



Factors Influences People Behaviors in Online Shopping: A Conceptual Model

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Abstract

Online shopping is became famous e-commerce activities in internet era today. People believe that online shopping is making them easier to buy something. However in some developing countries like Indonesia on line shopping is still became new activities. There is a need investigation to clear understand what factors influences people in perform online shopping. Base on literature review, this paper propose a conceptual model to understand factors that could potentially influences people behaviors in perform online shopping. The model was developing under Theory Planed of Behaviors (TPB) and considers two others important element such as trust and people's experience in online shopping. The model was consist of six hypotheses that describes relationship between factors that potentially influences people behavior in perform online shopping activities.

Keyword: Online Shopping, E-commerce, Theory Planed of Behaviors, Indonesia

Introduction

The fast growing of Information technology has bring a new era for business strategy. Companies are encourages to deal with this situation and made an appropriate respond to win the competition. In this environment, company could take opportunity and develop their best approve in online business. Develop and implement E-commerce technology could become the right strategy for business today. E-Commerce enables the people to buying and or in receipt of data, information, product and also services online using web technologies that and associate with internet (Chiu *et al.*, 2014; O. Pappas *et al.*, 2014; Pavlou and Fygenson, 2006). Scholars believe that E-commerce today, in fact has create the new culture for customer in perform their business activities. E-Commerce has been recognize as powerful tool in conducting business, E-commerce has defines as a set of technology that is developed to support online transaction between the vendors to their customer or between vendors to their business network (Pavlou and Fygenson, 2006). In E-Commerce there three general element that could be consume by customers such as information, products and services

E-Commerce have become popular today, there are a numerous increase number of e-commerce transaction time by time. E-commerce is the most potential business activities all around the world. Although E-Commerce has become popular and entered business activities in many years, however in developing countries like Indonesia, in fact, people that participate in online business transaction are relative still few if it compares by others countries. The excellent quality of E-commerce is nothing without customer participation in the technology. It is important for companies to not only develop the right technology for E-Commerce but also to develop the right strategies that encourage customer adopt the



technology. Our wide-ranging literature review activities found that not many research have focus related on the e-commerce factors, which influence the success of customer's online shopping behaviour in Indonesia. Most of the literature about electronic commerce in Indonesia is more concern on E-Commerce applications development in technical aspects. There is a need an extensive study to have rich understanding of Indonesia customer behaviour related with online shopping.

The purpose of this article is to explore the potential factors that related with people behavior in perform online shopping. In conducting this study we review and analysis papers with relevant topic from various reputable database journals. Based on our literature review on articles relevant to online shopping and commerce adoption, we propose the research model and develop hypotheses. The result of this study is a conceptual model that could apply to examine Indonesia customer behaviour in adopts online shopping activities.

Theoretical Background

Technology Adoption

E-Commerce has been developing under Internet technology, in fact, internet technology adoption in many developing countries still face a problem. There is need more extensive study in developing countries to understand the phenomenon of technology adoption as well as internet and e-commerce adoption. Technology adoption is a mature field in IS research. Many strong theories have been shaped and applied in technology acceptance research. However, studies applying these theories have successfully identified factors that have significantly contributed in technology acceptance. Moreover, the findings enriched the understanding about people behaviors in acceptance the technology. The theories in technology adoption that have been produced are: UTAT (Unified Theory of acceptance and use of Technology), TAM (Technology Acceptance Model), TPB (Theory Plan of Behavior) and TRA (theory of Reason Action) (Ajzen and Fishbein, 1980; Davis *et al.*, 1989; Venkatesh and Davis, 2000). One of famous theory in technology adoption is TPB.

Theory Planed of Behavior

TPB is a well-established universal social psychology theory, which stresses that specific relevant beliefs influence behavioural intentions and following behaviour (Ajzen, 1991). The TPB was enrich from TRA (the theory of reasoned action) (Ajzen, 1985) to interpretation for circumstances where people do not have full control over the condition (Madden *et al.*, 1992). TPB suggested that behavioral intentions determines the people behavior in which behavioral intentions are a function of an people's attitude towards subjective standards and the behavior surrounding the act of the behavior, and the people's insight of the comfort with which the behavior can be performed (behavioral control). A person's negative or positive mental state about executing a behavior is described as an attitude toward the behavior. It is determined via an examination of one's views with respect to the consequences ascending from a conduct and an assessment of the attractiveness of these

consequences. The general attitude can formally be examined as desirability evaluation for all likely consequences of the behavior multiplied by the sum of the individual consequence. Whereas, subjective norm is demarcated as an individual understands of people who are important to the individual towards their behavior. The impact of the belief of a particular referent is weighted by the drive that an individual has to adhere to according to the desires of that referent. Therefore, overall subjective norm can be stated as motivation assessments for all related referents x the sum of the individual perception. Behavioral control is described as a person's insight of the difficulty of performing a behavior. The control the people holds upon their behavior viewed by TPB as depends on a continuum of actions that are effortlessly performed to those needing a substantial exertion, resources, etc. Though, Ajzen has proposed that the connection amid behavioral control and behavior delineated in the model should be between actual behavioral control and behavior instead of perceived behavioral control, thus the use of perceived control as a substitution is a result of the difficulty of evaluating actual control

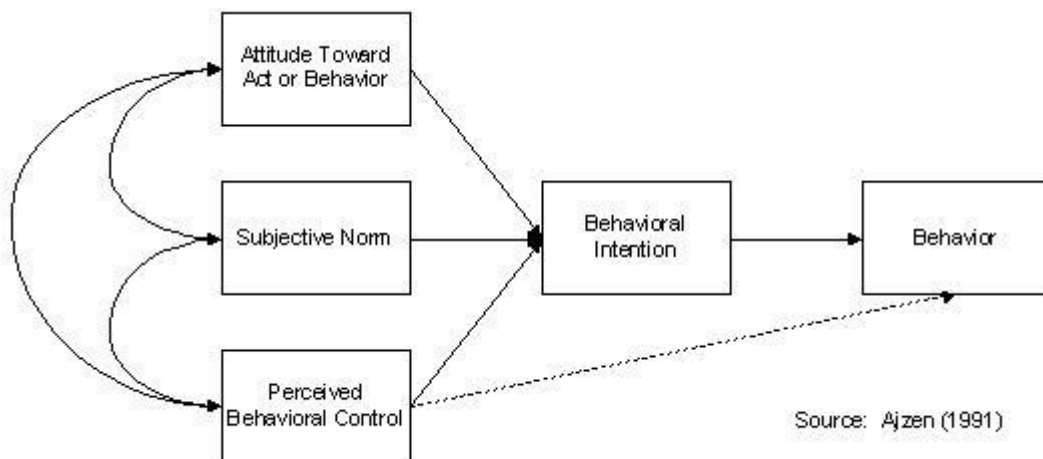


Figure 1. Theory Planed of Behavior

This study discuss online shopping adoption by employing the key constructs of TPB, such as attitude, subjective norm, and perceived behavioural control, in addition to the understand role of trust and online shopping experiences in people behavior. The goal of this research is to address the following important questions: What factors influences people to perform online shopping? By design a conceptual model.

Dimension of Trust

Most previous research in e-commerce area use a unidimensional approach to conceptualise the trust variable (Gefen, 2000; Gefen and Straub, 2004). Some researchers, applied the multidimensional approach to produce advanced understanding of trust in customer online shopping behaviour (Gefen, 2000; Gefen and Straub, 2004). Like trusting, trust perception is a perceptual variable; both variables form a part of the customer mind set. Customer perception of being trusted is related to felt trust. Felt trust is defined as the degree to which an individual believes that another party trusts him/her. Pavlou and Fyngenson (2006) were conducting a study in people behaviour in e-commerce. They apply

TPB as basis theory to understand people behaviour; TPB was enriched by element of Trust. They found that trust is important variable in e-commerce technology adoption.

Dimension of Online Shopping Experiences

Experience is defines as customers' perceptions related with their hopes from online vendors. Liang and Huang (1998) in their study found that more extensive customer have experienced are more likely they would continue to perform shopping. Another study by Teo and Liu (2007) investigated how customer satisfaction affects customer online shopping behaviour. Positive previous shopping experiences and satisfaction that arises from them may increase customers' positive belief and attitude. Relevant research by Zhou et al. (2004) indicates that successful online shopping experience would influences customers' intention to perform next online purchasing activities. Exactly, positive customers experience could increase customer satisfaction with online shopping and to an increased total of their completed purchases. However, Dholakia and Zhao (2009) reveal that it is difficult to satisfy every customer experienced, because during the process they have acquired more information. It is very important for the vendor to provide positive online shopping experience because positive experience would increase hedonics value of customer and as result increase vendor performance (Chiu *et al.*, 2014; Huang *et al.*, 2010; Liang and Huang, 1998; Pentina *et al.*, 2011; Teo and Liu, 2007; Zhao and Roy Dholakia, 2009; Zhou, 2004).

Conceptual Model and Research Hypotheses.

Previous literature review shows that behaviours of customer in online shopping would influence with their attitude, subjective norm and their perceived of behaviours control. More over most of scholars believe there are two more crucial factors to be considers when we would like to have advance understanding of customers behaviours in online shopping such as trust and experience constructs. In accommodate our literature finding we conceptualize our research model as follows. The research model links trust, online shopping experience, attitude, social norm, perceived behaviour control, and intention to shopping online with online shopping, as shown in Fig. 1. The research model propose that customer people behaviour in online shopping influences by customer intention, attitude, social norm their perceived behaviour control, trust and online shopping experiences.

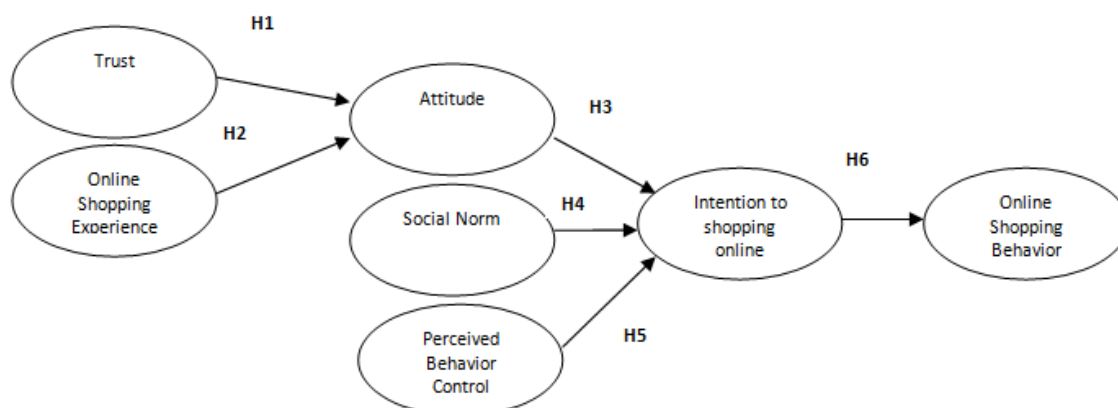


Figure 2. Conceptual Model

Our interpretation of research model is describes in our hypotheses. Hypotheses were developing based on the conceptual model that relates with the customer behaviour in online shopping and propose as follows:

H1: *Trust is positively related to customer behaviour on online shopping.*

H2: *Online Shopping experiences is positively related to customer behaviour on online shopping*

H3: *Attitude positively related to customer behaviour on online shopping.*

H4: *Social Norm positively related to customer behaviour on online shopping.*

H5: *Perceived Behavior Control positively related to customer behaviour on online shopping.*

H6: *Customer intention to online shopping positively related to customer behaviour on online shopping.*

After develop hypotheses, we do define our variable in our research model. The definitions of variable that use in this study is adopt from others relevant research in TPB and e-commerce topic. Our definition of each construct are describes at table 1 bellow.

Table 1. Variables of Conceptual Model

Variable	Definition	Modified From
Trust	In online shopping, trust is defined as the buyer's belief that the e-vendor is behaving ethically	Paul A. Pavlou and Mendel Fyngenson (2006)
Online Shopping Experiences	Experience is considered important in forming customers' perceptions, regarding their expectations from online retailers.	Ciu et al (2014);
Attitude	attitudinal belief refers to an individual's confidence that online shopping represents speedier and more convenient transactions.	(George, 2004) , Ajzen (1991)
Subjective Norm	The normative belief refers to an individual's perception of the use online shopping by friends or colleagues.	Ajzen (1991) George ,(2004)
Perceive Behavior Control	Perceived behavioral control refers to belief of the individual concerning control	Ajzen (1991) , George (2004)



	weighted (cbk) by the perceived facility (pfk), that is, of the efficacy of the control factor in either inhibiting or facilitating the behavior. Control beliefs reflect the perceived difficulty (or ease) with which the behavior may be effected (Ajzen, 1991).	
Intention to Online Shopping	Behavioral intentions are motivational factors that capture how hard people are willing to try to perform a behavior	Ajzen (1991), George (2004)

Each of variables in the conceptual model would measure by some indicators. We develop indicators base on literature review finding to make sure the indicators would measure the right construct. Detail indicators for each variable are describe in table 2.

Table 2. Indicators of Each Variable

Variable	Indicators	Modified From
1. Trust	1.1 This Web vendor would be competent in delivering this product in a timely fashion: 1.2 For me, product delivery in a timely fashion is: 1.3 This Web vendor would be honest in its dealings when I purchase this product from it: (1.4 For me, a Web vendor that is honest in its dealings with its customers is: 1.5 This Web vendor would not seek to take advantage of me if I purchase this product from it: 1.6 For me, a Web vendor that does not seek to take advantage of its customers is:	Pavlou and Fyngenson (2006)
2. Online Shopping Experiences	2.1 Based on my online shopping experience, I know that online shops are honest 2.2 Based on my experience with online shop, I know they	Ciu et al (2014);





	are not opportunistic 2.3 Based on my experience with online shops, I know they keep their promises to customers	
3. Attitude	3.1 Buying thing over internet is good idea 3.2 Using internet to buy thing is a pleasant 3.3 I like do online shopping	George (2004), Ajzen (1991)
4. Subjective Norm	4.1 Most people who are important to me think that it is fine to purchase a product from this Web vendor within the next 30 days 4.2 Most people who are important to me would purchase this product from this Web vendor: 4.3 People who are influences my behavior would like to thing that I should buy thing over the internet	Ajzen (1991) George ,(2004)
5. Perceive Behavior Control	5.1 I am Capable buying anything in the internet 5.2 Buying thing over internet is entirely within my control 5.3 I have the resources and the knowledge and the ability to buy thing over internet	Ajzen (1991) , George (2004)
6. Intention to Online Shopping	6.1 I intend to purchase this product from this website within the next 30 days. 6.2 I plan to purchase this product from this website within the next 30 days. 6.3 I will regularly use online shops in the future 6.4 I intend to continue online shopping in the future	Ajzen (1991) ,George (2004)

Conclusion

E-Commerce is great opportunity for Indonesia business. There is a fact that number of online transaction growth every year. To deliver success in online business both vendor and government should have advanced understanding on customer behavior in perform online shopping. The model develop in this research have opportunities to apply in understand





customer perception in online shopping. Our next agenda is to conduct survey and get data from online shopping customer in Indonesia and analysis the data and reveals finding.

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