

**“An Empirical Analysis of The Factors Influencing Consumer’s  
Online Purchasing Behavior in China”**

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## Abstract

The rapid development of the Internet and electronic commerce has significantly transformed consumer shopping behavior in China, resulting in a substantial increase in online purchasing adoption. Although online shopping has become increasingly popular, limited empirical research exists on the primary factors that influence Chinese consumers' online purchasing behavior, which creates a conceptual gap in existing literature. Therefore, this study aims to examine the key determinants affecting consumers' intentions to engage in online shopping in China.

This research focuses on five independent variables identified through literature review: convenience, product range, customer service, privacy and security, and availability of information. A quantitative research approach was employed, and primary data was collected using a self-administered questionnaire distributed to 210 respondents across both developed and developing Chinese cities, representing a wide spectrum of online consumers. Descriptive analysis, reliability testing, Pearson correlation, and regression analysis were utilized to evaluate the relationships between these variables and online purchasing behavior.

Findings of the study confirm that all five factors have a significant and positive influence on online purchasing behavior among Chinese consumers, with convenience and availability of information emerging as the strongest predictors of consumer intention. These results emphasize the continuing shift from traditional retail to online shopping, driven by improved accessibility, product variety, prompt customer support, enhanced information quality, and growing security measures in online environments.

This study contributes to the limited body of empirical knowledge in the Chinese e-commerce context by providing insights into essential factors that shape consumer decision-making online. The outcomes are expected to benefit marketers, online retailers, and future researchers by supporting the development of effective marketing and service strategies to enhance customer acquisition and loyalty in China's rapidly expanding digital marketplace

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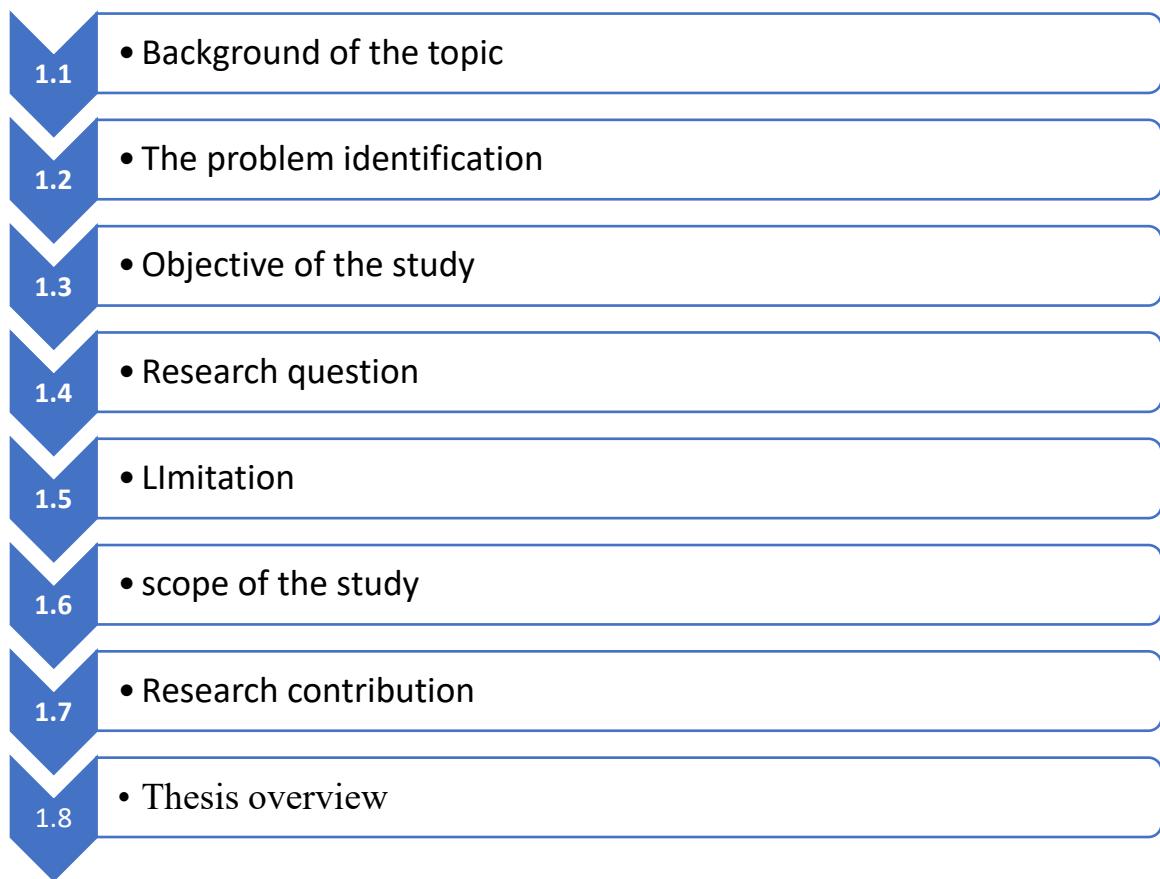
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# CHAPTER 1: INTRODUCTION

## 1.1 Introduction

This chapter is conducted to introduce the researching topic of “**An Empirical Analysis of the factors influencing consumer’s online purchasing behavior in China**”, there have 7 sections in this chapter which has shown as figure 1.1 below.

**Figure 1.1 The structure of Chapter 1**



**(Source: Developed for this research by author)**

## 1.2 Background of The Topic

The Internet in its current form, is primarily a source of communication, information and entertainment but increasingly the Internet is also a vehicle for commercial transactions (Swaminathan, Lepkowska-White, & Rao, 1999). Internet commerce involves the sales and purchases of products and services over the Internet (Keeney, 1999). This new type of shopping mode has been called online shopping, e-shopping, Internet shopping, electronic shopping and web-based shopping.

The Internet and World Wide Web have made it easier, simpler, cheaper and more accessible for businesses and consumers to interact with and conduct commercial transactions electronically. This is practically the case when online shopping (i.e. Internet shopping) is compared to the traditional approach of visiting retail stores (McGaughey & Mason, 1998). Traditional retailers and existing and potential direct marketers acknowledge that the Internet is increasingly used to facilitate online business transactions (McGovern, 1998; Palumbo & Herbig, 1998). The Internet has altered the nature of customer shopping behavior, personal-customer shopping relationships, has many advantages over traditional shopping delivery channels, and is a major threat to traditional retail store outlets (Hsiao, 2009).

Internet as a global communication medium that is increasingly being used as an innovative tool for marketing goods and services. The Internet has added a new dimension to the traditional nature of retail shopping. The internet offers a lot of strength and advantages over traditional shopping channels, and the medium is a competitive threat to traditional retail outlets. Globally, consumers are rapidly familiar with adopting Internet shopping which makes online shopping is becoming increasingly welcome and popular in China market.

Advancements in internet technology have triggered a line of developments in the field of marketing. As an alternative to conventional shopping, online shopping over the internet has gained substantial share of retail market. (NihanOzgiiven 2011) Consumers are increasingly familiar and prefer to use this new shopping channel. Nowadays there are 15 percent of the population in China use online shopping, in other words it means there are over 200 million online shoppers in China market. Therefore, it is very important to understand the factors affecting consumer's buyer behavior and satisfaction in the competition between traditional retailers and

online marketers. Likewise, it is meaningful and helpful to further develop marketing strategies and corporate strategies.

## 1.2 The Problem Identification

There is a conceptual gap in the marketing literature as there has been very limited published research on the factors influencing consumers' online shopping behavior in China. This study seeks to fill this conceptual gap in the context of online shopping by identifying the key factors influencing Chinese consumers' purchasing behavior online.

## 1.3 Research Question

The section of research questions is the most important and difficult part of a research design, that is employed to either provide answers to the questions or verify/falsify hypotheses (Research question and objective, 2014), the research project must be built on the foundation of research questions. There are three research questions that were developed based on the gaps, this part of research is detailed in Chapter 2. These three questions are:

- 1) How the factors of convenience influence consumer's online buying behavior.
- 2) How the factors of product range influence consumer's online buying behavior.
- 3) How the factors of privacy and security influence consumer's online buying behavior.
- 4) How the factors of customer service influence consumer's online buying behavior.
- 5) How the factors of availability of information influence consumer's online buying behavior.

## 1.4 Research Objective

The purpose of this research is to identify the key factors influencing Chinese consumers' shopping behavior between traditional shopping and online shopping.

Based on the research questions in section 1.3, the research had three objectives as follows:

- 1) To identify the relations between convenience and consumer's online buying behavior.
- 2) To identify the relations between product range and consumer's online buying behavior.

- 3) To identify the relations between privacy and security and consumer's online buying behavior.
- 4) To identify the relations between customer service and consumer's online buying behavior.
- 5) To identify the relations between available of information and consumer's online buying behavior.

## 1.5 Limitations

The limitations are carefully for this research. First, the time is limited, it's not enough for the researcher to observe the performance, it would be better if it was done in a longer time. Second, the population of is small, it might not represent most of the participants. Third, the source is not enough, such as the data and report.

## 1.6 Scope of the study

A self-administered questionnaire was used to gather information from 200 respondents from China consumers. The findings of this study identify 1 dependent variable which is consumer's buyer behavior. The author wants to figure out 5 important decision factors from dependent variables which are: convenience, available of information, private and security, product range, customer services.

This research offered some insights into the links about consumer's online purchasing behavior. This information could help E-commerce marketers and retailers develop the appropriate marketing strategies, make technological advancements, and make the correct marketing decisions to retain current customers and attract new customers. Likewise, managerial implications and recommendations are also presented.

## 1.7 Research Contribution

The main contribution of this study is to support an improved understanding of the consumers' decision-making process as it related to online shopping decisions in China's Electric commerce industry. A theoretical research model of the factors that are predicted to influence consumers'

decisions to shop or not shop online has been developed for this study. The information on the decision factors obtained from the empirical analysis will benefit future researchers who study consumer behavior in the ecommerce industry. Moreover, this contribution is especially important as there is only limited published empirical research on online shopping behavior of Chinese consumers.

From a practical perspective, this research offers valuable insights into the linkage between e-shopping and Chinese consumers' decisions to shop or not shop online. This information can assist marketers and retailers to develop appropriate market strategies to retain current customers and to attract new customers.

## 1.8 Thesis overview

In the research Chapter 1 has stated an overview of background of the study, research problems as well as the objective of the study. In chapter 2 it is conducted to use literature reviewing of consumer online shopping behavior and support the point and figure out the key factors influence consumer's purchasing behavior. Chapter 3 .....

# CHAPTER 2: LITERATURE REVIEW

## 2.1 Introduction

The literature review identifies important variables and significant findings from the earlier research, which driving the research (Berg, 2004). In this chapter, the theoretical foundation for the research will be built by the review of the existing literature on the topic ‘An empirical analysis of the factors influences consumer’s online purchasing behavior in China’.

The purposes of this chapter are to develop a theoretical framework for the research and rationalize why the research problem is significant. The conceptual framework identifies the key variables and pertinent issues and sets the scope of the review.

## 2.2 Online shopping background and development

Nowadays internet is an innovative and an effective tool as a communication medium that is used for the purpose of marketing goods and services. The medium of internet has started a new era as compared to the traditional nature of retail shopping before. Online shopping through the internet has posed a serious threat to the retail outlets because of many advantages associated with it. (Jun Li Zhang, 2011) Customers around the globe are continuously and rapidly adopting this new dimension of shopping and are becoming popular. If the marketers knew and were able to understand the importance of online marketing and the factors that influence online retail shopping and the buying behavior of their consumers, they could attract and retain a huge portion of customers. (Jun Li Zhang, 2011)

Online shopping is done through the medium of internet where a customer from home or from his office can search for their desired objects and goods and can order without going to the retail shops. The medium of internet in its current condition is not only a good source of information, communication and an effective medium of commercial transactions (Swaminathan, Lepkowska-white, and Rao, 1999). The internet shopping consists of the process of buying and selling of goods and services via internet as a medium (Lin, Zhang and Li, 2008). This alternative mode of shopping

instead of retail stores is called online shopping, e-shopping, internet shopping, electronic shopping and web-based shopping with different names.

The invention of internet technology in past years has made it easier, simpler, cheaper and easy to access for businesses and the customers to interact with one another and can carry out transactions of any type electronically. (Verby & Lee, 2006). The medium of internet as a business medium is acknowledged by the traditional marketers, retailers and direct marketers that it is an effective tool to facilitate the customers in today's world. The increasing trend of online shopping around the globe has changed the shape of the shopping behavior of the customers, business-customer shopping relationships and the behavior of customers which has many advantages over the traditional modes of shopping and therefore is an imminent threat to the traditional ways of shopping (Verby and Lee, 2006).

It is evidenced that online shopping has deeply the global marketing and business environment and become able to expand their businesses around the globe rapidly (Kailani and Kumar, 2011). Though there are many benefits associated with online shopping over the traditional mode of shopping and the marketers around the world having positive attitude associated towards its future growth of online shopping, there are also several adverse and negative aspects that are associated with the online shopping mechanisms (Ko et al, 2004). Researchers believe that the exposure of the new methods of electronic commerce transactions and overload information has brought an uncertainty for both the novel and experienced internet users for the shopping (Zhou, Dai and Zhang, 2007). The consumers are of the view that there is a high level of risk associated with shopping online than the traditional form of shopping. This perceived risk associated with shopping online has an adverse and critical impact on the buying decisions of the customers. It is evident from past studies that this perceived risk that is associated with online shopping is a powerful and affective index to explain the behavior of the consumers who are more concerned to minimize the risk or failure than to pursue buying success for the goods and services (Mitchell, 1999).

In this research paper we are focused on the factors that influence consumer's online purchasing behavior in China. As China is the fastest growing economy and one of the largest markets of the world therefore there online marketing has a high influence over such a huge market. China is considered in one of those countries of the world that has the high adoption trends of the new

technology. According to CNNIC (2007), the mode of online shopping is becoming an increasing trend in China. Though retail shopping till now has the major trend of shopping as compared to online shopping trends but it is noted that there are various factors associated that will change the trend of retail shopping and will increase the share of online shopping soon. Here we will discuss the consumer's online purchasing behavior, and the factors that influence it.

## 2.2 Consumer behavior

Consumer behavior is related to the study of individuals, groups, organizations and the processes they use to choose, secured, and dispose of the products, services, experiences or the ideas to satisfy the impacts that these processes possess on the consumer and society (Kim, 2008). It generally impacts and understands the decision-making process of the consumers when they go shopping online or through traditional modes. There are different kinds of customers in the market that have different attitudes towards buying goods and services in the market. This purchasing attitude is driven by various factors that directly and indirectly impact their buying behavior. The past research on the consumer behaviors in traditional shopping was linked to the customers visiting to shop to buy that is influenced by the factors like social, cultural, personal and psychological etc. These same factors have somehow the same influence on the consumer's buying behavior however the online shopping mechanisms from the past have shown various characteristics different (Chen and Qin, 2008).

## 2.3 The factors influence consumer's online purchasing behavior

The decision of customers to opt for online shopping is backed by certain factors. Though these factors vary from customer to customer and differ with economies, yet an overall link with online shopping can be developed. Several independent variables are selected for this study based on the literature review. The influence of these independent variables would be analyzed in general context of online shopping, but specifically from Chinese market point of view. They are as follows:

### 2.3.1. Convenience:

One of the major factors that impact the buying behavior of the consumers is the convenience of shopping. This factor has a great influence, that is why the online shopping trends throughout the globe are continuously increasing with a great pace. Shopping online through the medium of internet has made it convenient for the consumers to shop their desired products and services from their homes and offices without going directly or personally to the stores (Gao, 2005). The customers search for their desired product and place an order from their home, and the product is delivered to their doorstep. The customers do not bother to travel long distances and bear the traffic jams or weather conditions to go shopping. A good example in this case is to book a ticket online via internet for a plane or bus. Customer does not need to visit the agent far away. This not only saves time but also saves money such as transportation costs for the customers (Kim, 2008). Another factor which adds to convenience is that online shopping gives customers an opportunity to view features and characteristics of a product in detail. Furthermore, it is more feasible to compare characteristics of same product provided by different companies online rather than on traditional shopping. This convinces of online shopping attracts customers towards itself. This factor is more considerable in societies where customers are details and quality oriented, including China. (Catherine Demangeot & Amanda J. Broderick, 2007) For example, we can consider Amazon, EBay and such other sites. These websites provide details of products along with variety which attracts customers. Because of this convenience trend for online shopping is increasing with time. (Catherine Demangeot & Amanda J. Broderick, 2007)

The customer of Chinese due to busy life and to save time now prefer to use online shopping rather than traditional way of shopping. The increasing ratio of online shopping to retail shopping reveals that the customers find it convenient for shopping which is a great perceived benefit of online shopping (Fernell and Kermini, 1999). On the other hand, though traditional shopping has grabbed major portion of the market and the market share of traditional shopping is quite high, future trends show that due to time shortage and other issues like traffic and distances from the home to market will decrease the traditional market share. People find it easy and convenient to use internet as a medium for the shopping purpose in China nowadays (Bell, 2005). Thus, the factor of convenience is the major factor determined that influences the purchasing behavior of the consumers in China.

### 2.3.2. Products Range:

The buying behavior of the consumers is also greatly influenced by the range of products availability to the customers. When the buyers have the options of many products in range then they can feel satisfied choosing shopping form that means (Legris, Ingham and Collerette, 2003). In case of online shopping the buyers have the option to have a wide range of products and service availability they would prefer for shopping there. The wide range of products gives them the opportunity to look for variety of products by considering their prices and qualities and then select the product accordingly (George, 2002).

Shopping online through internet in this case is a good source which provides maximum range of products easily on their fingertips. Customers can search for the products and services in seconds throughout the world. In China every product is available in wide range due to huge market. The Chinese customers due to a huge market and a huge variety of product availability are unable to look for many products or its alternatives physically in the retail shops (Liao and Cheung, 2001). Therefore, they prefer online shopping to search for a variety of products within minutes and then compare each product's attributes and qualities.

In comparison the traditional shopping has a wide market in China, but the customer could not reach to each segment easily. Though traditional retail shopping is somewhat reliable when the customer checks the products physically and after satisfaction buys the product which is a weakness of the online shopping customer selects the goods and products by seeing its pictures and videos which could be unreliable as it is physically seen (Brown and Muchira, 2004), that is one of the factors influence consumer's online shopping behavior.

It is worth considering here that China being one of the largest economies provides a diverse business market to both local and foreigner customers. This diversification needs to target all customers rather than a specific locality. For this purpose, e-shopping can be best utilized because traditional shopping lacks this facility. Also at times, customers are not very clear about what exactly they want (Chiang & Dholakia, 2013). This restrains them from going to market for shopping, on the other hand by surfing the internet and coming across variety of products related to their need, their confusion is removed, and they can easily make a purchase. Both the modes of shopping in China have their own benefits and negative impacts on the buying behavior of the

customers and thus influence their buying decision for any product or service. (Chung-Hoon Park and Young-Gul Kim, 2008)

### 2.3.3. Customer Services:

Customer service is an integral part of the customer satisfaction that shapes their purchasing behavior. Providing good services for the customers can positively influence their buying decisions and so if the services are not provided up to standards it can also negatively impact on the decision-making process of the buyer (Lee, 2001). Online shopping is a complicated and tortuous mechanism that can be divided into further sub-processes such as searching for information, online transactions and interaction with the customers. In the process of purchasing online the customers are not keenly concerned with the estimation and calculation of every sub-process in detail, but the same customer will be more concerned with the service that the seller is providing with overall consideration (Elliot and Fewell, 2000). In the process of decision making while purchasing a good or service in online stores the customers often need keen, careful and meaningful communication.

In the context of Chinese customers, their buying decision is influenced by the quality service provided to them. For the online customers in China, a quality standard of customer service means that they can obtain more benefit by using the internet as a medium because it provides facility and convenience to compare with the traditional channels of shopping like the technological aspects (Lee and Lin, 2005).

In case of online shopping that is carried out physically, the behavior of the individuals at the retail stores, the quality of products and the after-sale services are some of the key attributes that shapes the buying decision of the customers in China. (Sohel Ahmad, 2002) In the E-commerce way of shopping there are number of factors that are linked with customer satisfaction and the services provided to them (Dennis, Harris, and Sandhu, 2002). However, this mode of shopping lacks those attributes that are offered through online shopping mechanisms. Moreover, customers need to be heard. This can be in the form of feedback or responding to customers' complaints or defects in the products if there are any. Though both traditional and online shoppers care for customer satisfaction, yet they can more easily be heard on the internet. It provides them with an opportunity to post their feedback or any complaint (Matilla, 2013). By the abrupt emergence of

social media in the last decade, this feature of online shopping is more enhanced. Now companies have provided customers with different forums for communication with the companies, including face book, twitter etc. (Aileen Kennedy & Joseph Coughlan, 2012)

#### 2.3.4. Privacy and Security:

The security concerned with online transactions is critical factor that is under the continuous discussion in e-commerce (Elliot and Fewell, 2000). The factors influence consumer's online buying behavior in Chinese also vary with the privacy and security issues linked with it. It is not only the case of China but with all the customers of the world who are using internet as medium for online shopping (Constantinides, 2002). The consumers find it risky to use internet as a source of shopping. It is a major threat to the online shopping market, and a wide variety of customers feel hesitant to use internet due to privacy and security concerns such as hacking of account. The customer fears that someone will hack their account and will expose their privacy and they also do not feel secure like misuse of their credit card may possibly happen. Though the Chinese online trading market is expanding continuously rapidly but at the same time the question of privacy and security also stings their minds (George, 2002).

Comparatively in the traditional retail shopping no such security and privacy issues are concerned like one in the online shopping modes. Customers can choose their desired products and services physically without using a medium like internet. Although many online sites provide policies that assure the customer personal information protection, they do not give any specific information about the transaction process and the security of personal records in shopping online (Lee, 2001). The recent report by Google regarding privacy concerns of Gmail further gave strength to this customer fear. This issue not only includes the leaking of personal information, hacking or misuse of credit cards, but also includes fraud and online thefts. With the advancements of technologies, fraud and thefts also increased especially in the last decade (Yulihasri et. all, 2012). This matter is of higher concern in China because the recent reports by US say that Chinese hackers are posing a threat to the overall security of the world. It further says that online frauds are more supported from the Chinese market. Thus, most of the Chinese customer is concerned with the issue of security and privacy and their buying behavior of online shopping means varies (Xia Liu, 2008)

### 2.3.5. Availability of Information:

The factor of information availability to the customers about the product or service is also vital that influences the consumer's online buying behavior ways (Wen, Rodney, Lynda, Maddox, 2013). The consumer will select that means of shopping where they are able to gain more information about the product or service they are going to purchase. As electronic commerce in the 21<sup>st</sup> century is an inevitable trend and provides the opportunity to the customers to obtain abundant information about a product or service within minutes. Comparatively to the traditional mode of retail shopping where the customers cannot search as many products as they can with help of internet (Cho and Park, 2001). With the passage of time the Chinese customers are looking to the facility that the online shopping is providing and therefore customers now increasingly changing the trend of online shopping instead of traditional way of shopping.

However, there is also a risk associated with information sharing and its authenticity. In the development of commerce China is still at the initial stages, therefore a clear understanding of this type of risk is particularly important. According to Chen and Qin (2008), the risk related to information is the information sharing process, inaccuracy in the information processed, hysteresis or any other negative consequences results from the information asymmetry. The information provided on the internet could possibly not match with the attributes and qualities mentioned there. While shopping directly at the retail stores may protect you from such consequences (Daugherty, Li, and Biocca, 2003). Another considerable aspect of availability of information is the clarity shown in the information available. In traditional shopping some information might not be available to customers on the spot. This information is either oral communicated to customers by the shop keeper which might not be authentic or might be searched on the internet (Jusoh & Ling, 2012). Furthermore, on many products it is mentioned term and conditions apply, but these are not elaborate. For that purpose, the detail-oriented and sensitive customers must surf the internet and understand the terms and conditions to avoid future inconvenience. Therefore, from the information availability perspective, online shopping is more feasible than traditional shopping despite the shortcomings. Thus, information available serves as a factor to influence the customer's choice of opting for online shopping rather than traditional shopping. (Minjoon Jun, Zhilin Yang & Ling Jiang, 2012)

## 2.4 Chapter Summary

In this chapter of the research paper, we have critically analyzed the consumer's online buying behavior that are influenced a mode of shopping i.e. online shopping that is carried out through the internet as a medium in China. One form is the tradition that is happening from the beginning, and the other way is driven by the technology. In traditional shopping the customer personally visits the outlet or shop and purchase goods and services while in the online shopping process the customer uses computers and internet as a medium from their homes and offices and can order goods and services from them which are delivered to their doorsteps.

From the literature review the author has found out the modes of online shopping have its own perceived benefits and disadvantages. In this paper author has deeply analyzed these aspects in the context of Chinese market. Those factors are evaluated that shapes the buying decisions of the customers in China. One consumer behavior is taken that is the factors influence consumer's online purchasing behavior in China. Five key factors were taken which were discussed in relation to consumer behavior. It has been found that every variable has positive and negative impact on consumer preferences. However, with the increasing trend of technology it is also evidenced that the number of online users for shopping is continuously increasing due to many perceived benefits associated with it, which is also a threat to the retail market.

# CHAPTER 3: RESEARCH METHODOLOGY

## 3.1 Introduction

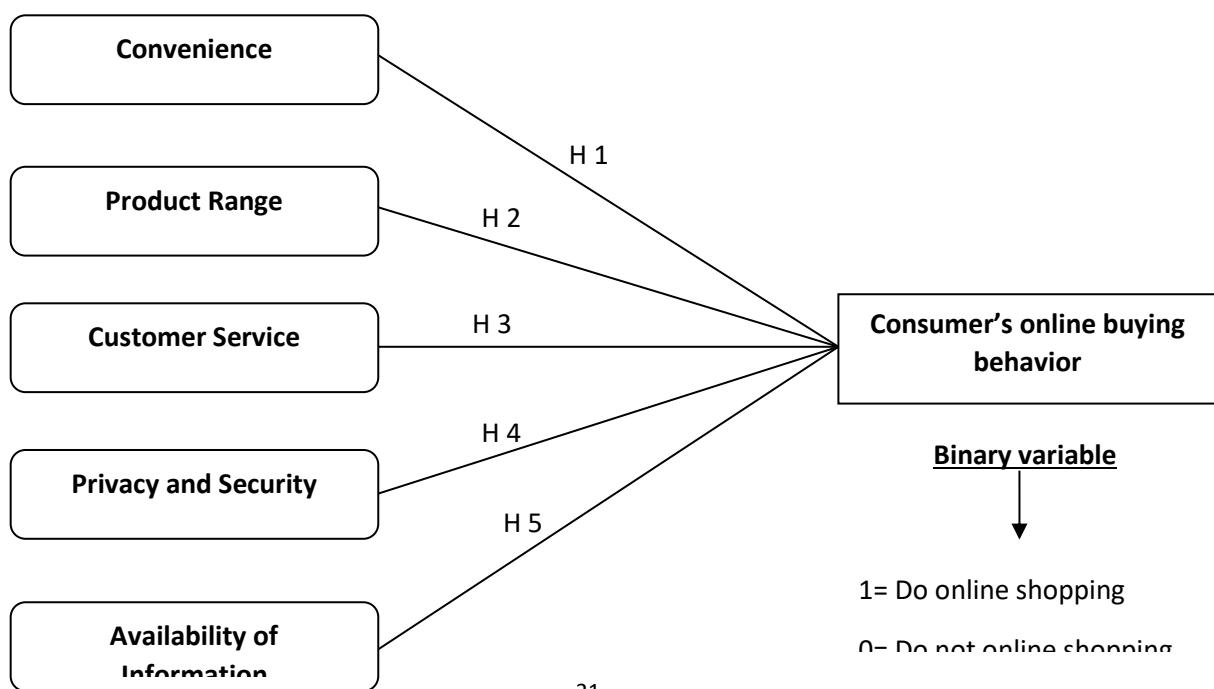
This chapter starts with a discussion of research hypothesis development which is based on research objective in chapter one and conceptual gaps in literature review. Following, a research design and sample design as well as questionnaire development will outline the research methodology used to test research hypothesis.

## 3.2 Hypothesis Development

This Section is conducted to discuss the conceptual gaps identified in the literature review which stated in Chapter Two. This is followed by a review of the three research objectives identified in Chapter One. Thus, 5 hypotheses are proposed, and a theoretical research model is developed in the following section.

### 3.2.2 Theoretical research model

#### Independent Variables



The conceptual model developed in this study is based on the review of the literature. This research model suggests that consumers' online purchasing decisions are based on five factors which are: Convenience, product range, customer service, privacy and security, availability of information.

### 3.2.3 Hypothesis Generations

Based on conceptual gaps identified in the literature review and research objectives identified in Chapter 1, these 5 Research Hypothesis are restated as below:

H0: There is no relationship between convenience and consumer's online purchasing behavior.

H1: There is a relationship between convenience and consumer's online purchasing behavior.

H0: There is no relationship between product range and consumer's online purchasing behavior.

H2: There is a relationship between product range and consumer's online purchasing behavior.

H0: There is no relationship between privacy and security and consumer's online purchasing behavior.

H3: There is a relationship between privacy and security and consumer's online purchasing behavior.

H0: There is no relationship between customer service factors and consumer's online purchasing behavior.

H4: There is a relationship between customer service factors and consumer's online purchasing behavior.

H0: There is no relationship between availability of information factors and consumer's online purchasing behavior.

H5: There is a relationship between availability of information factors and consumer's online purchasing behavior.

### 3.4 Research Design

This section refers to the overall strategy that author chooses to integrate the different components of the study in a coherent and logical way; thus, it will be ensured with an effectively address the research problem. It constitutes the blueprint for the collection, measurement, and analysis of data. (USC Libraires, 2014)

A descriptive design is conduct to use in the research which designs help provide answers to the questions of who, what, when, where, and how associated with a particular research problem; (Ms Hung, 2013) Descriptive research is used to obtain information concerning the current status of the phenomena and to describe "what exists" with respect to variables or conditions in a situation. (Ms Hung, 2013) Thus, deductive research approach has presented the process of reasoning form know factors to conclusions in the research.

In addition, this research is designed as a quantitative primary research, research data is directly collected from the source, and it involves the collection of numerical data via surveys.

### 3.5 Universe of population

The universe of population is about whom the author wants to survey and respondent. (Ms Hung, 2013) The universe of population for this research study has including all the online shopper in China. To make the research more persuasive and comprehensive, the research area is not only focused on first-class cities, such as Beijing and Shanghai, but also developing cities, such as Chengdu, XiAn. Therefore, the unit of analysis of the research was targeted both developing cities and the developed cities in China.

## 3.6 Sampling Design

### 3.6.1 Sampling size

The appropriate sample size should be considered to generalize with confidence about the constructions under investigation. Therefore, the sample statistics need to be reliable and represent the population parameters as close as possible within a narrow margin of error. (Alan Bryman & Emma Bell, 2007)

For factor analysis, the minimum sample size should be at least five times as many observations as the number of variables to be analyzed (Jun Li Zhang, 2011). Consider there are 25 variables to be analyzed in this research, it requires at least 125 usable questionnaires. For multiple regression analysis, Hair & Anderson (2010) recommend that the minimum observations to variables ratio is 5 to 1, and the preferred ratio is 20:1 or 15:1. Consider it has 5 independent variables in this study. Therefore, the minimum preferred sample size is 100.

Moreover, Alan Bryman & Emma Bell (2007) suggest that increasing the size of a sample increases the precision of a sample. Which means the increase in sampling size will lead to a decrease in sampling errors. Thus, 210 usable questionnaires are required in this research by author.

### 3.6.2 Sampling methods

In the study a quantitative primary data method was used to collect data though a questionnaire survey, thus a non-probability sampling method of this research study was chosen by researcher. The data was collected using convenience sampling, judgement sampling as well as snowball sampling method, the sampling has explained in detail as below:

### ➤ **Convenience Sampling**

The convenience sampling has been chosen whereby author will collect data from public places such as universities, supermarkets, internet cafeteria. This method has strength of lower costs and decreases respondent error. (Alan Bryman & Emma Bell, 2007).

### ➤ **Judgment Sampling**

This sampling method is utilized to target sample in purposive. Research aims to choose respondents who can give help, such as author's friends and relations who have plenty of online shopping experience. Black, K. (2010) Suggest that judgment method is much easier to achieve and get cooperating by respondents. Moreover, it is good for saving time and money.

### ➤ **Snowball Sampling**

J.S. Coleman (1958) mentioned that when the researcher needs to focus upon or to reflect relationships between people, tracing connections through snowball sampling may be a better approach than conventional probability sampling. Snowball sampling methods have been chosen by researchers that have got sampled people to nominate others.

## 3.7 Questionnaire Development

From conceptual gaps identified in literature review which mentioned in section 3.2.1 we can see, the published research is very limited on consumer's online buying behavior in China. Thus, it is significant and necessary to collect primary data via questionnaire to test hypothesis and achieve research objective.

### 3.7.1 Data Collection

Data is the basic input to decision-making process in research; the processing of data gives statistics of importance of the study. This research has involved two types of methods which are used for primary data collection are personal interview method and mail survey.

- **Personal interview method**

Door-to-door interviewing was utilized in the research. Researchers have been to the residence of relations and friends place and directly interviewing them to obtain responses via questionnaire.

In addition, to save money and make process quickly, mall intercept interview method also has conduct by researcher. People who pass by universities, supermarkets, and internet cafeterias are invited to filling up the questionnaires.

- **Mail Survey**

To cover wider population and get better accuracy data result. Most of the questionnaires were distributed via mail survey method by researcher. In mail survey, researchers have selected the required numbers of potential respondents of study from E-mail list and send them inviting mail which is attached with questionnaire.

### 3.7.2 Questionnaire design

The survey questionnaire was developed depending on the study problem and objective which identified in chapter one, as well as the variables identified in literature review. The survey questionnaire is mainly divided into two sections (See Appendix 2). Section A is designed to identify with general profile of respondents. Section B is a closed ended type with multiple choice questions. It is developed based on variables and factors derived in literature review, which aims to evaluate the factors influence consumer's online buying behavior.

The survey questionnaire was guided and examined by researcher's supervisor Ms Suguna to insure face validity. Besides, to solving with language issues by Chinese respondents, English to

Chinese language translation questionnaire was developed basing on the original questionnaire. Moreover, the translation version questionnaire was checked by a senior Chinese master to make sure the translation vision presents the same meaning as original questionnaire, and the translation vision have no influence to understanding the questionnaire.

### 3.7.3 Variables and Measurements

To consider the classification of different types of variables that are generated during research (Alan Bryman & Emma Bell, 2007), there are 3 types of variables employed in the questionnaire which are Scale variables, ordinal variables and nominal variables.

Researcher has developed the research questionnaire use multiple-item method and each item was measured based on a five-point Likert scale from “Strong disagree (1)” to “Strong agree (5)”. (Dane Bertram, 2014) Researcher use 5-point Likert scale because in simple to construct, each item of equal value so that respondents are scored rather than items, likely to produce a highly reliable scale and easy to read and complete.

### 3.7.4 Pre-testing Procedures

There is a pre-test of questionnaires to respondents conducted before the survey. The pretest is conducted to get a random sample of 20 potential respondents in China. Cooper & Schindler (2006) mentioned that as the questionnaire was designed specifically for this research, a pre-test can help to clarify the questions and statements and to assess the reliability and validity of the questionnaire.

The respondents were encouraged to make comments on any questions or statements that they thought were ambiguous or unclear. Some minor wording modifications to the questionnaire were made because of this process. A final version of the questionnaire is presented in Appendix 2.

# CHAPTER 4: DATA ANALYSIS

## 4. 1 Introduction

This chapter aims to provide complete data analysis of the gathered data. This chapter is important as numeric data is required to be interpreted and presented in an understandable manner for readers. Demographic characteristics analysis along with independent and dependent variable analysis is a major part of this section. The hypothesis will also be tested based on its acceptance and rejection.

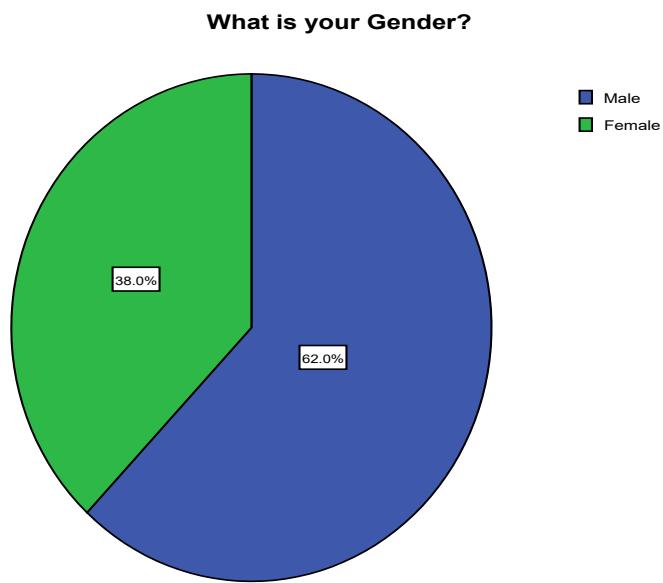
## 4. 2 Demographic Characteristics Analysis

### 4.2.1 Frequency Analysis: Gender

**What is your Gender?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	62	62.0	62.0	62.0
	Female	38	38.0	38.0	100.0
	Total	100	100.0	100.0	

The table shown above shows the distribution of customers in terms of their gender. The outcomes reflect that 62 out of 100 customers were male, while the rest 38 were female. It can be assumed that customers of that were selected for research has male in majority.



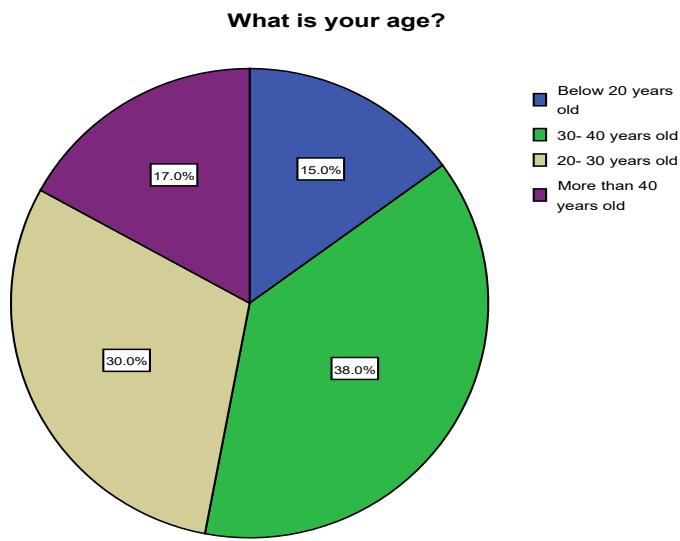
In pie chart shown above, gender distribution is provided in a graphical representation. The result reflects that 62% of the respondents were male. However, the remaining 38% of the respondents were female.

#### 4.2.2 Frequency Analysis: Age

**What is your age?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Below 20 years old	15	15.0	15.0	15.0
30- 40 years old	38	38.0	38.0	53.0
20- 30 years old	30	30.0	30.0	83.0
More than 40 years old	17	17.0	17.0	100.0
Total	100	100.0	100.0	

The above table reflects the age distribution of the Chinese customers that participated in the study. The result reflects that 38 customers belonged to the age group of 30-40 years. About 30 of the total customers belonged to the age group of 20-30 years. About 17 customers belonged to the age group of over 40 years. However, about 15 customers belonged to the age group of over 20 years.



The results of age distribution are shown in pie chart to provide graphical representation. The result reflects that about 38% of the respondents belonged to the age group of 30-40 years. About 30% of the total of the respondents belonged to the age group of 20-30 years. About 17% of the respondents belonged to the age group of over 40 years. However, about 15% of the respondents belonged to the age group of above below 20 years.

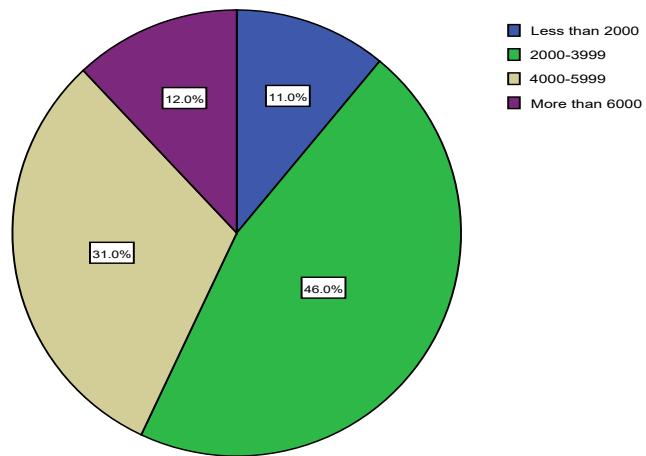
#### 4.2.3 Frequency Analysis: Monthly Income

**How much do you earn in a month (Chinese Yuan)?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2000	11	11.0	11.0	11.0
	2000-3999	46	46.0	46.0	57.0
	4000-5999	31	31.0	31.0	88.0
	More than 6000	12	12.0	12.0	100.0
	Total	100	100.0	100.0	

In the above table, the monthly income level of the customers is presented. The outcome shows out of 100, 46 customers claimed that they earn around 2000-3999 yuan as their monthly income. About 31 of the customers earned the monthly income between 4000-5999 yuan. About 12 of the customers earned the monthly income more than 6000 yuan. However, about 11 customers earned a monthly income below 2000 yuan.

**How much do you earn in a month (Chinese Yuan)?**



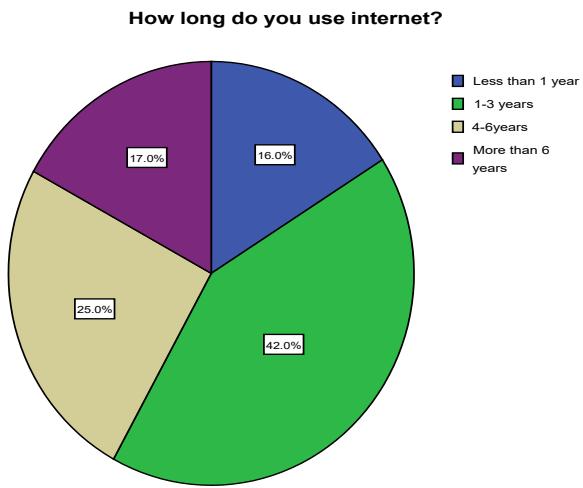
In the above shown table, the monthly income level of the respondents is presented. The outcome shows out of 100, 46% of the respondents claimed that they earn around 2000-3999 yuan as their monthly income. About 31% of the respondents earned the monthly income between 4000-5999 yuan. About 12% of the respondents earned the monthly income more than 6000 yuan. However, about 11% of the respondents earned the monthly income below 2000 yuan.

#### 4.2.4 Frequency Analysis: Internet Usage

**How long do you use internet?**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Less than 1 year	16	16.0	16.0	16.0
1-3 years	42	42.0	42.0	58.0
4-6years	25	25.0	25.0	83.0
More than 6 years	17	17.0	17.0	100.0
Total	100	100.0	100.0	

The above table shows the internet usage duration of the Chinese customers. The result shows that out of 100, 42 customers have been using internet for 1-3 years. About 25 customers have been using internet for 4-6 years. About 17 customers have been using internet for more than 6 years. However, about 16 customers have been using internet for less than 1 year.



The above pie chart shows the internet usage duration of the Chinese customers in graphical representation. The result shows that about 42% of customers have been using internet for 1-3 years. About 25% customers have been using internet for 4-6 years. About 17% customers have been using internet for more than 6 years. However, about 16% of customers have been using internet for less than 1 year.

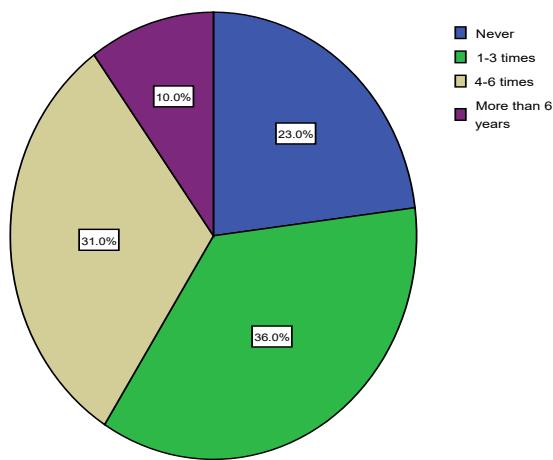
#### 4.2.5 Frequency Analysis: Frequency of Shopping

**How often do you shopping online in a month (on average)?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	23	23.0	23.0	23.0
	1-3 times	36	36.0	36.0	59.0
	4-6 times	31	31.0	31.0	90.0
	More than 6 years	10	10.0	10.0	100.0
	Total	100	100.0	100.0	

The above table shows the frequency of customers shopping online. The result shows that out of 100, 36 customers go shopping 1-3 times in a month. About 31 customers do shopping 4-6 times a month. About 23 customers do not prefer to do shopping at all. About 10 customers do shopping more than 6 times a month.

How often do you shopping online in a month (on average)?



The above pie chart shows the frequency of customers to shop online in graphical representation. The result shows that about 36% of customers do shopping 1-3 times a month. About 31% of customers do shopping 4-6 times a month. About 23% of customers do not prefer to do shopping at all. About 10% of customers do shopping more than 6 times a month.

## 4.3 Reliability Test

Reliability Statistics

Cronbach's Alpha	N of Items
.818	30

In the above table, data gathered from questionnaire is accessed in terms of its reliability. If Cronbach's Alpha lies between 0.7-1.0, then data is regarded as reliable to use. However, the data that has Cronbach's Alpha below the defined range is said to be unreliable data. The outcome shows that Cronbach's Alpha of the data is 0.818, which reflects that data is reliable to use.

## 4.4 Descriptive Statistics

### 4.4.1: Consumer's Online Shopping Behavior

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
I would like to make my purchasing process as convenience as possible	100	2	5	3.98	1.015
Wider product range is more attractive	100	2	5	3.98	.899
I prefer to purchasing from the place where offered good customer services	100	2	5	3.84	1.080
It is necessary to do consideration about privacy and secure condition before purchase	100	1	5	4.00	1.110
Availability of Information make purchasing process more effective	100	1	5	4.07	1.027
Valid N (listwise)	100				

The table shown above reflects the average responses of the respondents regarding online shopping behavior. In this factor, the highest mean value obtained is 4.07 customers on average believe availability of information makes purchasing process more effective. The result reflects that on average; the respondents believe that it is necessary to consider privacy and secure measures before online shopping with mean value of 4.00. Mean value of 3.98 shows that on average, respondents believe that customers prefer their purchasing process to be convenient as possible. With 3.98 means, it can be said that on average respondents find wider product range impacting consumer's online shopping behavior. As observed by the mean value of 3.84, some customers prefer to purchase from the place which offers good customer services.

#### 4.4.2: Convenience

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Online shopping saves time.	100	2	5	4.48	.717
It's a great advantage to shop at any time.	100	2	5	4.21	.935
It is convenience that the product is delivered to door step	100	2	5	3.98	1.015
It is convenience to do transaction via Internet	100	1	5	3.30	1.283
Valid N (listwise)	100				

The average responses of the respondents regarding convenience are shown in the table. The highest mean value in this factor is 4.48, which suggests that respondents believe online shopping saves great deal of time. The result further shows mean value of 4.21 which shows that on average, respondents consider shopping at any time a great advantage for them. With 3.98 means, it can be said that on average customers find it convenient if the product is delivered to their doorstep. Some customers find convenience to do transactions via Internet as viewed by the mean value of 3.30.

#### 4.4.3: Product Range

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Online shopping provides a wide range of products	100	2	5	4.20	.932
Online shopping provides variety of products by considering their prices and qualities.	100	1	5	3.63	1.220
It is easy for customers to compare the price according to various product range	100	1	5	3.62	1.245
Valid N (listwise)	100				

The table shown above reflects the descriptive statistics of the statements related to product range. In this factor, the highest mean value 4.20 suggests that online shopping provides a broad range of products. With 3.63 means, it can be said that many of the respondents find online shopping providing variety of products with consideration of their prices and qualities. The statement 'It is easy for customers to compare the price

according to various product range' shows the mean value of 3.62, which means respondents agree to this statement.

#### 4.4.4: Privacy and Security

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
There is a low risk for purchasing online.	100	1	5	3.28	1.173
It is safe to do transaction via internet	100	1	5	4.24	.866
Internet retailers honour of their guarantees.	100	1	5	4.32	.764
It is secure to provide personal information for shopping online	100	1	5	4.32	.764
Valid N (listwise)	100				

The table demonstrated above reflects the average responses regarding privacy and security. In this variable, the highest mean value is obtained by statement 'It is secure to provide personal information for shopping online' which is 4.32. The result shows that respondents on average agree that internet retailer honors their guarantees with the mean value of 4.32. Mean value of 4.24 shows that it is safe to do transaction via internet. With 3.28 means, it can be said that many of the respondents on average believe that there is a low risk for purchasing online.

#### 4.4.5: Customer Service

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Staff is available in a timely manner.	100	1	5	3.43	1.157
After-sale service of online shopping is useful and helpful	100	2	5	4.48	.717
Internet retailers offer good services for sale	100	2	5	3.77	1.072
Communication is updated on progress.	100	3	5	3.92	.800
Internet retailers respond inquiries promptly	100	3	5	4.82	.520
Valid N (listwise)	100				

The descriptive statistics regarding customer service are provided at the above table. With highest mean value of 4.82, majority of the respondents on average agree that internet retailers are responsive to their queries. Further results show that respondents agree that communication is updated on progress as indicated by the mean value of 3.92. Mean value of 4.48 shows that respondents on average strongly agree that after-sale service of online shopping is useful and helpful. With 3.77 means, it can be said that on average, many of the respondents agree that internet retailers offer good services for sale. However, mean value of 3.43 indicates that majority of the respondents were staff to be available in a timely manner.

#### 4.4.6: Availability of Information

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Customers will be easily convinced by the information provided via internet purchasing	100	2	5	3.98	1.015
Online retailer provides more product and services information rather than traditional shopping	100	2	5	3.98	.899
It is helpful to do judgement about retailer's credits and reputation	100	2	5	3.84	1.080
Information from online retailer makes purchase processing more efficiency and effective	100	1	5	4.00	1.110
Valid N (listwise)	100				

The table shown above reflects the average responses of the customers regarding availability of information. In these factors, the highest mean value is obtained is 4.00, majority of the respondents on average believe information from online retailers makes purchase processing more efficient and effective. Moreover, result reflects that on average, the respondents believe that online retailers provide more product and services information rather than traditional shopping as observed from the mean value of 3.98. Mean value of 3.98 shows that on average, customers believe that they will be easily convinced by the information provided via internet purchasing. With 3.84 means, it can be said that on average respondents find it helpful to do judgement about retailer's credits and reputation.

## 4.5 Pearson Correlation

Correlations							
		Convenience	Product_Range	Customer_Service	Privacy_Security	Availability	Consumer_behavior
Convenience	Pearson Correlation	1	.737**	.168	.027	.508**	.512**
	Sig. (2-tailed)		.000	.096	.793	.000	.000
	N	100	100	100	100	100	100
Product_Range	Pearson Correlation	.737**	1	-.013	.056	.198*	.215*
	Sig. (2-tailed)	.000		.898	.581	.048	.032
	N	100	100	100	100	100	100
Customer_Service	Pearson Correlation	.168	-.013	1	.130	.217*	.197*
	Sig. (2-tailed)	.096	.898		.198	.030	.050
	N	100	100	100	100	100	100
Privacy_Security	Pearson Correlation	.027	.056	.130	1	.074	.096
	Sig. (2-tailed)	.793	.581	.198		.464	.340
	N	100	100	100	100	100	100
Availability	Pearson Correlation	.508**	.198*	.217*	.074	1	.988**
	Sig. (2-tailed)	.000	.048	.030	.464		.000
	N	100	100	100	100	100	100
Consumer_behavior	Pearson Correlation	.512**	.215*	.197*	.096	.988**	1
	Sig. (2-tailed)	.000	.032	.050	.340	.000	
	N	100	100	100	100	100	100

\*\*. Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

In the above table, Pearson Correlation values are presented which shows the correlation between the dependent and the independent variable. The dependent variable in the study is Consumer's online shopping behavior. However, the independent variables for this research are convenience, customer service, privacy and security, product range, and availability of information. Pearson Correlation value is obtained by correlating dependent variable with each independent variable separately.

The first independent factor to be discussed is convenience and Pearson Correlation of this factor is 0.512. The value indicates that there is a positive and strong relationship between online shopping behavior and convenience. In addition to this, there also exists a statistically significant relationship present between them. Product range is the second independent variable of this research, and Pearson Correlation of this variable is 0.215. The outcome shows that there is a positive but relatively weak relationship between Consumer's online shopping behavior and product range. However, a significant relationship exists between the Consumer's online shopping behavior and product range statistically.

Privacy and security are the third independent variable of this research, and Pearson Correlation of this variable is 0.096. The result indicates that there is a positive and extremely weak relationship between consumer online shopping behavior and privacy and security. However, a statistically significant relationship is present between consumer's online shopping behavior and privacy and security. The fourth independent variable is customer service, and Pearson Correlation of this variable is 0.197. The value

reflects that there is a positive and relatively weak relationship between online shopping behavior and customer service. However, a significantly weak relationship exists between the consumer's online shopping behavior and customer service statistically. Availability of information is the last independent variable of this research, and Pearson Correlation of this variable is 0.988. The outcome shows that there is a positive and strong relationship between consumer online shopping behavior and information availability. Furthermore, a significantly strong relationship exists between the Consumer's online shopping behavior and information availability statistically

## 4.6 Regression Test

### 4.6.1: Consumer's Online Shopping Behavior and Convenience

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.512 <sup>a</sup>	.262	.254	.74570

a. Predictors: (Constant), Convenience

The model summary in the above table reflects the impact of convenience over consumer's online shopping behavior. A strong relationship between variables exists when R2 is valued at 0.60, when the value is 0.60 and below, it is regarded as weak relationship. For these variables, the R2 value is 0.262 which suggests that 26.2% of the online shopping behavior of customer is impacted by convenience.

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Beta	t	Sig.
	B	Std. Error			
1	(Constant)	1.193	.478	2.497	.014
	Convenience	.697	.118		

a. Dependent Variable: Consumer\_behavior

The above demonstrated table reflects the coefficients from which the influence of convenience on consumer's online shopping behavior can be found. The significant value of 0.000 is extremely less than the standard 0.05 value. This means that there is an influence of convenience on consumer's online shopping behavior. The coefficient for convenience is 0.697. So, keeping all other variables constant, for every unit

increase in convenience, an approximately 0.697 point is expected to increase in consumer's online shopping behavior.

#### 4.6.2: Consumer's Online Shopping Behavior and Product Range

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.215 <sup>a</sup>	.046	.036	.84765

a. Predictors: (Constant), Product\_Range

The model summary in the above table reflects the impact of product range on Consumer's online shopping behavior. The relation between variables appears to be weak as the value of R square is way below 0.6. The result shows the value of R square to be .046 which indicated that only 4.6% of the consumer's online shopping behavior is impacted by product range. It may be assumed that relationship between product range and consumer's online shopping behavior is extremely weak.

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
1	(Constant)	3.220	.357	9.016	.000
	Product_Range	.198	.091	.215	.032

a. Dependent Variable: Consumer\_behavior

The above table reflects the coefficients to find the impact of product range over consumer's online shopping behavior. The significant value of 0.032 is less than the standard 0.05 value. This means that there is a significant influence of product range on consumer's online shopping behavior. The coefficient for product range is 0.198. It means that, for every unit increase in product range, an approximately 0.198 point is expected to increase in consumer's online shopping behavior, keeping all other variables constant.

#### 4.6.3: Consumer's Online Shopping Behavior and Privacy and Security

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.096 <sup>a</sup>	.009	-.001	.86382

a. Predictors: (Constant), Privacy\_Security

The impact of privacy and security on consumer's online shopping behavior is observed from the model summary shown above. The R square result of these two variables is .009 which is extremely less than the standard relationship value. It shows that consumer's online shopping behavior is not much influenced by privacy and security. It can be assumed from the outcome that privacy and security have insignificant impact over consumer's online shopping behavior.

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.461	.542		6.390	.000
Privacy_Security	.127	.132	.096	.959	.340

a. Dependent Variable: Consumer\_behavior

The impact of privacy and security on consumer's online shopping behavior can be determined from the above table. The significant value of 340 is observed to be more than the standard 0.05 value. This means that there is no impact of privacy and security on consumer's online shopping behavior. The coefficient for privacy and security is 0.127. Keeping all other variables constant, for every unit increase in privacy and security, an approximately 0.127 point is expected to increase in consumer's online shopping behavior.

#### 4.6.4: Consumer's Online Shopping Behavior and Customer Service

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.197 <sup>a</sup>	.039	.029	.85090

a. Predictors: (Constant), Customer\_Service

In the table shown above, the impact of customer service on consumer's online shopping behavior is presented. The model summary indicates that only .039 R square value, which is way less than the standard 0.6 value. It shows that consumer's online shopping behavior is insignificantly impacted by customer service. The outcome shows insignificant influence of customer service over consumer's online shopping behavior.

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.155	.919		2.345	.021
Customer_Service	.445	.224	.197	1.987	.050

a. Dependent Variable: Consumer\_behavior

The above value shows the coefficients in relation to finding the impact of customer service on consumer's online shopping behavior. The significant value 0.05 is equal to the standard 0.05 value. This means there is a perfect relationship between customer services and consumer's online shopping behavior. The coefficient for customer service is 0.445. So, for every unit increase in customer service, an approximately 0.701 point is expected to increase in consumer's online shopping behavior. However, this is only possible if all other variables constant.

#### 4.6.5: Consumer's Online Shopping Behavior and Information Availability

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.988 <sup>a</sup>	.975	.975	.13667

a. Predictors: (Constant), Availability

Impact of information availability over Consumer's online shopping behavior is shown in the model summary. For the provided variables, the R2 value is 0.975 which suggests that 97.5% of the Consumer's online shopping behavior is influenced by information availability. It means major portion of consumer behavior is derived from information available to consumers.

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.117	.064		1.841	.069
Availability	.976	.016	.988	62.079	.000

a. Dependent Variable: Consumer\_behavior

The above shown table reflects the coefficients from which the influence of information availability on Consumer's online shopping behavior can be found. The significant value of 000 is extremely less than the standard 0.05 value. This means that there is an influence of information availability on Consumer's online shopping behavior. The coefficient for information availability is 0.976. So, for every unit increase in information availability, an approximately 0.976 point is expected to increase in Consumer's online shopping behavior, keeping all other variables constant.

## 4.7 ANOVA

### 4.7.1: Consumer's Online Shopping Behavior and Convenience

**ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1      Regression	19.318	1	19.318	34.740	.000 <sup>a</sup>
Residual	54.495	98	.556		
Total	73.812	99			

a. Predictors: (Constant), Convenience

b. Dependent Variable: Consumer\_behavior

The table shown above suggests if the null hypothesis is accepted or rejected. The result reflects that null hypothesis is rejected, and alternate hypothesis is accepted. In this study, alternate hypothesis is 'There is a relationship between convenience and consumer's online purchasing behavior.' Since 0.000 is less than 0.05, there is said to be a relationship between convenience and Consumer's online shopping behavior.

### 4.7.2: Consumer's Online Shopping Behavior and Product Range

**ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1      Regression	3.398	1	3.398	4.729	.032 <sup>a</sup>
Residual	70.415	98	.719		
Total	73.812	99			

a. Predictors: (Constant), Product\_Range

b. Dependent Variable: Consumer\_behavior

The above shown table reflects which hypothesis is accepted or which is rejected. The outcomes reflect that significant value to be 0.032, which is less than the standard value of 0.05. This shows that null hypothesis

will be rejected, and alternate hypothesis is accepted. In this study, null hypothesis is ‘There is a relationship between product range and consumer’s online purchasing behavior’.

#### 4.7.3: Consumer’s Online Shopping Behavior and Privacy and Security

**ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1      Regression	.686	1	.686	.919	.340 <sup>a</sup>
Residual	73.127	98	.746		
Total	73.812	99			

a. Predictors: (Constant), Privacy\_Security

b. Dependent Variable: Consumer\_behavior

The table shown above determines which hypothesis fall in acceptance region and which is rejected. The outcome shows that null hypothesis will be accepted, and alternate hypothesis will be rejected. In this study, null hypothesis is ‘There is no relationship between privacy and security and consumer’s online purchasing behavior’. Since 0.34 is more than 0.05 of relationship existence, there indicates no relationship between Consumer’s online shopping behavior and privacy and security.

#### 4.7.4: Consumer’s Online Shopping Behavior and Customer Service

**ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1      Regression	2.858	1	2.858	3.947	.050 <sup>a</sup>
Residual	70.954	98	.724		
Total	73.812	99			

a. Predictors: (Constant), Customer\_Service

b. Dependent Variable: Consumer\_behavior

The above illustrated table explored the acceptance and rejection of null hypothesis. The result reflects that null hypothesis is rejected, and alternate hypothesis is accepted. In this research, alternate hypothesis is ‘There is a relationship between customer service factors and consumer’s online purchasing behavior’. The null hypothesis is rejected based on 0.05 significance value which is a perfect value for relationship existence.

#### 4.6.5: Consumer's Online Shopping Behavior and Information Availability

ANOVA<sup>b</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	71.982	1	71.982	3853.857	.000 <sup>a</sup>
Residual	1.830	98	.019		
Total	73.812	99			

a. Predictors: (Constant), Availability

b. Dependent Variable: Consumer\_behavior

The table shown above suggests if the null hypothesis is accepted or rejected. The result reflects that null hypothesis is rejected, and alternate hypothesis is accepted. In this study, alternate hypothesis is 'There is a relationship between availability of information factors and consumer's online purchasing behavior'. Since 0.000 is less than 0.05, there is said to be a relationship between information availability and Consumer's online shopping behavior.

### 4.8 Chapter Summary

The complete data analysis is presented in this chapter. The impact of convenience, customer service, privacy and security, and product range on Consumer's online shopping behavior were found separately. Moreover, the demographic analysis also presents the distribution of respondents in terms of gender, age, monthly income, internet usage duration, and frequency of use.

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## **Appendix 1 Cover letter of Questionnaire**

### **Questionnaire**

(Research title: An Empirical analysis of the factors influencing consumer's online buying behaviour in China.)

## **Appendix 2 Questionnaire**

Please tick (✓) in the appropriate box

### **Section A: General Profile of Respondents**

1. What is your Gender?

Male

Female

2. What is your age?

Below 20 years old

30-40 years old

20- 30 years old

more than 40 years old

3. How much do you earn in a month (Chinese Yuan)?

Less than 2000

2000-3999

4000-5999

more than 6000

4. How long do you use internet?

Less than 1 year

1-3 years

4-6 years

More than 6 years

5. How often do you shop online in a month (on average)?

Never

1-3 times

4-6 times

More than 6 years

### **Section B: Dependent variable related to study**

Part A: researcher would like to investigate on **Consumer's online shopping behavior in China**. Please state your level of agreement with the following statements.

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I would like to make my purchasing process as <b>convenience</b> as possible	1	2	3	4	5
2	Wider <b>product range</b> is more attractive	1	2	3	4	5
3	I prefer to purchasing from the place where	1	2	3	4	5

	good <b>customer services</b> is offered					
4	It is necessary to do consideration about <b>privacy and secure</b> condition before purchase	1	2	3	4	5
5	<b>Availability of Information</b> make purchasing process more effective	1	2	3	4	5

### **Section C: Independent variables related with the study**

The questions are concern with various conceptions about in **the factors of influence consumer's online shopping behaviour in China**. Answer by circling the number which best corresponds to your opinion. There are no right answers. Please read the question carefully and circle your preference number with your opinion.

The question corresponds with my opinion.

Strongly disagree = 1, disagree = 2, Neutral = 3, agree = 4, strongly agree = 5

Part A: Researcher would like to investigate how the factors of convenience influence consumer's online buying behaviour in China. Please state your level of agreement with the following statements

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Online shopping saves time.	1	2	3	4	5
2	It is a great advantage to shop at any time.	1	2	3	4	5
3	It is convenient that the product delivers to doorstep.	1	2	3	4	5
4	It is convenience to do transaction via Internet	1	2	3	4	5

Part B: Researcher would like to investigate on how the factor of product range influence consumer's online buying behaviour in China. Please state your level of agreement with the following statements.

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Online shopping provides a wide range of products	1	2	3	4	5
2	Online shopping provides variety of products by considering their prices and qualities.	1	2	3	4	5
3	It is easy for customers to compare the price according to various product range	1	2	3	4	5

Part C: Researcher would like to investigate on how the factor of **Customer Services** influence consumer's online buying behaviour in China. Please state your level of agreement with the following statements.

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Staff is available in a timely manner.	1	2	3	4	5
2	After-sale service of online shopping is useful and helpful	1	2	3	4	5
3	Internet retailers offer good services for sale	1	2	3	4	5
4	Communication is updated on progress.	1	2	3	4	5
5	Internet retailers respond inquiries promptly	1	2	3	4	5

Part D: Researcher would like to investigate on how the factor of **Privacy and Security** influence consumer's online buying behaviour in China. Please state your level of agreement with the following statements.

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	There is an insignificant risk for purchasing online.	1	2	3	4	5
2	It is safe to do transaction via internet	1	2	3	4	5
3	Internet retailers honour of their guarantees.	1	2	3	4	5
4	It is secure to provide personal information for shopping online	1	2	3	4	5

Part E: researcher would like to investigate on how the factor of **Availability of Information** influence consumer's online buying behaviour in China. Please state your level of agreement with the following statements.

No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Customers will be easily convinced by the information provided via internet purchasing	1	2	3	4	5
2	Online retailer provides more product and services information rather than traditional shopping	1	2	3	4	5
3	It is helpful to do judgement about retailer's credits and reputation	1	2	3	4	5
4	Information from online retailer makes purchase processing more efficiency and effective	1	2	3	4	5

I would like to thank and appreciate your contribution very much in completing this questionnaire.