesis Testing

Chi-square test for independence 3.4.1 Chi-square test of independence.

Table 3.4: Awareness of privacy policy avoidance/abandonment rate by platform use percentage (%).

Awareness	Yes	No	Not Sure	Total
Aware	25 (50.0%)	15 (30.0%)	10 (20.0%)	50
Not aware / Not sure	5 (22.7%)	10 (45.5%)	7 (31.8%)	22

$\chi^2(2) = 4.68$, $p = 0.096$, Cramér's $V = 0.26$. Half (50.0%) of the respondents who are aware of privacy policies have avoided or stopped using a platform, against 22.7% of those who are unaware or unsure. The difference is not statistically significant at the 5% level, so H01 is not rejected. The direction of the difference suggests that aware consumers may be more willing to act on privacy concerns, but the sample does not provide conclusive evidence.

Table 3.5: Frequency of reading privacy policy × Avoided/stopped using a platform: observed frequencies (row %)

Reading frequency	Yes	No	Not Sure	Total
Never/Rarely	6 (35.3%)	7 (41.2%)	4 (23.5%)	17
Sometimes	10 (35.7%)	10 (35.7%)	8 (28.6%)	28
Often/Always	14 (51.9%)	8 (29.6%)	5 (18.5%)	27

$\chi^2 (4) = 2.08$, $p=0.721$, Cramér's $V = 0.12$. Share of people not using any platform is 35.3%, while it is 35.7% for occasional users and 51.9% for frequent ones. The association is weak and not significant, therefore H02 cannot be rejected as it does not relate to avoiding a platform through reading the policy.

Table 3.6: Age group × Awareness of privacy policies: observed frequencies (row %)

Age group	Aware	Not aware / Not sure	Total
18–20	28 (84.8%)	5 (15.2%)	33
21–23	14 (60.9%)	9 (39.1%)	23
24 and above	8 (50.0%)	8 (50.0%)	16

$\chi^2 (2) = 7.34$, $p=0.026$, Cramér's $V = 0.32$. Awareness declines with age; 84.8% of respondents aged 18-20 know about privacy policy while only 60.9% for ages 21-23 and 50.0% for ages over 24 years old. There is an important relationship between this variable and a medium effect size; therefore H03 will be rejected. There are four or less than five cells per sample on average at 4.89; however it is only for one out of six samples (16.7%).

Table 3.7: Occupation × Awareness of privacy policies: observed frequencies (row %)

Occupation	Aware	Not aware / Not sure	Total
Student	41 (74.5%)	14 (25.5%)	55
Working	9 (52.9%)	8 (47.1%)	17

$\chi^2 (1) = 2.86$, $p=0.091$, Cramér's $V = 0.20$. Awareness is higher among students (74.5%) than among working respondents (52.9%), but the difference is not significant at the 5% level, so H04 is not rejected.

Table 3.8: Understanding of privacy policies × Overall influence on confidence: observed frequencies (row %)

Understanding	Neutral/Disagree	Agree/Strongly agree	Total
Low	5 (33.3%)	10 (66.7%)	15
Moderate	15 (68.2%)	7 (31.8%)	22
High	9 (25.7%)	26 (74.3%)	35

$\chi^2 (2) = 7.34$, $p=0.026$, Cramér's $V = 0.32$. Knowledge decreases as people get older; 84.8% of respondents aged 18 to 20 are aware of privacy policies whereas only 60.9% for ages 21 to 23 and 50.0% for ages over 24 years old. This variable has an important relationship with a medium effect size so H03 would not be accepted. There are four or fewer than five cells per sample on average at 4.89; however this applies to only one out of six samples (16.7%).

Table 3.9: Summary of chi-square tests

Hypothesis	Variables	χ^2	df	p-value	Cramér's V	Decision
H01	Awareness of privacy policies × Avoided/stopped using a platform	4.68	2	0.096	0.26	Not rejected
H02	Frequency of reading privacy policy × Avoided/stopped using a platform	2.08	4	0.721	0.12	Not rejected
H03	Age group × Awareness of privacy policies	7.34	2	0.026	0.32	Rejected
H04	Occupation × Awareness of privacy policies	2.86	1	0.091	0.20	Not rejected
H05	Understanding of privacy policies × Overall influence on confidence	10.51	2	0.005	0.38	Rejected

Since there are five chi-square tests performed, an adjusted p-value threshold of 0.01, 0.05, 5, is used instead. Only H05 is significant at this level ($p = 0.005$); however, H03 may be considered suggestive evidence with $p = 0.026$.

3.4.2 One-way ANOVA

Table 3.10: Group means of the dependent variables (mean, SD, n)

Comparison	Group means (SD)
Consumer Confidence by age group	18–20: 3.94 (0.89), n = 33 21–23: 3.82 (0.92), n = 23 24 and above: 4.14 (0.63), n = 16
Consumer Confidence by frequency of reading privacy policies	Never/Rarely: 4.32 (0.67), n = 17 Sometimes: 3.77 (0.71), n = 28 Often/Always: 3.89 (1.01), n = 27
Consumer Confidence by most-used platform	Amazon: 4.07 (0.78), n = 29 Flipkart: 3.94 (0.77), n = 16 Myntra: 3.86 (0.90), n = 14 Meesho: 3.77 (1.12), n = 12
Purchase Intention by understanding of privacy policies	Low: 3.77 (1.16), n = 15 Moderate: 4.05 (0.94), n = 22 High: 4.09 (0.88), n = 35

Table 3.11: ANOVA summary

Test	Source	Sum of squares	df	Mean square	F	p-value
H06	Between groups	1.001	2	0.500	0.69	0.504
	Within groups	49.902	69	0.723		
	Total	50.903	71			
H07	Between groups	3.399	2	1.700	2.47	0.092
	Within groups	47.503	69	0.688		
	Total	50.903	71			
H08	Between groups	0.918	3	0.306	0.41	0.746
	Within groups	49.946	67	0.745		
	Total	50.864	70			
H09	Between groups	1.116	2	0.558	0.60	0.549
	Within groups	63.631	69	0.922		
	Total	64.747	71			

Table 3.12: Effect size and assumption checks

Test	Comparison	η^2	Levene p	Kruskal–Wallis H (p)	Decision
H06	Confidence by age group	0.020	0.300	0.96 (0.618)	Not rejected
H07	Confidence by frequency of reading privacy policies	0.067	0.474	6.43 (0.040)	Not rejected
H08	Confidence by most-used platform	0.018	0.783	1.26 (0.739)	Not rejected
H09	Purchase intention by understanding of privacy policies	0.017	0.385	0.60 (0.742)	Not rejected

None of the four ANOVAs is significant at the 5% level, so H06 to H09 are not rejected and no post-hoc tests were needed. Mean consumer confidence is similar across age groups ($F(2, 69) = 0.69, p = 0.504$) and across platforms ($F(3, 67) = 0.41, p = 0.746$), and purchase intention does not differ by level of understanding ($F(2, 69) = 0.60, p = 0.549$). The comparison by frequency of reading comes closest to significance ($F(2, 69) = 2.47, p = 0.092, \eta^2 = 0.067$, a medium effect): respondents who never or rarely read the policy report the highest confidence score (4.32), compared with 3.77 for occasional readers and 3.89 for frequent readers. This study's Kruskal-Wallis test was marginally significant ($H = 6.43, p = 0.040$); thus, there may be some importance to consider more data before concluding anything conclusive about this finding. The Levene's test is used to check if there are any differences between them (all 4). In general terms, there are no differences between age groups, platforms or reading patterns regarding their level of trust towards transparency about data collection practices by companies.

3.4.3 Linear regression

Table 3.13: Model 1: Effect of perceived privacy practices on consumer confidence (H10)

Predictor	B	SE	β	t	p-value	95% CI (B)	VIF
(Constant)	1.548	0.326		4.74	< 0.001	0.90 to 2.20	
Perceived Privacy Practices (PPP)	0.644	0.085	0.67	7.54	< 0.001	0.47 to 0.81	1.00

Dependent variable: Consumer Confidence (CC); $N = 72$. $R = 0.670$, $R^2 = 0.448$, adjusted $R^2 = 0.440$, standard error of estimate = 0.633, $F(1, 70) =$

56.89, $p < 0.001$; Durbin–Watson = 2.26; Shapiro–Wilk (residuals) $p = 0.205$.

Regression model equation $CC = 1.548 + 0.644 \times PPP$. Perceived privacy practices have a significant positive effect on consumer confidence ($\beta = 0.67$, $t = 7.54$, $p < 0.001$), so H10 is rejected. An increase by one point for perceived adequacy of protection, privacy options and clarity of explanations corresponds to an increase by 0.644 points towards higher levels of trustworthiness; this model accounts for about 44.8 percent variance among consumers' level of trustworthiness. Residual is close to normality and independence which means that it satisfies these requirements for a good fit between data points on this graph.

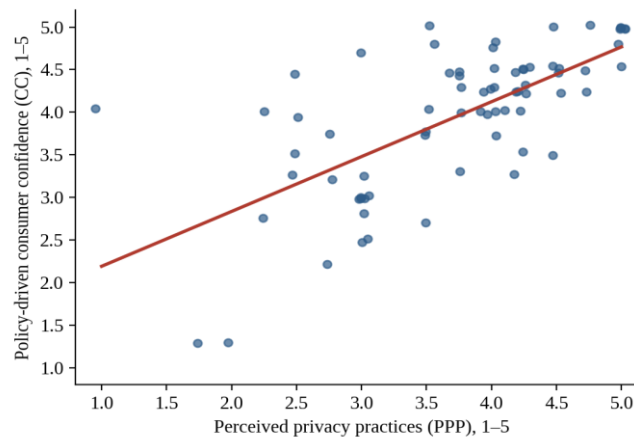


Figure 3.5: Relationship between perceived privacy practices and consumer confidence (with fitted line; points slightly jittered)

Table 3.14: Model 2: Determinants of purchase intention (H11)

Predictor	B	SE	β	t	p-value	95% CI (B)	VIF
(Constant)	0.698	0.404		1.73	0.089	-0.11 to 1.50	
Perceived Privacy Practices (PPP)	-0.067	0.112	-0.06	-0.60	0.553	-0.29 to 0.16	2.09
Consumer Confidence (CC)	0.962	0.114	0.85	8.42	< 0.001	0.73 to 1.19	2.01
Importance of privacy	-0.068	0.060	-0.09	-1.14	0.260	-0.19 to 0.05	1.16

Dependent variable: Purchase Intention (PBI); $N = 72$. $R = 0.808$, $R^2 = 0.653$, adjusted $R^2 = 0.638$, standard error of estimate = 0.575, $F(3, 68) = 42.67$, $p < 0.001$; Durbin–Watson = 1.81; Shapiro–Wilk (residuals) $p < 0.001$.

Statistically significant model that explains 65.3% of the variance for purchase intentions (adjusted $R^2 = 0.638$) leads to rejection of hypothesis H11. However, only consumer confidence is a significant predictor ($B = 0.962$, $\beta = 0.85$, $p < 0.001$): each one-point rise in confidence is associated with almost one point higher intention to buy from and continue using a platform. Perceived privacy practices ($\beta = -0.06$, $p = 0.553$) and importance of privacy ($\beta = -0.09$, $p = 0.260$) are not significant once confidence is controlled. There is an association between perceived privacy practices and purchase intentions ($r = 0.53$, $p < 0.001$); therefore, it shows that confidence acts as a mediator between good privacy practices and buying behavior; however, a formal mediation analysis was not conducted here. There is no multicollinearity issue since all VIF values are less than 2.1 and the residuals are independent (Durbin–Watson = 1.81). Residuals do not follow a normal distribution ($p < 0.001$) since purchase-intent scores are concentrated near the top of the scale; hence these values should be interpreted carefully but still have an impact on this finding due to its significant magnitude.

3.5 Summary of Hypothesis Testing

Table 3.15: Summary of results

No.	Null hypothesis	Test	p-value	Decision
H01	There is no significant association between awareness of privacy policies and having avoided/stopped using a platform.	Chi-square	0.096	Not rejected
H02	There is no significant association between frequency of reading privacy policies and having avoided/stopped using a platform.	Chi-square	0.721	Not rejected
H03	There is no significant association between age group and awareness of privacy policies.	Chi-square	0.026	Rejected
H04	There is no significant association between occupation and awareness of privacy policies.	Chi-square	0.091	Not rejected
H05	There is no significant association between understanding of privacy policies and the belief that privacy policies influence confidence.	Chi-square	0.005	Rejected

No.	Null hypothesis	Test	p-value	Decision
H06	Mean consumer confidence does not differ significantly across age groups.	ANOVA	0.504	Not rejected
H07	Mean consumer confidence does not differ significantly across groups by frequency of reading privacy policies.	ANOVA	0.092	Not rejected
H08	Mean consumer confidence does not differ significantly across the most-used e-commerce platforms.	ANOVA	0.746	Not rejected
H09	Mean purchase intention does not differ significantly across levels of understanding of privacy policies.	ANOVA	0.549	Not rejected
H10	Perceived privacy practices have no significant effect on consumer confidence.	Regression	< 0.001	Rejected
H11	Perceived privacy practices, consumer confidence and importance of privacy have no significant effect on purchase intention.	Regression	< 0.001	Rejected

FINDINGS, SUGGESTIONS AND CONCLUSION

4.1 Findings

1. Privacy Policy Awareness

69.4% of respondents know about e-commerce websites' privacy policies; however, only 37.5% read it regularly while 23.6% rarely or never do so. 48.6% are good at understanding these policies whereas 20.8% have a poor grasp of them or none at all. Awareness varies significantly with age ($\chi^2 = 7.34$, $p = 0.026$): it falls from 84.8% among those aged 18-20 to 50.0% among those aged 24 and above. There is no significant relationship between occupation and knowledge of it.

2. Factors affecting consumer confidence

Respondents agree most strongly that a clear privacy policy raises trust (mean 4.10), that good protection makes them feel safe (4.03) and that regular policy updates improve transparency and trust (3.96).

The lowest-rated statements concern present platform practice: clear explanation of data collection and use (3.64) and sufficient privacy settings and choices (3.68).

3. Policy transparency and consumer trust

Perceived privacy practices have a strong, significant positive effect on consumer confidence ($\beta = 0.67$, $R^2 = 0.448$, $p < 0.001$).

Mean consumer confidence is not different among ages, platforms or reading habits (all ANOVA $p > 0.05$) indicating that there is a high level of awareness about privacy issues across all demographics.

4. Privacy issues and buying choices

Privacy is regarded by 52.8% as extremely/very important while 41.7% have abandoned or stopped using a site due to privacy issues.

Consumer confidence is the dominant predictor of the intention to buy from and continue using a platform ($\beta = 0.85$, $p < 0.001$); the model explains 65.3% of the variation in purchase intention.

This is consistent with previous research which states that privacy policy and practice affects customer confidence and trust, leading to higher likelihood of sharing data and buying intentions. The relatively low ratings for clear explanation of data use are consistent with Bailey et al. (2022), who found that many privacy policies are lengthy and hard to understand.

4.2 Suggestions

5 is asking for suggestions on improving privacy policy. Based on these results we have some recommendations to make hereafter.

Data usage explanation simple words. A clear description of how data collection and utilization was done got an S4 score. The platform must have an easy-to-read brief overview without technical terms on its front page while also providing multiple levels of notice rather than just one big file to read all at once.

Provide clear visibility to users about their data privacy settings. Only 55.6% agree that there are sufficient privacy options available on these sites (S3). One unified privacy management system of consent, cookie tracking and data-sharing needs to be developed by us.

Communicate policy updates clearly. Link between regular updates to transparency and trust (S6). The platform must inform customers about modifications by providing an overview of those that have been made to them.

Show the security safeguards. There is some confidence to protect from unauthorized access and adequacy of security measures (S1, S2). Public declarations regarding security measures and timely reporting of events may enhance confidence.

Improve accessibility of policies. Less than 40 percent of people are familiar with it frequently/always. Summaries, images and questions during data gathering may improve comprehension levels.

Target awareness efforts. The level of awareness was lowest for those over 24 years old (50.0%). Campaigns of awareness from companies and organizations to young people as well as adults are necessary.

4.3 Scope of further research

This research was conducted with a small sample size (72) drawn from convenience sampling where three quarters were students; thus it cannot be generalized to all consumers of Vijayawada. Self-reports of perception were taken for this study so that there would be an association between them instead of a cause-effect relationship. Consumer confidence and purchase intention items are derived from a single survey instrument that is highly correlated. There were some classes that needed merging for Chi-Square test and ANOVA; also, the residuals from a purchase intention model aren't normal. Future studies should have more samples from various ages and occupations across multiple locations for this purpose; also they could be extended beyond current ones through using SEMs models that would help us understand if there is any relationship between consumers' trust levels towards companies' data security measures (privacy) which affects their buying decisions.

4.4 Conclusion

This research is about what affects consumer trust towards online shopping sites located at Vijayawada. While consumers are aware of privacy policy existence, they rarely read it frequently; most also have difficulty understanding their contents. While respondents highly value transparency, regular updates to their policies on how we use our personal information and what rights we have over it; however, they give a low rating for companies' explanations about these issues. Privacy perception has an impact on consumers' trust which then affects their likelihood to buy products/services from that company or website for continued use. Clear policy writing by ecommerce company will help them build customer confidence while also promoting more frequent shopping on site due to better security measures.

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