



# Factors Influencing Online Group Buying in Taiwan: An Empirical Study Based on the TPB Framework

Chih-Ching Hung<sup>1</sup>, Nai-Chang Cheng<sup>2</sup>, Shang-En Yu<sup>3</sup>(✉),  
and Hong-Tsu Young<sup>1</sup>

<sup>1</sup> Department of Mechanical Engineering, National Taiwan University,  
Taiwan, China

{d96522004,hyoung}@ntu.edu.tw

<sup>2</sup> Tainan Human Resources Association, Taiwan, China  
chengnaichang@gmail.com

<sup>3</sup> Department of Tourism, Ming Chuan University, Taiwan, China  
yushine@mail.mcu.edu.tw

**Abstract.** The motivation behind this paper is to give a clarification of elements impacting on the web aggregate purchasing of Taiwanese adopter of online gathering purchasing, which can help the professionals of Taiwan to grow better market techniques. An observational review was utilized to test the speculations. A structural equation modeling (SEM) is proposed to survey the connections of the exploration show. Finding – The discoveries in this paper demonstrate that the emotional standards and state of mind toward online gathering purchasing are critical factors in anticipating the buyer goal of purchasing together in Taiwan. Additionally, the apparent trust and helpfulness are huge to enhance the state of mind. Down to earth suggestions – The outcomes in the paper encourage to comprehend what empowers and hinders the buy aim of adopters of online music in Taiwan. The estimation of this paper is to build up a hypothetical model consolidating an expansion of trust and TAM model with TPB to explore the buy conduct of OGB in Taiwan. The consequences of this investigation help OGB specialists of Taiwan and other Asian countries culture like Taiwan to make a win plan of action.

**Keywords:** Online group buying · Theory of planned behavior  
Theory of planned behavior

## 1 Introduction

Gathering purchasing is the point at which a thing must be purchased in a base amount or dollar sum, and a few people consent to approach the seller so as to get rebates. The customers advantage by paying less, and the business benefits by offering numerous things without a moment's delay (Kauffman and Wang 2002). Because of the clients pick aggregate acquisition to get bring down costs and to upgrade haggling power, assemble purchasing conduct has moved toward becoming amazingly popular. (Umit Kucuk and Krishnamurthy 2007). Gathering purchasing additionally is a shopping

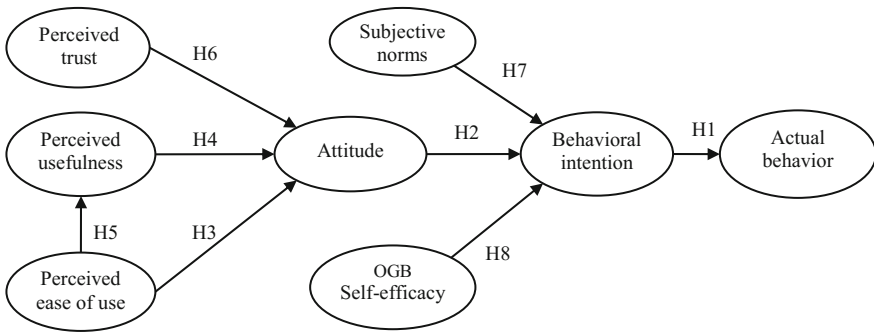
methodology beginning in social orders with predominately Chinese societies, and the wonder has been best in China, where purchasers have utilized the intensity of this approach. The ascent of the Web has caused a fast increment in online gathering purchasing (OGB) populace. Unique in relation to customary gathering guding, OGB individuals are associated over Web, and a large portion of them are outsiders. It is currently to a great degree prevalent, with one surely understood gathering purchasing site's income hopping from NT\$13 million 2008 August to NT\$27 million toward the finish of 2008, and a normal of in excess of 700 new gatherings being set up every day. These figures show that an ever increasing number of individuals are utilizing the Web in imaginative approaches to set aside extra cash. By utilizing OGB, it is anything but difficult to discover more individuals in a brief timeframe to share cargo costs and to purchase in mass in order to bring down costs. It is additionally less demanding to get greater rebates when more individuals partake in a gathering buy. Moreover, online gathering purchasers will typically take the suggestions, alerts and remarks that show up on related social association into thought before making a buy. Such social cooperations therefore work as the primary wellspring of emotional standards in this procedure, since they will impact web based shopping choices. Along these lines, as the focal point of this examination is OGB, the possibility of the abstract standards should think about (Grabner-Kraeuter 2002; Hsu and Lu 2004; Yu et al. 2005). Likewise, the idea of self-viability is utilized as seen conduct control (Ajzen 2002; Hsu et al. 2007), which implies the impression of the straightforwardness or trouble of the OGB conduct. The reason for this examination is to all the more likely comprehend the inspirations driving a client's choice to buy through OGB site. We start with the TPB hypothetical viewpoints for researching client buy inspiration, as this should empower a more far reaching examination of acknowledgment of OGB. We at that point introduce the examination strategy and discoveries. At last, we finish up the paper with an exchange on the ramifications of our investigation for hypothesis and work on, bringing up constraints and zones for future research in the mean time.

## 2 Literature Review

### 2.1 Theory Used in Online Behavior Related Studies

Online group buying (OGB) is considered as an uncommon kind of procurement conduct, and has turned out to be more prominent in Taiwan as of late. The choice to attempt aggregate purchasing could be impacted by the potential forerunners, for example, individual and social elements. The theory of planned behavior (TPB) and technology acceptance model (TAM) are generally used to talk about the impacts of these forerunners on conduct. Notwithstanding, a reconciliation of these two methodologies would permit a more extensive comprehension of gathering purchasing conduct. Figure 1 illustrates the research model. The research model was constructed in light of the TPB and TAM. This model breaks down the state of mind segment into apparent value, saw usability and trust. In mix, state of mind toward the conduct, emotional standards, and saw social control prompt the arrangement of a social

intention (Ajzen and Fishbein 2005). Every one of the builds in this examination demonstrate and the hypotheses are point by point in Fig. 1.



**Fig. 1** Research model

**2.2 Theory of Planned Behavior (TPB)**

The TPB is a theory about the connection amongst states of mind and conduct, and is a standout amongst the most prescient influence speculations. It has been connected to investigations of the relations among convictions, demeanors, goals and practices in different fields.

According to the TPB, if individuals assess the recommended conduct as positive (state of mind), and in the event that they think their huge others needed them to play out the conduct (emotional standards), this outcomes in a higher expectation (motivation), and they will probably participate in such conduct. Numerous investigations affirm that demeanors effectsly affect expectation, and in this way on behavior (Ajzen and Fishbein 1975; Vijayasarathy 2004). Therefore, this study proposes the following hypotheses:

- H1.* Intention toward OGB has a positive effect on OGB behavior.
- H2.* Attitude toward OGB has a positive effect on OGB intention.

**2.3 Technology Acceptance Model (TAM)**

The TAM is a data frameworks theory that models how clients come to acknowledge and utilize an innovation. The model proposes that when clients are given another innovation, various variables impact their choice about how and when they will utilize it. TAM declares that states of mind toward new innovation are controlled by seen handiness (PU) and saw usability (PEOU) (Davis 1989). In this examination, PU is characterized as “how much a man trusts that utilizing a specific framework would upgrade a man conduct expectation”. Conversely, PEOU is characterized as “how much a man trusts that utilizing a specific framework would be free from exertion In the theory of TAM, PU and PEOU shape the state of mind toward expectation. Also,

the PEOU of the site is decidedly identified with PU of the site. This paper thus proposes the following hypotheses:

- H3.* Perceived usefulness (PU) has a positive effect on attitude towards OGB.
- H4.* Perceived ease of use (PEOU) has a positive effect on attitude towards OGB.
- H5.* Perceived ease of use (PEOU) has a positive effect on perceived usefulness (PU).

## 2.4 Perceived Trust

Ongoing investigations have incorporated the build of “trust” in the stretched out TAM to investigate customer acknowledgment of Web services (Gefen et al. 2003; Wu and Chen 2005). Seen trust has been viewed as a sort of disposition to expand the eagerness to utilize online shops or administrations.

- H6.* Perceived trust has a positive effect on attitude towards OGB.

## 2.5 Subjective Norms

Abstract standards is characterized as “a person’s impression of social standardizing weights, or pertinent others’ convictions that he or she should perform such behavior (Ajzen 1991). Taiwan’s soonest type of OGB can be followed back to Announcement Board Frameworks (BBS) in colleges in the mid-1990s. Since those early days, and with the fast spread of the Web, VC organized around customer interests have developed fundamentally, and could reshape the manner in which purchasers and merchants direct electronic business, where individuals are as prone to be offended as they are to be enlightened (Hsu and Lu 2007; Williams and Cothrel 2000). These VC can be viewed as the real wellspring of abstract standards, since they unmistakably influence OGB expectation. This study thus proposes subjective norms have an influence on intention:

- H7.* Subjective norms have a positive effect on OGB behavioral intentions.

## 2.6 OGB Self-efficacy

Self-viability assumes a critical part in impacting singular inspiration and conduct is the same as saw social control in the TPB demonstrate (Bandura 1982, 1986; Fishbein and Cappella 2006; Igbaria and Iivari 1995). Individuals who have high self-viability will probably perform related social expectation than those with low self-adequacy. Self-adequacy is consequently expected to encourage the shaping of social goals. OGB self-viability portrays clients’ self-appraisals of their capacities to utilize an OGB site framework. In addition, it could foresee client impression of conduct control towards site administrations. Accordingly, we hypothesize:

- H8.* OGB self-efficacy has a positive effect on OGB behavioral intention.

### 3 Research Methodology

#### 3.1 Measurement

Measures were picked from approved surveys utilized in earlier research when conceivable. Seen value and saw convenience were estimated utilizing things got from Davis (Davis 1989). Abstract standards, state of mind and aim were estimated utilizing things in light of Fishbein (Ajzen and Fishbein 1975). Seen trust was estimated utilizing things in light of Suh (Suh and Han 2002, 2003). At long last, OGB self-adequacy was estimated utilizing things from Compeau (Compeau and Higgins 1995).

In this examination, things used to operationalize the develops incorporated into each researched display were predominantly adjusted from past investigations for use in the internet shopping setting. This examination estimated eight develops: OGB conduct, aim, state of mind, saw value, and saw convenience, saw trust, abstract standards and OGB self-viability. Different things were utilized to quantify all builds, and all things were estimated utilizing a seven-point Likert scale (going from 1 = emphatically deviate, to 7 = firmly concur). Terms, for example, “likely”, “satisfactory”, and “required” were utilized to survey clients’ expectations. Genuine conduct was estimated utilizing two things from shopping recurrence and amount.

#### 3.2 Sampling and Data Collection

This investigation centers around OGB clients in Taiwan. We for the most part embrace online field studies since they have a few favorable circumstances over conventional paper-based mail-in-surveys (Tan and Teo 2000). In particular, they are less expensive to direct, inspire quicker reactions and are geologically unhindered. Also, such studies have been broadly utilized lately, and Web specialists are coming to acknowledge online research (Wright 2005).

## 4 Result and Analyses

#### 4.1 Statistical Analyses

This investigation tried the proposed demonstrate utilizing SEM, a ground-breaking second-age multivariate procedure for dissecting causal models including an estimation of the accompanying two segments: the estimation and the basic models (Hair et al. 2006; Joreskog and Sorbom 1997; Maruyama 1997). In our examination, the product Amos 8 was utilized so as to survey the estimation and the basic models, with the previous tried before the last mentioned. The estimation show determines how speculative builds are estimated as far as the watched factors, (for example, self-viability, goal and conduct). Besides, the basic model determines the causal connections among the inert variables (Anderson and Gerbing 1988).

### 4.2 Tests of the Structural Model

We examined the structural equation model by testing the hypothesized relationships among various constructs, as shown in Fig. 2

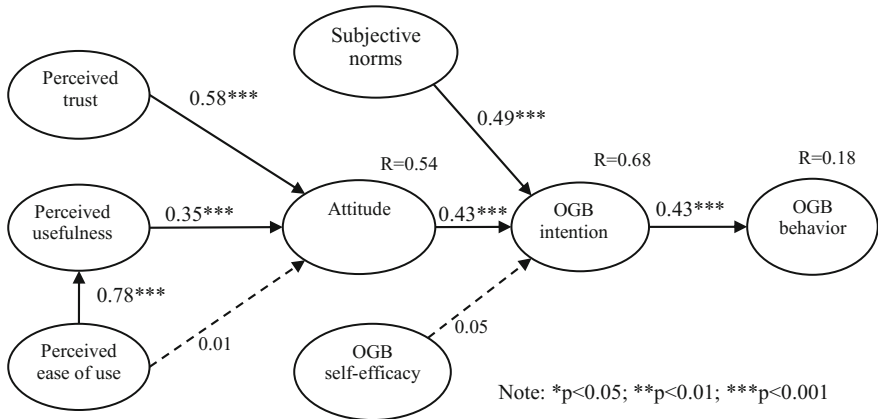


Fig. 2 Results of SEM analysis

The results support the influence of OGB intention on behavior ( $\beta = 0.43$ ,  $p < 0.001$ ), supporting H1. The hypothesized paths from attitude toward OGB is significant in the prediction of OGB intention ( $\beta = 0.43$ ,  $p < 0.001$ ), supporting H2. Consistent with our expectations, the perceived ease-of-use (PEOU) was positively related to the perceived usefulness (PU) ( $\beta = 0.8$ ;  $p < 0.001$ ). The other path coefficients of PU to attitude toward OGB was statistically positively significant ( $\beta = 0.35$ ;  $p < 0.001$ ), but was insignificant ( $\beta = 0.01$ ;  $p > 0.05$ ). The path from PEOU cannot explain observed variance in attitude. Therefore, Hypotheses 3 and 4 are supported. The hypothesized paths from trust is significant in the prediction of OGB ( $\beta = 0.58$ ,  $p < 0.001$ ), supporting H5. The effect of subjective norms on behavioral intention was also significant ( $\beta = 0.49$ ;  $p < 0.001$ ), supporting H6. More specifically, subjective norms and attitude explain 70% of the variance in OGB intention. For the last hypothesis, we examined the personal factor of perceived behavioral control with self-efficacy, and the results did not support H7 ( $\beta = 0.05$ ;  $p > 0.05$ ).

Table 1 shows the SEM analysis has a good fit, as seen from the goodness of fit indices (GFI = 0.842; AGFI = 0.808; CFI = 0.935; RMSEA = 0.072), and the chi-square index is significant ( $\chi^2 = 865.372$ ; d.f. = 308;  $\chi^2/d.f. = 2.81$ ). The results indicate that the research model exhibited a satisfactory overall fit to the collected data and was capable of providing a reasonable explanation of users' acceptance of OGB.

**Table 1.** Overall fit indices of the CFA model

Fit index		Scores	Recommended cut-off value	Reference
Absolute fit measures	$\chi^2$	566.759	Near to degree of freedom	
	d.f.	218	The higher, the better	
	GFI	0.886*	$\geq 0.80$	Etezadi-Amoli and Farhoomand (1996)
	RMR	0.088	$\leq 0.05$	Browne and Cudeck (1992)
	RMSEA	0.068*	$\leq 0.08$	
	ECVI	1.956*	Between 1.766 ~ 2.169	Kline (2004)
	AGFI	0.843*	$\geq 0.9$	Hayduk (1989), Ullman and Bentler (2004)
Incremental fit measures	NFI	0.922**	$\geq 0.9$	
	TLI	0.942**	$\geq 0.9$	
	CFI	0.950**	$\geq 0.9$	
	RFI	0.950**	$\geq 0.9$	
Parsimonious fit measures	PNFI	0.794**	$>0.5$	
	PCFI	0.819**	$>0.5$	
	$\chi^2$ /d.f.	2.600**	Between 1 ~ 3	

Acceptability: \*\* (acceptable), \* (marginal).

## 5 Discussion

This examination looks at OGB in view of TAM factors that were hypothetically legitimized to impact apparent convenience and saw usability, and an exploration model to research innovation acknowledgment was created and experimentally analyzed, utilizing reactions from 348 clients of an OGB site. This examination uncovers OGB conduct goal can be anticipated by the proposed demonstrate ( $R^2 = 68\%$ ). Seen trust has an effect on OGB demeanor. The aim to utilize OGB is chiefly emphatically impacted by abstract standards and state of mind toward site (bolstered by the greater part of the individual ways hypothesized by TPB), yet it isn't altogether affected by the apparent conduct control (OGB self-viability) as to OGB goal. At the end of the day, self-viability (trust in site capacities) isn't a determinant of utilization expectation. Numerous clients are sure to utilize sites for shopping since they officially connected with numerous exchanges previously all in all online stores. The "apparent value" was found to have solid impact on their social aims to utilize. Further, saw trust is likewise a predecessor of the state of mind toward OGB, and this, thus, impacts the OGB aim.

## 6 Conclusion and Implications

This investigation gives a hypothetical comprehension of the variables adding to OGB conduct. This examination gives a convincing hypothetical structure to directing an observational examination for this line of research, and future works can stretch out this to all the more likely explore web based shopping. For training this examination likewise gives some experimental recommendations to OGB conduct. To start with,

originators ought to enhance the ease of use of online gathering shopping frameworks, making them both simpler to utilize and more available. Second, with a specific end goal to expand the impact of emotional standards on clients, we prescribe that site specialists should fabricate trust and input systems into their destinations. What's more, VCs should center around uniting individuals to associate through visit rooms and gatherings, where they can share individual data and thoughts regarding different online gathering shopping points.

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