CUSTOMER DIGITAL SHOPPING ORIENTATIONS AND FACTORS OF DIGITAL SHOPPING BEHAVIOR IN E-RETAILING SHOPPING AMONG THE GEN-Y STUDENTS

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ABSTRACT

The increasing use of the internet in Malaysia delivers an emerging revelation for e-retailers. Currently, with the quick change of internet technology, digital shopping is becoming common and even unescapable among Malaysian people in different age. To ensure the success of digital business, it is important for the retailers to understand their targeted shoppers. Due to the increasing volume of digital retailers, the competition amongst digital retailers becomes more and more forceful. To stand out, it is beneficial for retailers to understand of determinants that influence their potential customer's shopping behavior through e-retailing shopping. The objective of this study was to explore the factors affecting Malaysia shoppers' digital purchasing behaviour on e-retailing shopping. There were three objectives in this study: (1) to identify the Malaysian Gen-Y shopper characteristics (2) to examine the customer digital shopping orientations and (3) to identify the factors of digital shopping behaviour in e-retailing shopping. A five-level Likert scale self-administered questionnaire which was developed based on prior literature. The questionnaire was carried out with 100 respondents in Polytechnic Nilai, Negeri Sembilan. Therefore, e-retailers should emphasize a more user-friendly function in order to provide very satisfying and efficiently digital shopping platforms. In light of this, this study is presented to the research community as a tool that may be used in conducting future research related to digital shopping behaviour. Overall, this study seeks to provide productive insights into the shoppers' characteristics, the shoppers shopping orientations and the important factors of shoppers' behaviour in digital shopping.

Keywords: Attitude; digital shopping; Gen-Y; shoppers, retailers

INTRODUCTION

Digital shopping becoming very popular phenomenon in all of countries in the world. In Malaysia, this phenomenon also highly accessible for shopping activities through the internet. Today, internet is not only a networking media, but also a global means of transaction for consumers (Delafarooz et al., 2010). There has been rigorous research related with digital shopping attitudes and behaviour in recent years. Most of these study focused regarding recognize about the factors influencing or contributing to digital shopping attitudes and behaviour. Most of the study take different viewpoints and emphasis on different factors in different ways. A study by Case, Burns, and Dick (2011) proposed that internet knowledge, income, and education level are particularly powerful predictors of online purchases among university students. Ho and Wu (2009) determined that there are positive relationships between online shopping behaviour and five categories of factors, which include e-stores, logistical support, product characteristics, websites, technological characteristics, information characteristics, and homepage presentation. Schubert and Selz (2010) observed related to the quality factors of electronic commerce sites in terms of information, agreement, settlement stages and factors related to e-commerce community.

The customers' needs and factors influencing their behaviors when digital shopping is a valuable tool in creating effective interactions between customers and retailers. Customers can interact with e-retailers in many ways and the customers will acquire different views because of the difference features that will affect their purchasing intentions (Cheung et al., 2003).

Digital shopping has become one of the main channels of shopping due to its advantages. Various digital shopping carnivals (OSCs) have emerged around the world. For example, in United States of America, the Black Friday is one of the example of USA's famous shopping day. That can be shopping through offline or online. In 2017, the total amount spending on Black Friday more than US$5 billion. In China, the Alibaba's Double Eleven has represented their national digital retail sales more than 300 billion yuan. Digital online shopping is a new type of marketing activities marketing and holiday advertising that can encourages consumption by great promotions and festive discounts. Many people were attracted by the price factor of digital shopping and then engrossed in the digital shopping event (Delafrooz and Khatibi, 2009). The increasing growth of digital shoppers in Malaysia contributes to encouraging scenario for e-retailers. With the impressive increase in the rate of internet users had encouraged a confidence for many e-retailers market opportunity (Hoffman, 2010). Therefore, this view gives the future of e-commerce seems to be very bright for Malaysia accordingly. The main objective of this paper is to determine the characteristics of TVET shopper online and the factors of digital shopping orientations that influencing Gen-Y online shopping attitude. Therefore, understanding consumer online shopping will help marketing managers to predict the digital shopping rate and evaluate the future growth of online commerce (Shwu-Ing, 2003).

The objective of this study were to identify the characteristics of Gen-Y shoppers online. Moreover, the second objective of the study was to determine the factors of customer digital shopping orientations. The third objective is to identify the factors of digital shopping behaviour in e-retailing shopping.

LITERATURE REVIEW

Digital shopping has become one of the important landscapes in the shopping environment. Digital shopping behaviour (online buying behaviour and internet shopping/buying behaviour) related to the progress of obtaining products or services by the Internet. Many literatures related to the factors of encourage the customers to shop online and their attitude has been investigated in the traditional shopper literature context. An analysis of various experimental research in this context indicated that the Theories of Reasoned Action (TRA) (Ajzen & Fishbein, 1975) and Acceptance Model (Davis, 1989) are among the most common theories used to investigate about online shopping behaviour (Limayem, 2003). Consequently, for this study, the theoretical framework is based on these theories.

According to Wolfinbarger and Gilly (2001), customers usually have many types of personalities that can affect their perception and their online shopping behaviours. The customers' personalities that related to shopping behaviours can be categorized in two main orientations, i.e., utilitarian and hedonic. This shopping practice comprises of five steps that similar to those associated with the traditional spending behaviour (Liang & Lai, 2000). In the normal digital shopping procedure, when the customers identify their need for some merchandise or service, they go to the internet and search for need-related information. However, sometimes the customers always attracted by the information about products or services related with their necessity. The customers then evaluate the options and select the one that appropriate with their criteria need. Lastly, a transaction is processed and post-sales services occurred. Digital shopping attitude refers to consumer's psychological state in terms of making purchases on the online shopping.

According to previous research, the characteristics of customers and aims have been found to influence their behaviours such as purchasing, revisiting intentions, and attitudes toward a retailers website (Wolfinbarger & Gilly, 2001; Wu, 2005). Moreover, the characteristics of the customer are the factors that affect their behaviours, for example their demographic characteristics: gender, age, and ethnicity are illustrations of background characteristics (Wu, 2003). Furthermore, a study by Mohd Suki et al. (2006) reported that internet shoppers in Malaysia are more likely to be young, affluent, highly educated and wealthy. The focus of various prior online shopping study related about benefits of online retailers i.e what customers think of retailers can give best offer to them (Davis, 1989; Keller, 1993; Liu & Arnett, 2000; Muylle *et al*., 2004; Shih, 2004). Therefore, understanding how customers perceive benefits of online store is important in choosing and making a purchase decision. Many prior studies have studied the benefits that encourage customers to buy via internet.

The Theory of Reasoned Action (TRA) is a theoretical approach which has been used extensively as an instrument to describe the shoppers actions either digital or offline situations. This theory is proposed by Ajzan and Fishbein (1980), which emphasises about the individual's behaviour and consequences is the customers attitudes that is formed by their perceptions or norms. The technology acceptance model (TAM) proposed by Davis (1989) was related from the TRA. TRA is a general theory to explain general human behavior and TAM is specific to internet usage. TAM suggested that the individual attitude toward using a new technology is influenced by perceived usefulness and ease of use.
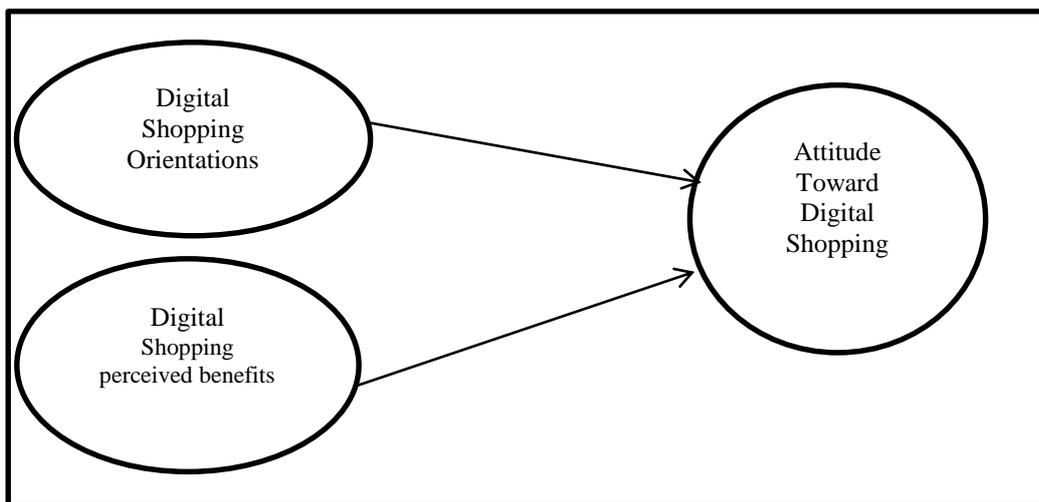

Figure 1: Conceptual Framework

This study employs Gen-Y's attitude toward digital shopping as dependent variables and Gen-Ys' digital shopping orientation and Gen-Y digital shopping perceived benefits as independent variables based on the above theoretical approach.

DEMOGRAPHIC CHARACTERISTICS OF ONLINE GEN-Y SHOPPER

Some of the previous studies have investigated the associations of customer demographic profiles of shoppers. In the study of Crask & Reynolds (2012) and on the basis of a comparison between the demographic profiles of frequent and non-frequent customers, the researchers have found that frequent patrons are younger; more educated and have higher incomes. Other scholars have investigated the connection between gen-Ys shopping motivations and the shoppers demographic characteristics (Mejri et al., 2012).

UTILITARIAN AND HEDONIC SHOPPING ORIENTATIONS

In general, the hedonic shopping represents the benefit a consumer gets from the shopping process not necessarily from the transaction and the capability of the product to satisfy wants and needs itself (Jones et al., 2006; Babin et. al., 1994). In contrast, the utilitarian shopping is related with the efficiency of the shopping process (Jones et al., 2006; Kim, 2002). The efficiency of shopping process can be stated as the ideal ratio among the output, for example: customer purchased the right product or service at the right price and the input, for example: customer shopping efforts or use of resources such as time, means of transport (Ingene, 1984; Granzin et al., 1997). The hedonic shoppers are intrinsically motivated towards shopping and look for fun, amusement, fantasy and or sensory stimulation. Meanwhile, the utilitarian's are extrinsically motivated and more task related and or rational (Babin et al., 1994; Batra and Ahtola, 1991). The shoppers look for a shopping involvement and/or the accessibility that makes their live more enjoyable and easier (Kim, 2002). Table 1 below showed the summary of the specification of these two shopper types:

Table 1: Customer Shopping Orientation: Utilitarian vs Hedonic

Utilitarian	Hedonic
• **Extrinsic Motivation**	• Intrinsic Motivation
• **Instrumental Orientation**	• Ritualized Orientation
• **Situational Involvement**	• Enduring Involvement
• **Utilitarian benefits/value**	• Hedonic Benefits/value
• **Directed (pre-purchase search)**	• Non-directed (ongoing) search, browsing
• **Goal-oriented choice**	• Navigational; (experiential) choice
• **Cognitive**	• Affective
• **Work**	• Fun
• **Planned purchase: repurchasing**	• Compulsive shopping; impulse buying

Sources: Sanchez-Franco & Roldan (2005)

DIGITAL SHOPPING PERCEIVED BENEFITS

According to Wu (2003), the perceived benefits are the suitable consequences that results from the individual attributes. The benefits can be physiological, psychological, sociological, or material in nature. The shoppers' perceived benefits are the advantages or satisfactions from their online shopping needs or wants in the online shopping context. There are many differences between a physical store and its electronic counterpart (Mohd Suki, 2006). Most various study of online shopping research had recognized the attributes of online stores that promote success (Davis, 1989; Liu & Arnett, 2000; Muylle *et al*., 2004; Shih, 2004).

The prior research have categorized into intrinsic and extrinsic benefits. These benefits are very significant in explaining the customers' selections of e-retailers (Liu & Arnett, 2000; Muylle et al., 2004; Shih, 2004). The customer's extrinsic benefits include characteristics i.e. wide selection of products, competitive pricing, easy access to information and low search costs. In addition, the customer intrinsic benefits include characteristics i.e. design and color (Shang et al., 2005). Therefore, the Gen-Y purchased online because they find these benefits via internet. This is the reasons why Gen-Ys shop online.

ATTITUDE TOWARDS DIGITAL SHOPPING

Attitude towards a behaviour refer to "the degree to which a person has favourable or unfavourable evaluation of the behaviour of the question" (Grandom and Mykytyn, 2004). Attitudes toward online shopping are demonstrated as a customer's positive or negative state of mind linked to accomplishing the buying behaviour via internet (Chiu et al., 2005; Schlosser, 2003). According to the study by Armstrong and Kotler, (2000), a person's shopping choices are influenced by four major psychological factors: motivation, perception, learning and beliefs and attitude. It showed that, the motivation and perception, attitudes are made and customers make their choices. Attitudes serve as the connection between customers' background characteristics and the consumption that satisfies the customers' needs. Then, it is so significant to identify the various factors that lead to attitude formation and change. Customers' characteristics like personality nature, online shopping benefits and perceptions have also been establish to encourage customers' online shopping behaviours and online shopping rate (Cheung and Lee, 2003; Goldsmith and Flynn, 2004). Hence, understanding customer attitudes support the marketing

METHODOLOGY

SAMPLING POPULATION

According to study by Bruin and Lawrence (2000), college Gen-Ys have been establish to be the common users of technology and likely to shop goods online and contribute in online buying. In this study, the Gen-Y students of commerce department, Polytechnic Nilai (PNS) were selected as the respondents for this study. Furthermore, today's Gen-Ys denote an important part of the digital shopping customers and a long-term potential market (Bruin and Lawrence, 2000). The primary data of this study were attained through distributing a total number of 100 questionnaires to a random sampling of commerce students in Polytechnic Nilai. A self-administered questionnaire was distributed to 100 students randomly in the commerce department. Among 100 questionnaires that were distributed, approximately 83 were returned.

DATA ANALYSIS AND RESULT

PILOT STUDY
Reliability and validity were used to assess the internal consistency and content validity of instrument. Specifically, internal consistency reliability, i.e. how well items reflecting the same construct yield similar results. It was tested using Cronbach's alpha coefficient which is the most frequently used estimate of internal consistency. The higher the score is, the more reliable the generated scale is, meaning that its items demonstrate a high degree of inter-correlation. It has been indicated that 0.70 is an acceptable reliability coefficient (Nunnaly, 1994) but lower thresholds are sometimes used in the literature.

The Cronbach Alpha scores for digital shopping orientation, digital shopping perceived benefits and attitude toward digital shopping were computed (Table 4.2) to assess inter-item reliability for each of the multi-item variables (Vellido et al., 2000). Cronbach's alpha coefficient is high in all scales, ranging from 0.853 to 0.965. These alpha scores exceed the 0.80 recommended acceptable inter-items reliability limit, indicating that the factors within each multi-item variable are, in fact, inter-related (Vellido *et al.,* 2000).

Table 2: Inter-Item Reliability (Cronbach's Alpha)

Variable	Alpha
Online Shopping Orientations	0.874
Online Shopping Perceived benefits	0.921
Attitude toward online shopping	0.853

CHARACTERISTICS OF GEN-Y SHOPPERS ONLINE

Table 3: Demographic Of Respondents

Variables and Category		Frequency	%
Gender	Male	28	35
	Female	52	65
Age(Years)	18-20 years	60	75
	21-25 years	40	25
Ethnicity	Malay	65	81
	Chinese	-	-
	Indian	15	19
	others	-	-
Product purchase	Food & beverage	3	4
	Clothing/Accessory/Shoes	62	77
	Toy	-	-
	Computer/Electronics/ Software	6	8
	Book/DVD/CD	9	11
	Others	-	-
Green element criteria of the product	Yes	-	-
	No	56	70
	Not Applicable	24	30

According to Table 3, the respondents were 28 males (35 %) and 52 females (65%). The majority of the respondents were in the 18-20 age group (75%) and approximately 25% were 21-25 years old. From the ethnic point of view, Malays comprised 81% of the study sample while Chinese 0% and Indians comprised 19 respectively. Goods mostly purchased by Gen-Ys are "Clothing/Accessory/Shoes" comprised of 77%, "Computer/Electronics/Software" (85) and "Book/DVD/CD" 11%). Only a

small proportion of purchases were "Food & Beverage" (4%). There is still no green element criteria information and awareness in the online shopping website (70%).

FACTOR VALIDITY OF DIGITAL SHOPPING ORIENTATION

The initial investigational of factor validity was assessed by performing a factor analysis on the online shopping orientation and online shopping perceived benefits items using principal component extraction and varimax rotation.

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.714	
Bartlett's Test of Sphericity	Approx. Chi-Square	28540.603
	Df	1770
	Sig.	0.000

The suitability of the data for factor analysis was tested via the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy, which tests the partial correlations among the items, and its value should be greater than 0.5 for a satisfactory factor analysis to proceed (Westland & Clark, 1999). KMO measure was 0.714 (Table 4.3). Next, Bartlett's test of Sphericity demonstrated that the correlation matrix was not an identity matrix, implying the appropriateness of the factor model (p < 0.0005).

The initial factor solution was obtained using principal component analysis (PCA) and varimax rotation. The rotation converged in identifying the eight principle components with Eigenvalue of at least 1. A critical decision to be made in factor analysis is the number of factors to extract and a typical approach is the Kaiser-Guttman rule which states that an eigenvalue (i.e. the variance accounted for by each factor) of greater than one is the criterion required because it wouldn't make sense to add a factor that explain less variance than is contained in one variable.

DIGITAL SHOPPING ORIENTATIONS AND DIGITAL SHOPPING PERCEIVED BENEFITS

Table 5: Exploratory factor analysis

Measure and Factor	Factor Loading
Digital Shopping Orientations: • Utilitarian Online Shopping (Coefficient α)	25.58%
• Hedonic Online Shopping (Coefficient α=.894)	9.33%
Online Shopping Perceived Benefits: (α=.934)	20.53%

Table 6: Exploratory Factor Analysis

Measure and Factor	Loading
Digital Shopping Perceived Benefits:	
• **Convenience**	20.53%
• **Wider Selection**	15.76%
• **Price**	11.75%
• **Customer Service**	4.18%
• **Fun**	3.67%
• **Homepage**	6.43%

Factor analysis is used to examine dominant factors that influenced consumer perceived benefit toward digital shopping. With regard to result reported in Table 6.

DISCUSSION, CONCLUSION AND FUTURE SUGGESTIONS

Based on the findings, the digital characteristics of respondents, majority of the respondents were in the 18-20 age group (75%). The goods mostly purchased by Gen-Ys are clothing or accessory/shoes comprised of 77% and computer/electronics/software (85%). The Gen-Y also no sense of green awareness related to their digital shopping behaviour. There also do not browse no green element criteria information in their digital shopping behaviour (70%).

The study findings also resulted that the most important dominant factor of online shopping orientation is utilitarian online shopping orientation with the highest variance (25.58 % of variance) than hedonic online shopping orientation (9.33 % of variance). Therefore, with regard to result of factor analysis utilitarian online shopping orientation is main determinant of attitude toward online shopping compared to hedonic orientation. This situation is also consistent with the statement reported by Wolfinbarger and Gilly (2002), that 71 % of shoppers were utilitarian and had previously planned their most recent online shopping, and 29 % of shoppers were hedonic and had browsing when they made a purchase. It has also been found, differential between utilitarian orientations and hedonic orientations that effect on purchase behaviour (Dholakia and Bagozz, 2001).Previous studies have found that consumer's goals, such as utilitarian oriented and hedonic oriented, influence their online shopping behaviour (Ha & Stoel, 2004 Schlosser, 2003). Therefore supporting consumer' goals may lead to more satisfied consumer and increase the purchase intention of the visitors (Ariely, 2000).

For the perceived benefits, the elements of convenience, wider selection and price are the most powerful factors which effect customer's digital benefits toward their digital shopping behavior. The result of previous study also suggested that convenience, good price and deals, good selection, fun, customer service respectively (Delhagen (1997; Khatibi, 2006). The element of convenience, wider selection and price are the main determinant of consumer digital toward their digital shopping in this study. Consumers shop through the Internet because they perceived their choices significantly increased. So more convenience, better and greater access to products, combined with lower price for many internet shoppers may, in turn, drive positive attitude and increase in online purchasing (Margherio, 1998).

For contribution of this study, this study will help retailers to understand the predominant shopping orientation of consumers and design their competitive strategy in order to increase sales and profits for retailers. Therefore, the e-retailers also can easily identify their target market easily and accordingly put attentions for their customers orientations in their e-business market strategy.

Then, this study proposed for future research to apply this instrument to variant consumer groups either Gen-Y or non-Gen-Y students. Moreover, future study could also examine the causal relationships between factors and consumers' overall concern toward digital shopping employing a Partial Least Squares Structural Equation Modeling technique. In addition, future research should use a more elaborate model in cooperating additional antecedent factors beyond those mentioned in this study.

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