



Case study on Consumer Attitude Toward Online Shopping

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Abstract. The online shopping industry has been acknowledged as a useful platform for the business provides product and service to the customers. The main purpose of this research is to study and understand the customers' behaviors and what affect their purchase decision. In this study we have design and distribute the questionnaire in major city in China such as Wuhan, Shanghai and Guiyang. The data we collected from our respondents only consisted Chinese as result this study will not be able to interpret customers' behavior in the other region. The data was analysis by descriptive analysis and linear regression method. The result indicated there is a relationship between eWOM, perceived benefit, perceived web quality and trust and overall customers' attitude toward online shopping.

Keywords: Consumer attitude; web quality; online shopping

1 Introduction

The internet users have taken online shopping no longer a strange thing since the number of internet users has exceeded 2.41 billion in 2012. It was roughly 34.3 percent of the total world population in 2014 (IWS Internet world stats, 2014). According to the previous study in 2000, it was reported that over half of American adult using the internet to purchase product or service online at that time (Sefton et al., 2000). Moreover, 79 percent of the non-buyers intend to purchase online in the future (Tahira et al., 2015). The expansion of the internet usage has had wide range of impact on people's lifestyle and business operation, and the sense of the new form of business has been created in the business area such as retailing business so that, the online service and online shopping web site have grown rapidly (Fung et al., 2016). The internet has proved to be a powerful tool for marketing expert to attract customer attention in different cultural orientations (Bandar et al 2014). In China specifically the number of online shopping users has increased from 33.57 million in 2006 to almost 466.7 million in 2016^[1].

In the recent study, the researchers have expected that the online shopping will continue to grow and by understanding more of customer intention, the vendor will have better way to promote their product (Singh, et al 2016). Ecommerce grew 23% year-

over-year and online order increased 8.9% in the 3 quarter of 2016(Tracey Wallace, 2017). The total share of Ecommerce in the global retail sales increased from 7.4% in 2015 to 8.7%in 2016. As estimated, 1.61billion people worldwide purchased goods online in 2016. The most fast growing online market was in Asia pacific, and statistic shows that online retail sales accounted for 12.1% of total retail sales in this region (Statistic, 2017).

To attract customers online is very different from perspective point of view comparing to the traditional retail store in the shopping center, since online shopping has its own unique advantages^[2]. The advantage include easy to access, saving money in terms of time consuming and effort spending during purchasing a products, and easy to access the product information with high level of transparency (Delafröoz et al., 2011). But there are some disadvantages of online shopping. The most well recognized disadvantages are intangible (Mohamed et al., 2015). Many people perceive that shopping online has higher level of risk than that in traditional shopping mall, because the customers lack of capability to examine the product directly especially when most of transition is based on trust, eWOM and web site quality in terms of customers feedback and follow-up service (Forsythe et al., 2010; AL-Maghrabi et al., 2011; Hsiao et al., 2010). Therefore, the process of trust establishment and customers awareness is highly challenging but important in forming consumers attitudes towards online shopping in developing counties where majority of consumers are very hesitate to take any risk (Lee et al., 2010; Ai-Debei et al., 2014).

One of the incentives affecting the customers to make online purchase decision is electronic word of mouth (eWOM) since it can give more accurate information regarding the products (Henning et al., 2004; Chevalier et al., 2006). In the organization point of view, it is very challenging for the firms to operate damage control since customers can access and obtain information from various sources (Lee et al., 2006; Rathford et al., 2001; Tseng et al., 2013).

In this paper, we will firstly look through the variables of the trust and attitude regarding the quality of the web site which affects customer's decision process. Secondly, the model is developed to understand and extract the data. Thirdly, the questionnaire will be made to collect and analysis the data and finally the conclusion will be made.

2 Literature Review

2.1 Perceived Web Quality

Since the beginning of the development of online web site the notion of perceived web quality has been analyzed from different layers. The initial efforts focused on the quality of e-commerce. The WebQual 4.0 Scale has specified three categories of the quality which are: information quality, usability and service interaction quality (Yoo et al., 2001). On the other hand some researchers proposed five dimensions of the quality: design, usability, information, trust and empathy (Barnes et al., 2002). In fact, there are four factors influencing web site quality, which are information and service quality, playfulness, system use, and system design (Liu et al., 2000). Also the WebQualTM scale include 36 items and 12 dimensions: interactivity; trust; informational fit to task;

response time; design appeal; intuitiveness; visual appeal; flow; innovativeness; integrated communication; substitutability and the business process (Loiancono et al., 2002).

All the features and definitions above can be seen as the analysis of consumer perceptions of the web site's features which fit to their needs and requirements (Hsiao et al., 2010). The previous studies indicated there is a positive relationship between the perception of an individual consumer and the quality of web sites. The higher quality of the web sites of online shopping perceived by consumer, the more the individual spending time and money on it. (Liao et al., 2006; Bai et al., 2008; Al-Maghrabi et al., 2011) Therefore, in our study, we can put these perceptions into the following form in terms of: convenience, cost reduction and time saving.

2.2 eWOM

To increase sales, company brand images eWOM as a direct form of reviewing the product quality and affecting the customers attitudes and purchase behavior so that it has been given more and more attention^[3]. In many previous studies we can see that the customers give more creditability to the comments regarding to the quality of the product online rather than the information provided by the companies themselves (AC-Nilsen et al., 2008; eMaketer, 2014). For many online customers, the eWOM is one of the most important factors affecting their purchase decisions, and positive review will lead to positive buy (Xia et al., 2009; Moon et al., 2010). As results, more and more online customers would seek to post and look for such information which puts a great challenge for the vendor to keep the positive review (Jalivand et al., 2012; Chevalier et al., 2006). The research suggests it is an effective way to reduce the risk and uncertainty in online shopping area through establishing trust between the vendor and the customers online (Ha et al., 2004; Wang et al., 2009).

2.3 Perceived Benefits

In the early stage of the research, researchers identified perceived benefits as developed comprehensive way to establish brand loyalty in terms of customers behavior. It consists four stages such as: cognitive, affective, cognitive and action (Oliver et al., 1997; Dick et al., 1994; Jacoby et al., 1978). However several VC researchers conducted some studies using U&G approach showing that online consumers achieved the benefits through various online communities and online participation (Chen et al., 2013; Schau et al., 2009).

In terms of online shopping the customers perceive the benefits in terms of convenience and time saving. The study shows that even if the customers only do window shopping online the quality and the feeling with less pressure will enhance their motivation of purchase online (Kim et al., 2004; Zhou et al., 2007). As results, it is important for the vendor to create a positive environment for the customers in order to help customers shaping a favorable attitude toward online shopping experience (Kim et al., 2008; Delafrooz et al., 2011; Liu et al., 2012).

2.4 Trust

With regard to the concept of trust, there are many different perspectives, but the bottom line was always about the risk taking (Johnson-George and Swap, 1982; Mayer et al., 1995). In the previous research, when the level of trust is going down and the various actions has been recorded by the subject such as betrayal, violation and feeling of revenge would have been developed (Morrison and Robinson, 1997). In the aspect of online shopping, the customers always expect that the vendors provide what has been promised (Gefen et al., 2003; Ganesan, 1994). Despite the various definitions, trust is the foundation of online shopping environment due to its unique feature (Van der Heijden et al., 2003). About e-commerce, the research shows there is a positive relationship between trust and positive attitude toward online shopping web site (Gefen and Straub, 2003; Gefen et al., 2003; Wang and Emurian, 2005; Hassanein and Head. 2007; Lin, 2011; Limbu et al., 2012).

2.5 Attitudes Towards Online Shopping

Attitude, by definition, can be defined in two types which are attitude toward objects and attitude toward behaviors (Peter et al., 2010). The favorable behavior for a person to make purchase decision can often perceive as the benefit received from the different variables^[4]. One of the examples was that many customers perceive online shopping environment as much more relaxing. The sales person in the physical store would make customers generate the feeling of obligation to purchase the expensive items although the customers perceived the item as less cost effective (Liu et al., 2013). The previous research also shows that there is a positive relationship among online vendor; marketing and advertising when the online environment was consider less time consuming and cost saving for the customers (Grazioli et al., 2000; Cho et al., 2004).

3 Theoretical Framework

The Theory of Panned Behavior also known as TPB model, was firstly introduced by Ajzen in 1991, which was an extension of the theory of reasoned action (Ajzen and Fishbein, 1980). TPB has been used to predict a variety of intentions and behaviors of the online shoppers^[5]. Researchers suggested that the past behavior of peoples often give better explanation of this individual contemporary behavioral responses and be used to predict their behavior in the future, so it is concluded as “past behavior can be used to test the sufficiency of any model” (Ajzen et al., 1988). The basic concept of TPB is to understand the attitude of the individual and try to analyze their response.

In this study the aim is to predict attitudes of online users toward online shopping^[6]. Attitude can be perceived as consequences of performing a behavior (Kim et al., 2010; AI-Debei et al., 2013). The previous study clearly identified customers purchase decision as their inner beliefs so as to, act accordingly towards there behaviors and attitudes (AI-lozi et al., 2011).

Our studies will take 4 variables which affect shopping behaviors of online customers such as, trust, eWOM, Perceived benefits, and Perceived Web Quality, and find how

these variables affecting the online customer's attitudes and behaviors. The study model shows as following.

4 Conclusion

This research has been developed to test the different variable affecting the Chinese online customers' behavior using customers' attitude towards online shopping as indicator. The dependent measurement include eWOM, Trust, perceived benefit and perceived web quality. As the hypothesis result indicate all the variable above affecting the overall customers' attitude towards online shopping, which is different from the previous study that only perceive benefit and trust affecting the overall customers satisfaction. However due to different target group between the two study we will not outline the significant difference between customers in Jordan and China. In this research we identify perceived benefit is the most influence variable affecting the customers attitudes since most of the customers seen there is greater benefit of shopping online compare to visit to the traditional retail store. But other factor also shows important roles affecting the customers' attitudes.

5 Recommendation

As this research indicated online vendor should examine the above important variable during the strategies planning which affects the customers' attitudes toward their shopping web site. To increase customers attention and trust the online vendor should carefully monitoring the commend online which most of the customers will see it as a indicator to make their purchase decision, also it will affect the basic trust level for the online customers. For perceived benefit and perceived web quality, online vendor should make the online shopping web site easier to access and minimize the process also the proper web site design is important to let customers have a pleasant online shopping experience and it will increase the web site reputation. Lastly, the payment and credit card security are one of the most important issues that customers worry about when they process to the final step and make the transaction. As online vendor it is highly recommended to using credit system to resolve this issue.

6 Future Study

This research studied the different variable Trust, perceived benefit and perceived web quality related to the customer's online attitudes. For the future study, other factor such as online advertisement and service quality will be collect and examine the relationship which affects the customers' attitudes.

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