

# ONLINE SHOPPING PERCEPTION AMONG MALAYSIAN PROFESSIONALS

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## Abstract

E-commerce has been emerging over the past two decades due to the advancement of Internet and information technology. The current trend of online shopping among Internet users are becoming more significant, especially among the young agers and professionals. This is due to convenience and beneficial perception towards online shopping. The working professionals are identified as frequent online shoppers thus providing an opportunity to understand their perception towards online shopping. The understanding on the perception on online buyers can provide marketer a guide to strategise their marketing advantage. Therefore, the objective of this study is to understand the online shopping demography and to get meaningful insight on how they perceive online shopping which later shape their online shopping orientation. A sample of 1202 of polytechnic college's academicians were asked for input and descriptive analysis was done to investigate factors that characterised their online shopping orientation. Based on the results, the study has shown several significant findings. It is found that there are three factors that have an effect on online shopping orientation namely information search, religion commitment and religion concern. The findings consequently will stipulate the understanding on how professionals in Malaysia distinguish online shopping and what have modelled their orientation and perception towards e-commerce.

*Keywords: online shopping, shopping orientation, shopping perception, descriptive analysis*

## 1.0 Introduction

The trend on online shopping among buyers has improved significantly in these two decades. The convenience and easiness of online shopping has caused buyers to purchase their preferred product online. As the world is becoming a global marketplace due to the advancement of online shopping, it is important to understand how consumers perceive the current buying trend and what have influenced their buying behaviour. In general, when it is compared to traditional method of shopping where the consumers consider their available options via physical contacts, online shopping modus requires the potential shoppers to evaluate their available options of goods by means of visual images and reviews from websites on the internet without actual physical contact or reference. The easiness of online shopping has created interest among researchers on how the online shoppers' behaviour being shaped by the shopping trend. It is important to acquire comprehensive understanding on the behaviour of online shoppers as there is paucity of information and evidence on how online shoppers react and respond to any available options they have electronically.

The emergent of electronic commerce has encouraged a swift growth in online retailing globally (Wu, 2013). Forrester Research reported that online purchases in the United States of

America will multiply to USD250 billion by year 2014 and exhibit an 8-10% steady growth annually. This numbers has grasped retailers' intention to increase their online advertisement and marketing strategies in order to catch those buyers to buy their products. According to early study of electronic commerce in 2006 by Park and Kim, there were three foremost determinants that influence online shoppers. The study indicated that the available information quality on the offered product is the most prominent. Secondly, the user interfaces qualities which presenting the products influence the shoppers to evaluate their options and make the purchase. Thirdly, the assurance of transaction security contributed to the confidence of buying products online. Insight of these most important online consumers' shopping determinant, then has further assisted the development of the online shopping market today.

It is interesting to understand how consumers perceive their shopping habits and according to Kacen et al. (2013) most consumers' habits are influenced by gender, age, social status and advertisement by the marketer. Though, early study by Gabor (1979) indicated that, amongst the traditional consumers, there are two factors that are imperative in shaping consumers' habits, namely price and patronage preferences. However, due to the emergence of online shopping, it is believed that there are other factors that contribute to the consumers' shopping orientation and perception. In order to understand what factors have influenced online shopping orientation among buyers whom are professional workers, this research has been conducted based on the objectives below:

- i. To investigate demographic determinants of online shopping consumers among academicians of polytechnics in Malaysia.
- ii. To analyse descriptively elements that influenced online shopping orientation among the respondents.

The significant of this study is determined factors that shaped online shopping orientation among academicians of polytechnics in Malaysia. The importance to understanding the significance of this study is to provide comprehensive understanding on factors that encourage academicians to make their purchase online.

## **2.0 Online Shopping Orientation**

Online shopping is a growing phenomenon all over the world, and it has thus had an influence on the shopping process for many consumers (2005; Brown and Burt, 2003; Kau et al., 2003). The application of internet to make purchases is increasingly becoming one of the most important reasons that people are using the Internet (Joines et al. 2003). According to an online report by Morris (2013) reported that two third or 70% of online buyers choose to buy products from their favourite online retailer because it is easier and more convenient. The report also stated that most of the online consumers prefer same online retailer due to the options that are available for them and easiness of exploring the options of products. Chatterjee (2010) demonstrated that online consumers are attracted to the retailers whom offer a wide delivery channels which in return can increase the consumers' satisfaction and loyalty. Compared to online shopping method, traditional shopping method bears cost to transportation, time and energy of consumers.

The consumers' attitudes towards online shopping are known as the main factor that affects e-shopping potential (Shwu-Ing, 2003). An extensive study by Xu (2009) has described six sociodemographic determinants that affect the online consumer behaviour. These determinants are age, gender, income and employment status, education, marital status and family composition and internet daily usage. It is important to understand sociodemography determinants of online shopping behaviour because it can help the marketer and retailer plan their marketing strategies and target the right segment of customer. According to study by Vijayasathy (2003), there are three sociodemography determinants that's affect online buyers behaviour the most, viz., gender, age and income. . The lifestyle of younger buyers contributed to the online behaviour silhouette where

younger internet users are perceived to be more exposed to online advertisement and they are prone to do research about their interest product on the searching engine prior to purchase.

The right consumers can be identified according to their needs and wants in products or services because consumers look for something to meet their desires and buy what they perceive the retail will do for them. Study by Shobeiri et al. (2014) indicated that, online consumer seeks useful benefits from online shopping, not only to feed their needs and wants, but also for personal satisfactory. The study defined that, online consumer agreed that online retailers' assistive intent has positively impact the website's image in a good way and hence wooing them to buy their products. In order to get a full insight on online shopping consumers' orientation and intention that affect their buying decision, it is critical to understand the characteristics of the right consumer including their religion and spirituality background.

Shopping orientation also refers to a shopper's general attitude about shopping and what they prefer to see and do based on their own perspective. Consumers with different shopping orientations show different shopping behaviours, such as information search (Lee and Kim, 2008), for example, a person with a recreational shopping orientation views shopping as a fun, social activity (Solomon and Rabolt, 2007). Where, consumers who are a heavy buyer with extra cash are more likely to end their internet using session with completing their purchases online (Chatterjee, 2010). Hansen and Jansen (2008) also said that younger online users are more enticed to more dynamic advertisement and affecting their buying decision where female buyers are likely to buy more item online compared to male consumer. However, the numbers of online retailers are increasing globally (Mosteller, et al. 2014), making the competition to be more intense, thus it is evidently important that online retailers must comply their website and online advertisement according to their target segment of consumers.

### **3.0 Study Location And Population**

With the advent of internet browsing, online shopping soon emerged as another way of purchasing goods. Its growth is continuously ahead in terms of the range of services, efficiency, security and popularity; however, marketing via virtual media needs continual improvement if it is to meet the changing and developing needs and expectations of consumers (Laohapensang, 2009). The use of the Internet for purchasing goods and services has huge potential. As indicated in most surveys, the number of people using the Internet will increase dramatically all over the world. Unlike some other Asian countries, the "consumer revolution" in Malaysia has grown in leaps and bounds in tandem with the country's rapid economic growth. At the same time, Malaysia has a substantial middle-class and many of its rapidly urbanising population are ready consumers.

Malaysia, a middle-income country, has a mean household income of RM4, 025 per month, as recorded in 2009 (Department of Statistics, Malaysia). According to a Nielsen company survey, Malaysians spent RM1.8 billion shopping via the Internet in 2010, and this figure is expected to almost triple in 3 years (The Star, April 22, 2010). Shi (2009) indicated that there is connection between social status and consumers' intention in online retailing. It is perceived that online consumer with higher income have bigger purchasing power thus they have the potential to buy more item or spend more money on online products. This is especially for younger consumers with more time working with computer and internet. In the context of this paper, academicians in Malaysia has been selected as a setting for the present study due to the rich set of factors influencing consumer online shopping behaviour towards online shopping.

## **4.0 Methodology**

### **4.1 Sample and Data Collection Method**

Academicians from politechnic colleges in Malaysia was the focus of the study based on their demographic background and information technology skills during the application of internet. A structured online-administered questionnaire using 5-point Likert scale was used in assessing the

academicians perception and feedbacks. There were 54-scaled items in the questionnaire and defined by ‘Strongly disagree’ to ‘Strongly agree’ in order to provide useful and meaningful data that can aid in understanding the extent of online shopping orientation among the respondents. The respondents are given their convenience to answer the questionnaire in the three month duration of time.

## 4.2 Instrumentation

The following Table 1 indicates the measures of the study variables used in the study. The instrument items were adopted from previous studies by Lee and Kim (2006); Delafrooz et al. (2011); Huang (2000); Donthu and Garcia (1999); Alreck and Settle (2002); Joines et al. (2003); Kim and Stoel (2007) and Watchravesringkan and Shim (2003).

**Table 1:** Instrumentation of Study Variables

Study variables	No of item	Type of scale
Utilitarian	5	5-point Likert
Hedonic	5	5-point Likert
Customer service	5	5-point Likert
Information search	5	5-point Likert
Previous experience	4	5-point Likert
Uncertainty	8	5-point Likert
Religiosity commitment	6	5-point Likert
Religiosity concern	7	5-point Likert
Consumer attitude	4	5-point Likert
Online shopping intention	5	5-point Likert

## 5.0 Finding And Discussion

### 5.1 Response rate

Hamilton (2009) mentioned that response rate refers to the number of respondents who answered the survey divided into the number of respondents in the sample size. Data collection started in October 2012 and finished in December 2012. The study carried was distributed to one thousand two hundred and two (1202) lecturers in participating polytechnics. Of the 1202 questionnaires distributed, 542 (45%) were returned. However, after excluding unusable responses, the final valid response was from 377 respondents (70%) from the returned sets. The total number of usable questionnaires was considered sufficient to conduct SEM analysis (Hair et al., 2010; Kline, 2011), which is used in this study.

### 5.2 Reliability Analysis

Reliability is a central concept in measurement; referring to a meaning of consistency findings (Punch, 1998: 99) where data collection techniques or analysis procedures yield with it (Easterby-Smith et al., 2002; Sekaran, 2000), and whether the results of the study are repeatable (Bryman and Bell, 2003: 33). This means that the same answer should be obtained on measurement with the same measurement method, if we assume the situation has not changed (Jankowicz, 2005), and will yield the same results each time it is administered. The Cronbach’s alpha coefficient value for all variables in the study showed a range of coefficient value from .79 to .81 accordingly. The dependent variable

of subsequent online shopping orientation scale had a high reliability coefficient of .83 as compared to the independent variables. The independent variables attitude and religion aspects had coefficient values of .77 and .78 respectively.

### 5.3 Descriptive Statistics and Analysis

The findings showed that the distribution of gender was higher for females with a total of 305 female respondents (81%) and 72 males respondent (19%). Most of respondent are aged between 21 to 40 years old which comprises 76% of the respondent and 92 of them are above 41 years ols which comprises 24% of the respondents. Below is the respondents' profile as in Table 2.

**Table 2:** Profile of Respondent

Respondent's Profile		Frequency	Percent (100%)
Gender	Male	72	19
	Female Higher	305	81
Education	(MSc/PhD) Lower	161	43
	(BSc/Diploma)	216	57
Age	21-40	285	76
	>41	92	24
Income	Higher (more than RM5500)	158	42
	Lower (less than RM5500)	219	58

Table 3 presents the results of the descriptive statistics of the dimensions. All dimensions indicate a mean value above the average, ranging from 3.372 to 4.689 and the standard deviation ranging from 0.464 to 0.953. The minimum and maximum responses on the dimensions are also presented in Table 3. To put it briefly, all dimensions are above satisfactory level.

**Table 3:** Descriptive Statistics of the Variables

Construct	Mean	Std. Deviation	Min	Max
Utilitarian	3.639	.824	1.00	5.00
Hedonic	3.372	.917	1.00	5.00
Customer Service	3.584	.656	1.00	5.00
Competitive Price	3.731	.698	1.00	5.00
Information Search	4.189	.612	1.33	5.00
Previous Experience	3.656	.837	1.00	5.00
Uncertainty	3.628	.757	1.00	5.00
Reliogosity Commitment	4.689	.472	1.00	5.00
Reliogosity Concerns	4.562	.464	1.25	5.00

Attitude	3.714	.874	1.00	5.00
Online Shopping Intention	3.561	.953	1.00	5.00

*\*Five-points scale: 1=strongly disagree; 5=strongly agree*

From the above table, it is found that there are three main factors that can shape online consumer orientation namely information search (mean 4.189), religion commitment (mean 4.689) and religion concern (mean 4.562). on the other hands, other construct also play important roles in shaping online consumer orientation among the academicians in politechnic college in Malaysia. It is obvious that the information search plays important role in enticing online shoppers during their valuation of online product. In addition, it is also observed that most of the respondent agreed that religion factors are important during making their decision wether to buy product online. Especially for Muslims, Islamic doctrines such as halal products, and appearance perception are very vital. Practicing Muslim would not buy non-halal product such as pork or swine containing food, as for other religion such as Hindu, they might not be considering to buy product containing cow part in food product.

The overall mean showed high mean value which is more than 3.5 except for the hedonic factors. Hedonic factors, compared to utilitarian is more to entertainment ant 'loose cut' type of shopping orientation where the online consumers do not have specific ojective when browsing online and make their purchase less likely based on what they planned. Utilitarian consumer are goal-based shopper whom have exact objective when searching for information online and make their purchases based on what they already planned and perceived. It is confirmed that most of academicians in politechnic colleges in Malaysia know what they want and search for information online based on what they have planned to buy. This is due to time constraint they had as a professional workers and their educational background may influence their decision in buying high qaulity products from establish retailer rather than making comparison loosely on the internet amongst various retailers.

Previous exprience and customer service also personate online shopping orientation among the academicians. The respondents perceive to have good customer service when making their purchases online and customer service is perceived as vital. For example, fast delivery service is preferred rather than slow delivery service and the availability of retailer to assist the online consumers during valuing their products is highly appreciated. Customer service and shopping experience are the two factors that can bound the consumer to return and buy again from the same retailer thus creating regular customer for their own. Hence, it is useful for retailer to provide assistance for their consumer such as online chatting services to enquiries or email and phone numbers to be contacted immediatly. Product price and consumers attitude are also significant in moulding consumer's orientation. Lower price can entice online consumer to buy the retailer's products. Consumer's attitude or personality also can determine what kind of product they purchase online. Consumers with high perception towards fashion might buy fashionable items where sports people might interested in sport and recreational facilities and offers.

## **6.0 Conclusion And Future Recommendation**

There are three main factors that influenced online shopping orientation among the consumers namely information search, religion commitment and religion concerns. In the other hands, other determinants such as product price, consumer's attitude or personality, previous experience and utilitarian factors also play significant affect. Thus, it is important for retailers and marketers to strategised their marketing tools in order to entice more buyers from professionals stream. In general, professional workers are well educated thus they understand the products value and function. This factor makes them utilitarian when making ththeir purchases online. Providing functional information for a product can induce online buyers to buy from their web patron.

In order to better understand the relationship between online shopping orientation and consumer behaviour, it is useful to construct another future research. It is important to investigate the relationship of online shopping orientation and consumer behaviour because these two elements can stipulate better insight on how consumer behave and what factors influence their buying behaviour the most.

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