

Factors Influencing Purchase Intention On Online Shopping Of The University Student

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Abstract. The study aims to explore the factors that influence university's students purchase intention towards online shopping. About 140 respondents were collected through questionnaire. Each question was taken from previous research, which based on quantitative survey method. SPSS software was used to analyze each data. The result shows that there are significant relationships between perceived benefits and perceived of trust on purchase intention with regard to online shopping. However, the data shows that perceived of risk does not correlate to purchase intention. Based on analysis, the result reveals that 51.4% of the respondents spend approximately 1 hour or less on online shopping platform. In addition, the university students are likely to shop online due to the technological advances. To conclude, the results exhibit females are most likely to perform online shopping compared to males. Most students use Shopee and Lazada as main platform for the purpose. Furthermore, female spent minimum less than an hour to shop and things preferred to buy is clothing while taking the price of the product into consideration, particularly.

Keyword: *Online shopping, purchase intention, factor influence.*

1. Introduction

In this modernized era, online shopping activities has been soaring globally [1]. Many transactions in most business surroundings are being carried out through online (Triyani & Diah, 2018), thanks to its convenience and versatility due to its ability to access 24/7 [2]. Because of these aspects, many people in large have started to use this facility to their advantage, bringing some happiness to improve their daily routine life. This is true for university students specifically who will be the main focus for this research. Mostly, university students have been exposed to technology since they were born. No wonder they can easily get engaged with this kind of stuff and benefited it including making purchase online. This statement is supported by [3] who cited that these students are Internet savvies with high computer competence. Not even a single day they are separated with online activities.

Nowadays, university students tend to purchase online anytime and anywhere, and they can even buy things that are not available in their nearest store. This is the specialty realized by these students and matter of cost, value, money and other miscellaneous items seem never

hindering them to do so. Hence, this study aims to find out factors that could possibly trigger purchase intention among these students and how they are considering them to an extent.

The recent popularity of online shopping is due to its convenient nature where the customers are able to buy goods or services anywhere and anytime (Lai, 2018); [4]. Researcher has focused on the different factors related to online shopping such as perceived usefulness (Lai, 2018), Trust [5], and Price (Farhan & Pernama) and Ease of use [5], however the knowledge in experiencing online shopping is still limited particularly in the context of IPT students. This is due to the fact that IPT students are used to purchase goods and services using the typical “brick and mortar” way. Additionally, this situation is more prudent to students from the rural area due to the lack of accessibility to the internet [6].

This present study has the similar study conducted by some researchers, such as study conducted by [7], [8], [3]. A study conducted by [7] aimed to determine the relationship between subjective norm, perceived usefulness and online shopping behavior while mediated by purchase intention. The result of their study showed that subjective norm and perceived usefulness significant positively influence online purchase intention but subjective norm insignificant influence shopping behavior in a negative way. It is interesting to note that perceived usefulness also insignificantly influence online shopping behavior. Furthermore, purchase intention significant positively influence online shopping behavior. [8] also conducted the similar study to the present study. However, their study aimed to determine which of the factors company, personal, and technical could influence online purchase intention of smartphones. The results of the study offer explanations on the conflicting results of previous studies in terms of price and quality. It was concluded that the study was able to determine the factors that could influence purchase of smartphones in an online environment. Furthermore, [3] conducted the similar study which focused, through multiple regressions, on the factors that influence online purchase intention among Malaysian university students. According to the study’s results, perceived benefits and perceived ease of use may act as complete mediators since the direct effect of past experience on online purchase intention is no longer significant after the mediators enter the model. This result indicates that past experience affects on perceived benefits and perceived ease of use while these perceptions affects online purchase intention.

Building on the background and the latest related study above, therefore this present study aimed to investigate factors influencing purchase intention toward online shopping among university students which focused on to determine the relationship between perceived risk and purchase intention, to determine the relationship between perceived benefit and purchase intention, to determine the relationship between trust and purchase intention.

2. Methods

Questionnaire was distributed to 140 respondents among university students in order to study influences of online shopping purchase intention. Each question was taken from previous research, which based on quantitative survey method. Questionnaire was distributed using Google Form it is convenient and cost effective, so, convenience sampling was used in this research. The questionnaire contained three parts, which has 26 questions in total. Part A was designed to accumulate respondents’ demographic information, such as, gender, age, race, level of education, place of study. Part B designed to gather information regarding respondents’ online shopping behavior, internet usage, and experience of using online

shopping. Part C in the questionnaire was intended to scrutinize respondents' factors that influence them to utilize online shopping platform and their intention. Part C has 16 questions which divided into four categories of three independent variables and one dependent variable. Respondents were asked using five-point Likert scale anchored at strongly disagree=1 and strongly agree=5 to measure the variables. SPSS software was used to analyze each data.

3. Results And Discussion

Table 1: Respondents' Demographic

Category	Sub-Category	Frequency	%
Gender	Male	47	33.6
	Female	93	66.4
Age	Under 18	1	.7
	18-24	103	73.6
	25-30	29	20.7
	Above 31	7	5.0
Education	Foundation/STPM	3	2.1
	Diploma	41	29.3
	Bachelor's degree	84	60
	Master	5	3.6
	PhD	7	5
Ethnicity	Malay	119	85
	Indian	3	2.1
	Chinese	1	.7
	Others	17	12.1
University	Cybernetics International College of Technology	25	17.9
	KPTM	5	3.6
	Pre-U	3	2.1
	UiTM	21	15
	UKM	11	7.9
	UM	2	1.4
	UniKL UBIS	54	38.6
	UniKL MIT	2	1.4
	UniKL MIAT	3	2.1
	UPM	2	1.4
	UTM	8	5.7
Others	4	2.8	

Demographic of each respondent was recorded, as shown in Table 1 above, which has 140 respondents in total. Demographic profile includes respondents' age, gender, level of education, ethnicity and which university they are currently studying. There is a huge difference between male (33.6%) and female (66.4%). Most respondents are aged between 18-24 (73.6), followed by 20.7% (25-30). There are 60% of respondents are Degree students, and Diploma students (29.3%), PhD (5%), Master (3.6%) and Foundation/STPM (2.1%). Most of the respondents are Malays (85%) and there are currently studying at UniKL UBIS (38.6%), Cybernetics International College (17.9%) and UiTM students (15%).

Table 2: Respondents' Online Shopping Behavior

Category	Sub-Category	Frequency	%
Online Shopping Platform	Lazada	39	27.9
	Shopee	84	60
	Zalora	6	4.3
	GoShop	4	2.9
	Others	7	5
Online Hours	Below than 1 hour	72	51.4
	1 to 3 hours	53	37.9
	4 to 6 hours	7	5
	More than 6 hours	9	5.7
Product category purchased	Clothing	61	43.6
	Gadgets	31	22.1
	Footwear	9	6.4
	Others	39	27.9
Online Experience	Good experience	82	58.6
	Moderately satisfied	52	37.1
	Dissatisfied	4	2.9
	Worst Experience	2	1.4
Most Search	Brand Variety	34	24.3
	Price of Product	85	60.7
	Time Delivery	16	11.4
	Others	5	3.6

As Table 2 suggest, most of the respondents choose Shopee (60%) as their online shopping platform. 51% of the respondents spent below one hour to purchase online shopping due to low income level among students, based on past researches (Muda et al., 2015; Rashid et al., 2019). Clothing has the highest product category picked by respondents (43.6%) followed by others category (27.9%), such as skincare, accessories and kitchen utensils. Most of respondents have good experience (58.6%) while using these online shopping platforms, and 37.1% of them said they are moderately satisfied. 60.7% of respondents search of the price of the product and 24.3% of them look for more brands.

Table 3: Reliability Analysis and Descriptive Analysis

Construct	No. of Items	Mean	Std Deviation	Cronbach's Alpha	Conclusion
Perceived Risk	4	3.53	.609	.611	Reliable
Perceived Benefit	3	3.66	.727	.656	Reliable
Perceived Trust	3	3.68	.690	.716	Reliable
Intention	6	3.91	.632	.835	Reliable

Acceptable cut-off points for Cronbach's Alpha is 0.6, Table 3 shows the reliability tests for all construct showed the Cronbach's Alpha value range 0.611 to 0.835. This shows all variables are reliable.

Table 4: Multiple Regression Result for Factor Influencing Purchase Intention among University Students

Independent Variable	Unstandardized Coefficient		Std. Coefficient Beta	t	Sig.
	Beta	Std. error			
Perceived Risk	-.037	.067	-.036	-.560	.576
Perceived Benefit	.376	.058	.433	6.496	.000
Perceived Trust	.388	.062	.423	6.270	.000

Result shows that on Table 4, perceived value and perceived trust have positive and significant relationship with purchase intention as their significant at 0.000 level, p-value <0.05 and t-value is greater than 1.96 for both variables. Therefore, H2 and H3 are supported. However, perceived risk has negative and insignificant relationship purchase intention as p-value is more than 0.05 and t-value has negative result lower than 1.96. Therefore, H1 is not supported.

	Hypothesis	Result
H1	There is a positive relationship between perceived risk to purchase intention	Rejected
H2	There is a positive relationship between perceived benefit and purchase intention	Accepted
H3	There is a positive relationship between trust and purchase intention	Accepted

Based on findings, perceived risks have insignificant relationship with purchase intention. University students are well-aware of online shopping risks such as financial information leaks, unexpected quality and longer delivery time. Students may compare with other online sellers based on review, price and validate sellers [2]. Finding shows most students use Shopee and Lazada as their main online shopping platform which is a safe space for online transaction due to their reputation and policy. Banks also provide enhancing security for transfers, also, online seller provide more alternative payment method to curb financial information leaks, such as COD [4]. Hence, university students do not bother much by online shopping's perceived risk.

However, perceived benefits have significant relationship with purchase intention. Past research has shown the same finding such as (Pouristama & Rachmawati, 2018); [1]. Some university students prefer buying online shopping than traditional shop due to its price offers. Online shopping offers more discount and rebate as their sales promotion to attract customer, and this benefit attract university student. The result shows, most university students search for price of the product. University students spend only RM0 to RM100 in three months for online shopping, based on past findings of [2]. The factor of causing students becoming price sensitive is due to unemployment and unable to gain salary.

Perceived Trust also have significant relationship with purchase intention of online shopping among university students. Findings from [4] show consistent results regarding perceived trust while online shopping, for the reasons that online sellers that build positive reputation able to have booming sales than others. Customers tend to look for more information especially about the seller's review and feedback before making decision, which either create trust between sellers and customer, or otherwise.

4. Conclusion

There are several limitations in this study which requires concentration. This study for now only focused on university students in Malaysia with several states to be specified. Hence, it needs to be expanded to other regions as researchers could get varied results and can draw inference based on that. Besides, this study collects data using only questionnaire, instead of using observation and interview as extra method. The use of the former approach could not guarantee genuine result as there could be some respondents who never made purchase through online but still filling up the answer of the questionnaire. Hence, the accuracy of data collection is questionable. To conclude the study, after full analysis, the results exhibit females are most likely to perform online shopping compared to males. Most students use Shopee and Lazada as main platform for the purpose. Furthermore, female spent minimum less than an hour to shop and things preferred to buy is clothing while taking the price of the product into consideration, particularly.

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