

Customer's Behavior on Intention to Purchase on Online Shopping in Vietnam

Tran Anh Vu^{1,*}, Doan Minh Thang², Doan Thi Mai³

¹International School - Thai Nguyen University

²National Academy of Public Administration.

³Thai Nguyen University of Agriculture and Forestry

*Corresponding author: trananhvu.49@gmail.com

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Abstract In recent years, Vietnam business developed very fast e-commerce transactions to provide new business method attracting customer come to online shopping. E-commerce supply convenience services to customer through many effective transactions, its support customer gain many benefit such as: reduce time shopping, easy choose interesting product with suit price and so on. With the aim to developed e-commerce and increase customer buy products from online shopping, e-commerce is becoming more important for business to perform business strategies. The purpose of this study is to identify some key factor impacting customer purchase intention of e-commerce in B2C context in Vietnam. This study proposed three main factors are: Service quality, information quality and interface design quality to predict customer's purchase intention. Questionnaires were distributed to customers, sellers who already bought and sell products through online shopping. The findings confirm that service quality, information quality and interface design quality has positive affects to purchase intention. Beside that, this study finds that the website design quality is a more important than information quality and system quality in determining customers' purchase intention. According to the findings of this study, Vietnam online businesses should focus more on the e-commerce website interface design to improve customer purchase intention.

Keywords: *E-commerce, technology acceptance model (TAM), information system success model, information quality, service quality, interface design quality, perceived usefulness of purchasing online, perceived ease of purchasing online, behavioral intention to purchase online*

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1. Introduction

According to Chaudhury & Kuiboer [1], e-commerce has been making significant contributions to reduction in costs of doing business, improved products/services quality, new customer and supplier penetration, and generation of new ways or channels for product distributions. Such benefits can be realized in not only large enterprises but also small and medium enterprises (Huff et al., 2000).

Kotler [2] claimed that understanding consumers has become the focus of attention in the business due to the fact that the prosperity of companies is heavily dependent on satisfying customers and keeping them loyal. In online marketing, the consumer will grants permission and controls the interaction. Butler and Peppard (1998) stated that the heart of marketing management is to understand consumer psychology, irrespective of whether one is dealing with the cyber world or the physical world. Rossiter and Percy (1998) showed that for tourism and hospitality marketers to successfully communicate with their customers and, ultimately, to implement effective

online marketing activities, they need to study the behavior of consumers. They concluded that marketing of goods and services in the cyber market may be different from dealing with traditional markets. It demands a good understanding of consumer behavior, as well insight into how pioneering technologies challenge the conventional concepts behind existing theories and models.

According to Zwass [3], E-commerce is sharing business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks. Laundon, K.C, (2014) stated that exchange of value is key for understanding the scope of e-commerce as without any exchange in value no commerce occurs.

According to Vietnam e-commerce report [4], according to aspect of Employees specialized in e-commerce: Due to the change in technology, the trend of specialized e-commerce staff gradually not specialized in information technology. Therefore, from 2016 only focus on labor survey on e-commerce. As a result, 34% of enterprises surveyed said they had ecommerce labors. Large enterprises have a higher percentage of employees working on e-commerce than SMEs.

According to this report, about enterprises website, 45% of surveyed enterprises said that they have built websites, this percentage has not changed much compared to previous years.

This report showed that, enterprises take part in e-commerce platform as following: in 2016, 13% of enterprises participate in business survey on the e-commerce floor. This rate is almost unchanged from the year 2015.

This study was conducted:

1. To identify the demographic profile of Customer in terms of:

1.1. Gender

1.2. Age

1.3. Income

2. To determine the behavior intention to purchase on on-line shopping

3. To know significant relation of the customers demographic profile in to customers behavior intention to purchase on on-line shopping

4. To know significant difference between the customers behavior intention to purchase which they are group according to demographic profile.

Significance of the study that are benefits from this study as researchers, consumers, website managers.

With the aim to construct new model with factors have important role for performing e-commerce transactions in Vietnam go to success.

This study already showed a new model with important factors contribute for Vietnam enterprises have true vision about e-commerce market at Vietnam. From there, Vietnam enterprises will have correct and long-term strategies to develop business activities in online business field.

This paper is written with four main parts. The next section will mention to research methodology used to implement this research. Then the results and discussions will be reported after analyzing the data collected.

Conclusions and some recommendations will be given at the end of the paper.

2. Research Methodology

The research approach of this study was author chooses is quantitative method.

According to Creswell (2003), quantitative approach is one type of research, in which the investigator primarily uses post positivist claims for developing knowledge (i.e. cause and effect thinking, reduction to specific variables and hypotheses and questions, use of instrument and observation, and the test of theories), employs strategies of inquiry such as experiments and surveys and collects data on predetermined instruments that yield statistical data. Quantitative research is frequently referred to as hypothesis-testing research. Studies begin with statements of theory from which research hypotheses are derived. Then an experimental design is established in which the variables in question (the dependent variables) are measured while controlling for the effects of selected independent variables. Subject included in the study are selected at random is desirable to reduce error and to cancel bias. The sample of subjects is drawn to reflect the population (Newman and Benz 1998).

2.1. Research Design and Framework

Model of this study was developing based on TAM model with six factors are: Website Service Quality (WSQ), Website information Quality (WIQ), Website interface quality (IQ), Perceived Usefulness of purchasing online (PU), Perceived Ease of purchasing online (PE) and Behavioral Intention to purchase online (BI). Research model showed relationship between factors through hypotheses as figure following:

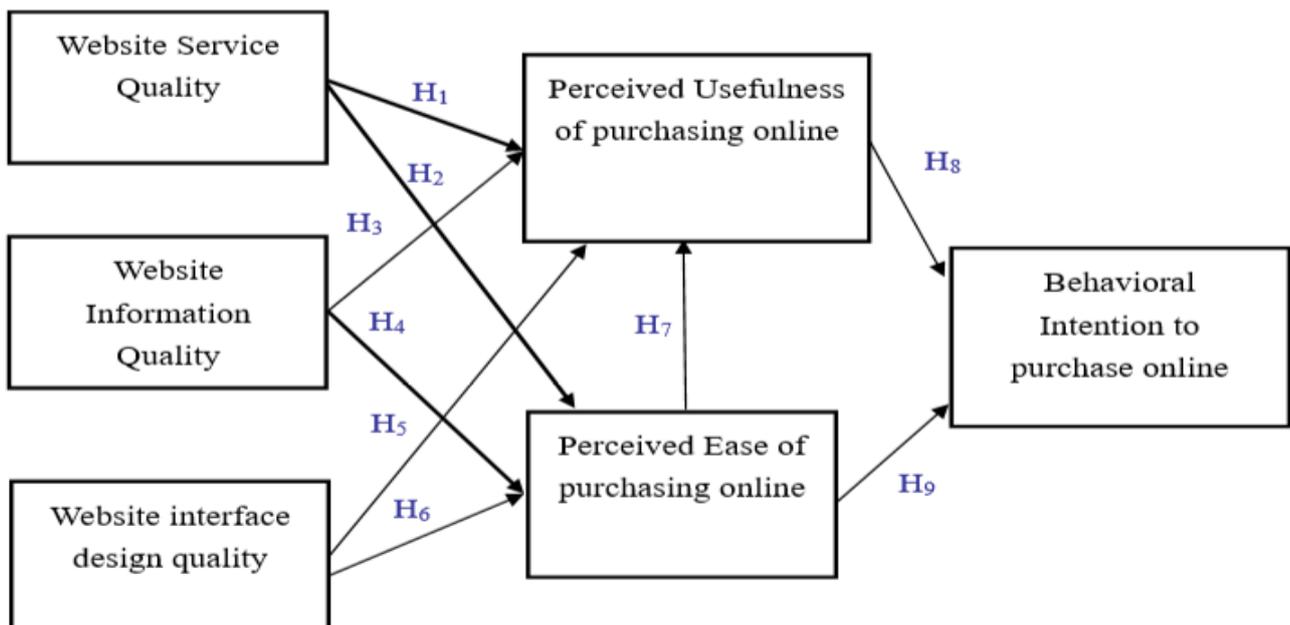


Figure 1. Research framework (Created by the author for this study)

2.2. Research Hypotheses

Leedy et. al (2001) claimed that hypotheses are constantly generated in the human mind as we work to understand day-to-day phenomena. By formulating a series of reasonable guesses of cause and effect we are able to understand and explore the events in our surrounding environment. A hypothesis is important because it guides the research. In this study, to examine the success of research model author was developing 9 hypotheses as following:

H₁: There is a positive relationship between Web Service Quality and Perceived Usefulness of purchasing online

H₂: There is a positive relationship between Web Service Quality and Perceived Ease of purchasing online

H₃: There is a positive relationship between Web Information Quality and Perceived Usefulness of purchasing online

H₄: There is a positive relationship between Web Information Quality and Perceived Ease of purchasing online

H₅: There is a positive relationship between Web Interface Quality and Perceived Usefulness of purchasing online

H₆: There is a positive relationship between Web Interface Quality and Perceived Ease of purchasing online

H₇: There is a positive relationship between Perceived Ease of Use and Perceived Usefulness of purchasing online

H₈: There is a positive relationship between Perceived Ease of Use and Behavioral Intention to purchase online

H₉: There is a positive relationship between Perceived Usefulness and Behavioral Intention to purchase online

A pilot survey was executed before conducting the main survey. The purpose of the pilot survey was to examine variables and constructs of study reliability or validity. The survey was sending questionnaires to respondent through email. The estimated size is 175 peoples. E-mail message was sent to the personal to invite him (her) to take the survey. The message contained a brief description of the study objectives and asked them to participate in the survey by accessing the online survey by Google Docs Survey Tool or by sending questionnaire directly. A reminder e-mail message or a phone call was sent after one week from sending the first one.

The questionnaire concentrates to survey object such as e-commerce business manager, e-seller and e-customer in Hanoi, Danang, Ho Chi Minh city in October and December 2017. Questionnaires include 39 questions divide into two parts: Part 1: General information on the subjects of the survey: includes 6 questions containing basic information about the participants.

Part 2: The information related to Online B2C including 33 questions was designed as 7 point Likert-type scale where (1 = Strongly disagree; 2 = Disagree; 3 = Somewhat disagree; 4 = Neutral; 5 = Somewhat agree; 6 = Agree, and 7 = Strongly Agree).

Reliability refers to the extent to which a scale produces consistent results, if the measurements are repeated a number of times. The analysis on reliability is called reliability analysis. Reliability analysis is determined by obtaining the proportion of systematic variation in a scale, which can be done by determining the association between the scores obtained from different administrations of the scale. Thus, if the association in reliability analysis is high, the scale yields consistent results and is therefore reliable. In this study, author used reliability test of the items for

measuring the constructs, to ensure that the measurement scale we designed for our questionnaire are highly representative of each variable, the Cronbach's α is used.

Validity implies precise and exact results acquired from the data collected. In technical terms, a measure can lead to a proper and correct conclusion and result from a sample that can be taken as a valid conclusion about the population. In this study, author was apply pilot test for evaluate validity of variables and constructs before perform survey widely with larger participants in some difference area. In this study, after pilot survey, author run SPSS statistic to test variables and construct validity, all items in study are valid.

3. Results and Discussions

The survey of research was conducted on the group objects are: customers, sales and enterprise managers. The survey information includes: Gender, Age, and Experience in visit e-commerce website, experience shopping online. The specific parameters are shown in the following table:

Table 1. Characteristics of Sample Demographics

Measure	Item	Frequency	Percentage
Nationality	Vietnamese	175	100
Gender	Male	143	81.7
	Female	32	18.3
Age	Under 20	41	23.4
	From 20 to 30	83	47.4
	From 30 to 50	44	25.1
	Over 50	7	4.0
How often do you visit website	1 time/week	11	6.3
	1-2 times/week	164	93.7
Have you ever bought products or services from this web site	Never	15	8.6
	some times	25	14.3
	Usually bought	52	29.7
	Always	83	47.4

This method is used to examine and analysis different components will be implemented through variables. There, I used this method to examine the experience shopping online of respondents. Results as following table:

Table 2. T-test analysis

Factors/Items	Your gender	Number	Mean	Std. Deviation	t-value	p-value
Web Service Quality	Male	143	5.1968	1.31334	-.641	.004
	Female	32	5.3527	.85559	-.834	
Web information quality	Male	143	5.1219	1.27538	-.690	.000
	Female	32	5.2813	.57543	-1.081	
Interface Quality	Male	143	5.6731	1.01885	.244	.593
	Female	32	5.6250	.95883	.253	
Perceived ease of use	Male	143	5.2629	1.11315	2.140	.030
	Female	32	4.8250	.66186	2.929	
Perceived Usefulness of purchasing online	Male	143	5.8660	.97610	1.618	.042
	Female	32	5.5729	.65163	2.076	
Behavioral Intention to purchase online	Male	143	5.0122	1.46446	.453	.000
	Female	32	4.8906	.83988	-.641	

Table 3. ANOVA Test analysis

Factors/Items	F	p- value
Web Service Quality	6.764	0.000
Web information quality	19.327	0.000
Interface Quality	7.264	0.003
Perceived ease of use	12.226	0.000
Perceived Usefulness of purchasing online	12.579	0.000
Behavioral Intention to purchase online	5.955	0.001

From the result shown above, at significant level of 0.05, we can see that when samples show differences in frequency of examine the experience shopping online of respondents, then they tend to have different reaction to the variables, including: Web Service Quality, Web information quality, Interface Quality, Perceived ease of use, Perceived Usefulness of purchasing online, Behavioral Intention to purchase online.

Objective of this study is determines factors has affect to customer behavioral intention purchase online shopping of e-commerce system. Author already studied and developed TAM model with six factors are: Web Service Quality, Web information quality, Interface Quality, Perceived ease of use, Perceived Usefulness of purchasing online, Behavioral Intention to purchase online. After designed research model, author continuous design questionnaires, perform pilot survey, redesign questionnaires and conduct survey on participants, gathering data and analysis by SPSS software. After analysis data and testing research model, we can see most of factors in research model gain support, that mean the research model was success.

4. Conclusions and Recommendations

Through the survey results from real situation of Vietnam e-business, author analyzes and indicate the importance of factors used in model, these are: Web Service Quality, Web information quality, Interface Quality, Perceived ease of use, Perceived Usefulness of purchasing online, Behavioral Intention to purchase online. Research also showed that to develop e-business activities towards the consumer, e-business enterprises needs to focus on the following points:

1- Develop e-commerce website service quality must be sufficient to provide utility services to customers, so customer can easy choose products, save time, save costs and choose the right product with desired quality.

2 - Focus on the e-commerce information quality of e-commerce website, the information must be complete, accurate, reliable and highly focused on providing the necessary information for customer reference, selection products rather than one-dimensional information from suppliers.

3 - Special attention to the interface quality of e-commerce website: interface must be friendly, simple, easy to use, has many optional and utilities to customers, so customer can easily use in shopping destination.

Besides that, research also issues some matter that managers whose provide e-commerce website concern

that attention to the tastes of customers, supplies services and product suitable with gender, age, economic conditions and regions.

This study helps to author and business managers of electronic commerce services have good look on the demand of in online shopping. It is great support for enterprises to adjust their business strategies to meet the maximum demand customers according to the concept "customer is king"

Research also indicates the existence of the enterprise in business process through the survey results from customers, such results can support author advise managers, administrators e-commerce system to review service quality, information quality and Web interfaces to provide to customers the best choice when they shopping online.

Through research, author would like to recommend enterprise supply e-commerce system if they want succeed, they must truly understand all demand of customers, purchasing ability of consumers and customers' desire for convenient services by electronic commerce will bring.

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