



Attitude, Social Influence, Shopping Motivation, and Perceived Usefulness Affecting Online Shopping Satisfaction of Chinese Consumers in Kunming City, China

Tao Tao (เถา เถา)¹ Nittana Tamittanakom (นิตนา ฐานิตธนกร)²

Abstract

This independent study was aimed at exploring how attitude, social influence, shopping motivation, and perceived usefulness affecting online shopping satisfaction of Chinese consumers in Kunming city, China. The survey questionnaire was used as an instrument for collecting the primary data. The sample size was 250 online consumers in Kunming city. The statistics of data analysis were reliability analysis, descriptive statistical analysis, and multiple regression analysis. The results were found that the majority of respondents were females with 20-39 years of age. They were company employees and earned average monthly income of CNY 4, 000 - 6,000. Most of them completed bachelor's degree and they shopped online every month. Based on the findings, the social influence and perceived usefulness affected online shopping satisfaction of Chinese consumers in Kunming City, China. While the attitude, and shopping motivation in terms of price sensitivity, promotion sensitivity, service quality sensitivity, and brand sensitivity did not affect the online shopping satisfaction of people in Kunming City, China.

Keywords: Online shopping, Satisfaction, Kunming city

¹ M.B.A. student, Graduate School, Bangkok University, 626030012@qq.com

² Faculty member in School of Business Administration, Bangkok University, nittana.s@bu.ac.th



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Introduction

After years of development of China's online shopping market, there has been a drastic increase in the number of online shopping websites in China. Statistics released by Ministry of Industry and Information Technology of the People's Republic of China indicated that the number of retail websites were only 2,046 in 2001 and reached 2,219 by 2004. Retail websites accounted for 49.5 percent of China's e-commerce in 2004 with transaction volume of online shopping estimated at 4.2 billion RMB. By 2005, the transaction turnover of online shopping amounted to 5.6 billion RMB, a 33 percent increase (Ajay & Kumar, 2018). In 2017, with China's online shopping environment maturing and offering improved levels of service, there were 533.32 million people have purchased online, which is tremendous and important part of Chinese economy.

Kunming City, the capital of Yunnan Province, is known as 'the city of eternal spring' for its pleasant climate and flowers that bloom all year long. With a history of more than 2,400 years, it was the gateway to the celebrated Silk Road that facilitated trade with Thailand, Sichuan, Myanmar, India, and beyond. Today it is the provincial political, economic and cultural center of Yunnan as well as the most popular tourist destination in southwest China (Xiaojun, Ping, & Jintao, 2016).

The rapid growth of online shopping in China underscores the importance of focusing on the issue of customer satisfaction as a key factor to address when designing any online retail outlet. Customers must be satisfied with their online shopping experience; otherwise they will not return (Kim & Stoel, 2004). A recent survey conducted by CNNIC (China Internet Network Information Center) 2017, found that only 16 per cent of the Chinese respondents were very satisfied with the online shopping experience. Dissatisfaction usually leads to lost customers and income. Compared with American customers, Chinese customers have several characteristics: their perception of safety is lower; they undertake higher purchasing risks because of fake goods and false advertising; the buyer sometimes is not the consumer; they are more sensitive to price; they are more cautious in making purchase decision (Wen, Rodney, & Lynda, 2013). Therefore, a fundamental understanding of the factors affecting Chinese online shopping customers' degree of satisfaction is of great importance to e-commerce business owners.

In addition, social influence factors affect a person in various ways and social influence theorists have also suggested that people form their opinions by sensing social cues, and social cues exert a greater effect when the uncertainty regarding an issue is high (Goldsmith & Goldsmith, 2011). It is important to identify the reasons that customers choose to visit an online store and how their behavior differ based on their predisposition towards personalized online shopping. The traditional personalized strategies use customers' past purchases or browsing history to offer tailored content. Nonetheless, such



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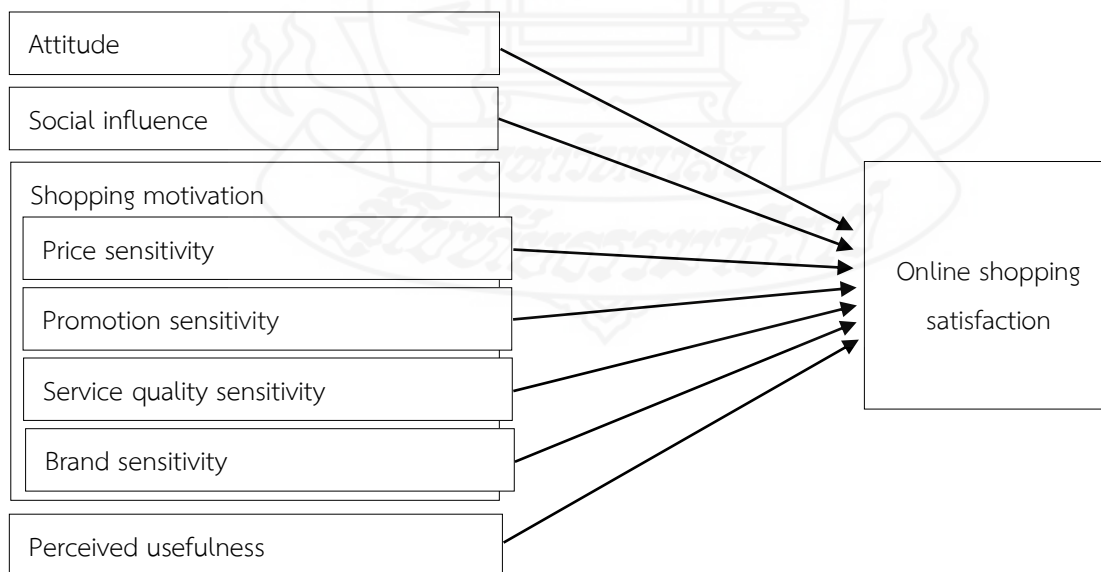
strategies should be extended by taking into account customers' shopping motivations (like price sensitivity, promotion sensitivity, service quality sensitivity, brand sensitivity and perceived usefulness), as these motivations are most likely to influence customers' overall online behavior (Pappas, Kourouthanassis, Giannakos, & Lekakos, 2017).

Therefore, if companies can better understand their customers, they can present products or services more effectively and continuously improve them in order to strengthen their competitive advantage. Market orientation and customer satisfaction research show there is direct connection between customer satisfaction and organizational performance. Consequently, in the turbulent e-commerce environment, Internet companies need to know how to satisfy their online customers. This will enable them to sustain their growth and market share (Dawei & Weiwei, 2017).

Objectives

The overall purpose of this study is to explore and comprehend the relationship between attitude toward online shopping, social influence, shopping motivation including price sensitivity, promotion sensitivity, service quality sensitivity and brand sensitivity, and perceived usefulness affecting online shopping satisfaction of Chinese consumers in Kunming City, China.

Figure 1: Theoretical Framework of Factors Affecting the Online Shopping Satisfaction



The conceptual framework in the study is portrayed the relationship between the independent



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The 8th STOU National Research Conference

variables: attitude (Groß, 2018), social influence (Groß, 2018), shopping motivation consisting of price sensitivity, promotion sensitivity, service quality sensitivity and brand sensitivity, and perceived usefulness (Pappas et al., 2017) and the dependent variable of online shopping satisfaction (Groß, 2018) as illustrated in Figure 1.

Research Methodology

Sampling Group of the study was online consumers in Kunming city, China with all age ranges who used to purchase products or services electronically through the website or online social media. In 2017, there were 533.32 million online shoppers in China, 2.5 million were in Kunming City.

The sample size for the study was calculated based on 40 sets of pilot test questionnaires. After conducting a pilot test and inputting the data to Statistical Package for the Social Sciences, the partial R^2 was estimated. Then, G*Power version 3.1.9.2 was used to compute the sample size of the study (Erdfelder, Faul, & Buchner, 1996). With the power ($1-\beta$) of 0.85, alpha (α) of 0.15, number of test predictor of 7, effect size of 0.04865772, and partial R^2 of 0.00464 (Cohen, 1977), the obtained results revealed 244 of the total sample size for the field survey. Thus, 250 sets of questionnaire have been collected for more stable results.

The sample selection of this research is implemented by using the convenience sampling technique. The questionnaire with the screening question was utilized to collect by data from the target sample at various department stores and office buildings in Kunming city, China. The screening question of “have you purchased product or service via online channels within the past three months?” was given to the respondents who were the customers of the department stores or the employees working for companies in the office buildings. Then, the respondents with “yes” answer would be asked to complete the questionnaire for the study.

The research instrument of the study is a close-ended questionnaire deriving from related literature reviews and previous studies: attitude (Groß, 2018), social influence (Groß, 2018), shopping motivation consisting of price sensitivity, promotion sensitivity, service quality sensitivity and brand sensitivity, perceived usefulness (Pappas et al., 2017), and online shopping satisfaction (Groß, 2018). Then, it was translated into Chinese and passed the verification of content validity by three experts in the field of e-commerce. Consequently, 40 sets of the questionnaires were applied for pilot test. The results of reliability test revealed that Cronbach’s Alpha value of 0.921-0.968 was acceptable (Nunnally, 1978). In addition, the results from 250 sets of field survey were ranging between 0.706-0.891. Thus, all data from the questionnaires could be used for further analysis.



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Results

Analysis of Demographic Data

The total of 250 sets of questionnaires obtained from the field survey yielded 100 percent of response rate. The data clearly showed that face-to-face administration resulted in higher response rates. From the study of 250 samples, all respondents' personal information in terms of gender, age, occupation, monthly income, educational level, and frequency of online shopping were presented in frequencies and percentage as follows:

Table 1: Demographic Profile of Respondents (n = 250)

Demographic Profile		Frequency	Percent
Gender	Male	62	24.8
	Female	188	75.2
Age	<20 years old	10	4.0
	20-39 years old	232	92.8
	40-60 years old	8	3.2
	Over 60 years old	0	0.0
Occupation	Student	33	13.2
	Government employee	41	16.4
	Company employee	88	35.2
	Self-employment	27	10.8
	Retiree	0	0
	Other	61	24.4
Education	High school /vocational	58	23.2
	Bachelor's degree	179	71.6
	Master's degree	12	4.8
	Doctor's degree	1	0.4
Monthly income	Below 4,000 CNY	76	30.4
	4,000-6,000 CNY	109	43.6
	6,001-10,000 CNY	56	22.4
	Above 10,000 CNY	9	3.6
Total		250	100.0



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According to Table 1, the majority of the respondents were female (75.2%) out of 250 respondents while the rest of respondent were male (24.8%). The results showed that female were more interested in online shopping than male. Additionally, most of respondents in this survey were 20-39 years old. This showed that factors affecting online shopping satisfaction of new generation consumers more than age group's consumers. Furthermore, the majority of the respondents were company employee (88 people with 35.2%) and they earned monthly income 4,000-6,000 CNY (43.6%). Most of them completed a bachelor's degree (179 people with 71.6%). Finally, most of the respondents shopping online monthly for 52.8% (132 people) and 21.6% of the respondents shopping online weekly, while 10.4% of the respondents shopping online quarterly and only 3.2% shopping online as daily.

Results of Hypothesis Testing

The following table presented the effect of attitude toward online shopping, social influence, shopping motivation, and perceived usefulness on online shopping satisfaction of consumers in Kunming City, China. The multiple regression analysis (MRA) was implemented for analyzing the data.

According to Table 2, the consequence of multiple regression analysis found that social influence, perceived usefulness affected online shopping satisfaction of consumers in Kunming City, China at .05 level of statistical significance. While it was found that attitude toward online shopping, price sensitivity, promotion sensitivity, service quality sensitivity and brand sensitivity ($\text{Sig} < 0.05$) did not affect online shopping satisfaction of consumers in Kunming City, China. The findings also revealed that perceived usefulness ($B = .585$) accounted for the strongest weighs of relative contribution toward online shopping satisfaction of consumers in Kunming City, China, followed by social influence ($B = .164$). These variables can explain influence on online shopping satisfaction of consumers in Kunming City, China at 71.9%. Another 28.1% are the influence from other variables that are not included in this research. The standard error is ± 0.188 .



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Table 2: The Results of Multiple Regression Analysis

Factor	Online Shopping Satisfaction						
	B	S.E.	β	t	Sig.	Tolerance	VIF
Constant	-.172	.188	-	-.915	.361	-	-
Attitude toward online shopping	.074	.049	.076	1.513	.132	.465	2.153
Social influence	.164	.054	.151	3.026	.003*	.464	2.156
Shopping motivation							
- Price sensitivity	.071	.052	.064	1.382	.168	.539	1.854
- Promotion sensitivity	.094	.060	.080	1.574	.117	.454	2.202
- Service quality sensitivity	.061	.050	.054	1.215	.226	.593	1.687
- Brand sensitivity	-.004	.046	-.004	-.094	.925	.511	1.957
Perceived usefulness	.585	.055	.573	9.615	.000*	.398	2.513

$R^2 = .719$, $F = 88.565$, $*p < .05$

Finally, according to recommendation of Hair, Ringle, and Sarstedt (2013), a small tolerance value which is 0.10 or below or a large VIF (Variance Inflation Factor) value which is 10 or above means high collinearity (also multicollinearity). However, VIF values of this study were 1.687-2.513 which were less than 10 and the tolerance value ranged between .398-.593 which were greater than 0.10 (Hair, Ringle, & Sarstedt, 2013). Hence, there was no multicollinearity problem in this research.

Discussion

The research on attitude toward online shopping, social influence, shopping motivation including price sensitivity, promotion sensitivity, service quality sensitivity and brand sensitivity, and perceived usefulness affecting online shopping satisfaction of Chinese consumers in Kunming City, China is a survey research using questionnaires to collected data found the interesting issue as follows:

Hypothesis 1: Attitude toward online shopping did not affect online shopping satisfaction with significant level at 0.05. The study was not aligned with the previous study of Alreck and Settle (2002) found that Internet shopping was viewed as saving more time than traditional modes of shopping. In addition, the research of Bhatnagar et al. (2000) found that customers' perceived convenience of shopping on the Internet had a positive impact on online purchase behavior.



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Hypothesis 2: Social influence affected online shopping satisfaction with significant level at 0.05. This was because the persons who were very close to the consumers such as close friends, acquaintances, and family members used their smartphones to shop online and they valued the benefits of online shopping. Additionally, the consumers normally wanted to hear about some advice from their acquaintances before buying things. The study was aligned with the previous study of Goldsmith and Goldsmith (2011) which found that social influences exert a positive effect on people's purchase intentions.

Hypothesis 3: Shopping motivation in terms of price sensitivity did not affect online shopping satisfaction with significant level at 0.05. This was because the consumers might compare prices between different brands or visit different online stores but their motivations to shop online were not price sensitivity. They might focus on the other motivating factors for shopping online. They might shop online because they wanted to purchase product or service conveniently; they could accept the same or even a little more expensive price than offline shops. The study was not aligned with the previous study of Lee, Cho, and Bonn (2015) which found that price promotion has effect on consumers' susceptibility to lucrative offers and deals.

Hypothesis 4: Shopping motivation in terms of promotion sensitivity did not affect online shopping satisfaction with significant level at 0.05. This was because although consumers might want to use coupon from online shop and want to stay informed about promotions but their motivation to shop online were not promotion sensitivity. They might focus on the other motivating factors for shopping online. The study was not aligned with the previous study of Ueda (2012) found that it is widely accepted that short-term price promotions can generate tangible extra sales immediately, presumably due to increased numbers of buyers.

Hypothesis 5: Shopping motivation in terms of service quality sensitivity did not affect online shopping satisfaction with significant level at 0.05. This was because although consumers might prefer to visit a more organized online shop and they might prefer online shops with good after-sale service but their motivation to shop online were not service quality. Nowadays consumers hardly communicated with staffs when they were shopping online. However, as mentioned above, after-sale service was important for online business owners to keep good relationship with their customers. The study was not aligned with the previous study of Gjoko and Zamir (2015) which found that customer satisfaction and retention were critical for service industries.

Hypothesis 6: Shopping motivation in terms of brand sensitivity did not affect online shopping satisfaction with significant level at 0.05. This was because consumers might prefer products from famous e-shops, but their motivation to shop online were not brand sensitivity. Since consumers already had



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The 8th STOU National Research Conference

chosen which brand's products they would purchase online, before they went to online shops. Also, they might place the emphasis on the quality or the function of the products rather than the brand of the products. The study was not aligned with the previous study of Jenni, Samuel, and Margaret (2017) which found that brand sensitivity played an important role in consumer's decision processing.

Hypothesis 7: Perceived usefulness affected online shopping satisfaction with significant level at 0.05. The essential reason of consumer shopping online was they wanted to accomplish shopping tasks faster for saving both time and money and making better purchasing decision. The study was aligned with the previous study of Deniz, Rob, Alia, and Patrick (2015) which found that perceived usefulness encompassed improved search and buying, increased shopping productivity, money and time saved by shopping online, and greater product choices available online. Perceived usefulness has been shown to have a significant influence on attitude formation and subsequent behaviors and has received considerable empirical support.

Suggestion

According to the results of the study, perceived usefulness ($B = .585$, $Sig < .05$) was the strongest factor among seven factors affecting online shopping satisfaction of consumers in Kunming City, China. In other words, perceived usefulness could be regarded the most key factor affecting online shopping satisfaction of consumers in Kunming City, China. Consumers prefer online shopping sites which take less time from them and they can accomplish shopping tasks faster, since the essential reason for choosing shopping online is to shop more conveniently and efficiently. If consumers purchase more often on those sites, it inspires the online shopping sites to improve their website's usability. Hence, online business owners should make their website well organized, ease of use, and provide various products for searching and purchasing. In addition, they should design their online shopping sites that enable the consumers to accomplish shopping tasks faster, save time, better purchasing decision, and easier to shop online.

In addition, social influence ($B = .164$, $Sig < .05$) affected online shopping satisfaction of consumers in Kunming City, China. Normally, the consumers wanted to hear about some advice from their acquaintances before buying things, therefore, online shopping business owners should pay more attention to maintain the relationship with consumers and make sure they are well treated and satisfied with online shopping. This can be conducted from the beginning of shopping processes such as sending enthusiastic greetings to customers and giving suggestion to them as they needed. After the close online shopping process, small gifts or greeting cards could be packaged in parcels delivered to consumers. Finally, the strategy to deal with consumer's feedback should be accomplished because those



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consumers are able to influence people around them such as close friends, acquaintances, and family members who could be the potential buyers such as setting up a 7/24 hotline to solve the customers' problems. If they are satisfied and valued the benefits of online shopping, then they will recommend other consumers to shop online eventually.

This research study is in the area of Kunming City only. Therefore, there is more chance for future research. Different cities in China such as Shanghai, Beijing, Tianjin, Shenzhen, and Guangzhou where are some of the most densely-populated cities should be conducted in order to gain more reliable and generalizable results. The researchers might add other relevant independent factors like service quality of express delivery and product attributes for future study. Improving with deeper study of consumer's online shopping satisfaction; the target sample could be based on different ranges of age, educational backgrounds, and average income. As the different criteria, factors and different environments could generate different perspective and research results.

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