European Proceedings of Finance and Economics EpFE

www.europeanproceedings.com

e-ISSN: 2672-8958

DOI: 10.15405/epfe.23081.39

ISEBA 2022

International Symposium & Exhibition on Business and Accounting 2022

ANALYSIS OF PERCEIVED USEFULNESS AND EASE OF USE ON ONLINE SHOPPING INTENTION

Muhammad Zharul Zainol Alam (a), Nor Hafiza Ahmad Agin (b)*, Shahidah Ahmad Suhaimi (c) Nalissa Ayub (d), Azlina Mohamat Nor (e) *Corresponding author

- (a) Universiti Tenaga Nasional, Malaysia, zharulmuhammad@gmail.com
 - (b) Universiti Tenaga Nasional, Malaysia, NorHafiza@uniten.edu.my
 - (c) Universiti Tenaga Nasional, Malaysia, Shahidah@uniten.edu.my
 - (d) Universiti Tenaga Nasional, Malaysia, Nalissa@uniten.edu.my
 - (e) Universiti Tenaga Nasional, Malaysia, Azlinamn@uniten.edu.my

Abstract

The internet has emerged as a useful instrument in the marketing platform whether through internal or externally created transactions ever since it underwent a technological transformation in the twenty-first century. This can be seen with the improvements on worldwide interconnection and better information systems. Online shopping has become commonplace among consumers who want to buy any goods or services. This is in line with the rate of internet usage and technological development. This study was conducted to analyse the relationship between perceived usefulness and perceived ease of use towards consumer online purchasing intention in Klang Valley. Quantitative methods were implemented in this study which questionnaires were distributed among the selected respondents. Then, all data were analysed through IBM SPSS Version 24. Reliability analysis, demographic profiles analysis, and correlation analysis was conducted in this study. Results indicated that the relationship between perceived usefulness and perceived ease of use towards consumer online purchasing intention are significantly positive. The result will contribute to businesses, small medium enterprises and marketing research companies in targeting their audience.

2672-8958 © 2023 Published by European Publisher.

Keywords: Online, purchase, shopping, Malaysia, consumer



eISSN: 2672-8958

1. Background of Study

Enjoying an upbeat globalization trend, online shopping is getting more interested, collaborative and self-sufficient set up used by millions of people around the world. The accessibility of internet application and technological innovation made the online purchasing more easily, cheaper and convenience methods rather than traditional channels (Nguyen et al., 2019). The advancement of technology made the expansion used of internet usage and it increased the intention of the customer to buy international brand products around the world, which it is easier and faster. Shopping intention is one of the motivating factors that influence one person to process an action (Ha et al., 2021).

Consumer online purchasing intention described as the likelihood that a customer would make an online purchase (Peña-García et al., 2020). Based on Ijaz and Rhee (2018), it stated that the customer behavior and trust were significant predictors of online purchasing intention, along with perceived value and online purchasing experience.

According to Riorini (2018), the high awareness about the brand as a symbol of status and prestige does not lowering the intention of the customer to buy the expensive products. Consumer purchasing intention is the express action that consumers searching, purchasing, using, and evaluation of products and services which expect to satisfy their individual needs (Le-Hoang, 2020). According to Kiew et al. (2021), numerous studies have revealed that there is a high correlation between attitudes and preferences toward a product and future purchase intentions of consumers' behaviors.

The purchase intention of international brand is also related with the awareness about the brand that are associated with modern way of life, western cultivation, easy access to a number of foreign products, greater income and education (Latif, 2016).

1.1. Problem statement

In 2020, Malaysia and other countries around the world are facing the bad implication of pandemic Covid-19 by which one of the consequences is affected the household income. This is evidenced in the study on household income projections and the prevalence of poverty 2020 by Department of Statistics stated that paid employment and independent work that were both of the primary sources of income-experienced declines of 16.1% and -9.7%. It also mentioned the average gross monthly income for households fell by 10.3% to RM7,089 from RM7,901 in 2019. The decrease of household monthly income was not only caused by loss of employment but also contributed by a decrease in working hours and a rise in underemployment due to lack of job skills. Majority household experienced from the group with a higher income decile to the group with a lower income.

However, based on Statista (2020) survey, Malaysia predicted to have 2.2 million and 2.53 million online shoppers in 2021 and 2022, respectively. This increasing number of online shopping shows that the customer intention to purchase via internet.

According to survey report on ICT use and access by individuals and households released by Department of Statistic Malaysia (2021) reported that in Malaysia, the percentage of people aged 15 and above who use computers jumped from 80.0% in 2020 to 83.5% in 2021. The rate of individuals that use the internet rose from 89.6% to 96.8% in 2020. In the meantime, the proportion of people who use a mobile

phone grew to 98.7% in 2021 from 98.2% in 2020. In addition, the using of computers and mobile phone will lead to stimulate the internet usage especially in purchasing products via online channels.

Based on Yu et al. (2022), generally, consumers in underdeveloped nations prefer foreign brands over domestic ones because they believe that they offer superior quality and value in their products. To suit the needs of Malaysian consumers, a number of sizable, foreign-owned hypermarkets, including Giant Retail, Aeon, Tesco, Carrefour, and Parkson, have entered the country's retail market (Boon et al., 2018).

This research intended to study the consumer online purchasing intention on international brands in Klang Valley due to its locations are the most active in term of making online purchasing decisions across all living generation that have used the platform (Chung & Al-Khaled, 2021). In addition, the demand for the purchasing online by using online channels among the community of Klang Valley could influence them to purchase various products or services, including international brands, which already have readiness target market and hotspot places. This study's objective is to look at the factors of variables that are perceived usefulness and perceived ease of use that intend to relate with the consumer online purchasing intention on international brand in Klang Valley.

1.2. Literature review

1.2.1. Customer purchase intention

Purchase intention is acquired from education approaches and ideas forms a perception and it encourage desire that is persistently stored in the brain and transforms inspiration, in the end the customers who have to fulfill their needs will realize what is in their minds (Wen & Ling, 2020). The most important part in any service industries is to understand the consumer's purchase intention that can assists the company find out the factors that stimulate the customers' behavior and make use of those numbers to their advantage. Consumers will anticipate purchasing goods when a significant action causes it (Geetha et al., 2020).

Based on Othman et al. (2018), online shoppers' intentions to make purchases might be described as the customers' readiness to spend for a specific item after comparing available alternatives, risks and worth of each of the options. In addition, the customer will tempt to find, choose and buy through online depend on attractive and innovative advertisement and prefer to order the products with positive customers' feedbacks.

1.2.2. Perceived usefulness

According to Dhahak and Huseynov (2020) the perceived usefulness can be described by how much someone thinks that adopting a specific technique would improve his or her performance at work. It is the perception of users that they consider by utilizing specific technologies can enhance their work's efficiency. The people also believe that using technologies can help their activities quickly complete, increase the performance, improve productivity, make activities easier, efficient and bring benefits for user (Maryanto & Kaihatu, 2021). Keni (2020) stated the same opinion by which understood perceived usefulness as the evaluation of using specific technologies that can improve the people performance and give advantages to

them. In addition, perceived usefulness can be defined as the people trust and belief about using new technologies that give benefits to them and improve the quality of life.

Based on Wilson et al. (2021) there are some factors that might affect customer loyalty toward a company. One of the factors is perceived usefulness by which it can show the positive impact on their activities and make their life easier. It means that not anyone will have the intention to use technology to buy something via the internet unless after realizing that it will be beneficial to them. Furthermore, it is also important that online purchasing website need to present numerous information and comprehensive product descriptions so that customers can find out everything they need to know about a product before making a purchase (Ru et al., 2021).

1.2.3. Perceived ease of use

Perceived ease of use could be specified as people's perceptions on how to learn and use the new product or services faster and easily without facing any difficulties. In addition, the costumers also feel that they do not need to spend more cost, time and energy to study about new product or services (Wilson, Keni & Tan, 2021).

According to Keni (2020), perceived ease of use can be described as the evaluation about the difficulty using of new technologies. If the people felt that the application of technologies are easier and not to complex, they will have more intention to adopt with these technologies. Therefore, the customers demand and intention to use the new technologies depend on how easier and efficiently they can apply it in their daily life.

2. Research Methods

This study examined the relationship between perceived usefulness and perceived usability and consumer intentions to make online purchases in Klang Valley. A questionnaire was employed as the data gathering method, which was a survey-based approach. Closed-ended questions were included in the questionnaire form to better understand the responder and make data collection easier with better outcomes. The quantitative research design is related to the data gathering method used in this study, which is a survey based approach. This study used a quantitative analysis method via questionnaire that was provided to the respondent engaged in order to determine the association between consumer online purchase intentions in the Klang Valley.

This study used five – Likert as pointed of scale to evaluate the levelled of participant among the respondent to answered through the surveyed questions. Therefore, each of the three sections of the questionnaire for this study would include demographic information, independent factors, and dependent variables. The questions on the independent variables were then divided into two sections, each of which contained six questions. While sections b and c each contained six questions that represented the independent variables perceived usefulness and perceived ease of use. Three questions make up the dependent variables in the final part.

2.1. Population and sampling method

According to the World Population Review (2021), 8.21 million people were counted in Klang Valley, making it one of the cities in Malaysia with the fastest population growth. However, the population's foreign resident sector makes up 9% of the whole. Hence, the estimated local population of the region would be 7.38 million people. Areas included in the Klang Valley term would have included Kuala Lumpur, Putrajaya, and Selangor state. From this point, it is clear that these regions were centered on Kuala Lumpur and other Selangor state cities and towns.

Furthermore, the convenience sampling method has been selected as the sampling technique in this study. The advantage of convenience sampling is that it involves selecting participants who are already and easily available to take part in a study. The sample items were chosen by the researcher based on their ease of access and proximity. The convenience sample was only drawn from the population of study participants who lived in the Klang Valley. As a result, the convenience sampling approach was used to quickly collect the sample findings as part of the researcher's initiative to thoroughly explore it. Technology Acceptance Model (TAM) being used in this study to determine the variable consists of perceived usefulness and perceived ease of use in the size of population that needed to be collect by the researcher.

2.2. Data analysis

The IBM SPSS Version 26 was used in this study to ensure that the data could analyzed effectively. The relationship between the independent and dependent variables was depicted using Pearson correlation. The reliability test also was performed to test the reliability of the research instruments. Furthermore, demographic profile analysis was performed to look at the respondents' characteristics.

3. Finding Analysis

The data collected was transformed to reliability analysis, demographic profiles analysis and correlation analysis.

3.1. Reliability analysis

Table 1 shows the value of Cronbach's Alpha for all variables are greater than 0.70. Consequently, it shows that the statements made in the research instruments are reliable.

Table 1. Reliability analysis

Items	Cronbach's Alpha	Number of Items
Online Purchase Intention	0.759	3
Perceived Usefulness Perceived Ease of Use	0.781	6
	0.835	6

3.2. Demographic profiles analysis

Table 2 shows the analysis on respondents' demographic profiles. Given the respondents' characteristics, it is known that female respondents make up the majority of those who choose to shop

online during the COVID-19 which accommodated total of 56.5% respondents. Furthermore, 64.5% of total respondents were age between 20-25 years old and most of them are not married (85.5%) with 65% income less than RM3,000. Moreover, it is reported that 32.5% have used online shopping for more than 5 years. Total of 80 respondents (40%) usually bought apparel and accessories through online while 21% would commonly buy electronic goods and gadgets through online. Additionally, majority of the respondents with 88.5% of total respondents has bought international branding items through online.

Table 2. Respondents' characteristics

Demographic	Category	Frequency	Percentage (%)
Gender	Male	87	43.5
	Female	113	56.5
Age	20 – 25 years old	129	64.5
	26-30 years old	20	10
	31 – 35 years old	20	10
	36 – 40 years old	24	12
	41 - 45 years old	5	2.5
	46 – 50 years old	2	1
Marital Status	Single	171	85.5
	Married	29	14.5
Monthly Income	Less than RM3,000	130	65
	Between RM3,000 – RM4,000	19	9.5
	Between RM4,000 – RM6,000	36	18
	Between RM6,000 – RM7,000	10	5
	Between RM7,000 - RM10,000	3	1.5
	RM10,000 and above	2	1
How long have you been	Less than 3 months	20	10
using Internet for shopping?	3-6 months	17	8.5
	6-12 months	14	7
	1-2 years	19	9.5
	2-3 years	29	14.5
	3-5 years	36	18
	More than 5 years	65	32.5
What do you prefer buying	Apparel and accessories	80	40
online?	Electronic goods and gadgets	42	21
	Books and magazines	13	6.5
	Cinema tickets	8	4
	Financial services	9	4.5
	Unique daily use items	38	19
	Others	10	5
Have you shop international	Yes	177	88.5
brands through online?	No	23	11.5

3.3. Pearson correlation analysis

Table 3 represents the relationship between perceived usefulness and consumer online purchasing intention on international brands in Klang Valley (r = 0.666 n = 200 p = 0.000). It also shows the relationship between perceived ease of use and consumer online purchasing intention on international brands in Klang Valley (r = 0.623 n = 200 p = 0.000). Both independent variables show significant positive relationship with dependent variable, online purchasing intention.

Table 3. Respondents' characteristics

			Perceived Usefulness	
Online	Purchasing	Pearson Correlation	0.666**	
Intention		Sig. (2-tailed)	0.000	
		N	200	
			Perceived Ease of Use	
Online	Purchasing	Pearson Correlation	0.623**	
Intention		Sig. (2-tailed)	0.000	
		N	200	

4. Discussions and Conclusion

Technology advancement drives the global growth of online shopping platforms. The ease of information that benefits consumers, such as pricing, product quality, and others that may be compared in differentiating certain brands, especially international brands, is available to consumers. The purpose of this study was to analyse the factors of relationship between perceived usefulness and perceived ease of use towards consumer online purchasing intention on international brands in Klang Valley. From the analysis of this study, perceived usefulness and customer online purchase intentions for international brands in Klang Valley are significantly correlated. This outcome is in keeping with earlier research, which shown a significant link between perceived usefulness and online purchase (Abdullah et al., 2019). Meanwhile, according to Ventre and Kolbe (2020), trust and the chance of making an online purchase are influenced by the perceived usefulness of online reviews.

Moreover, based on the results, it can be concluded that there is a relationship between customer online purchase intentions for international companies in Klang Valley and perceived ease of use. Pearson correlation shows that perceived ease has a significant correlated with consumer online purchasing intention, in which the significant value is 0.000 and correlation value is 0.623. The findings demonstrate a direct relationship between perceived ease of use and intention to use for online purchase (Malik & Annuar, 2021). Other than that, perceived ease of use positively influences customer loyalty intention (Bahari et al., 2018). The Technology Acceptance Model (TAM), which combines the experience construct with an investigation of the variables influencing customer behaviour towards the usage of online shopping, was developed. The findings of this study show that perceived ease of use and perceived usefulness have positive effects on consumers' impressions of online applications and that consumers' perceptions of online apps are influenced by perceived ease of use (Huang et al., 2019).

This study suggests that online shopping marketers should pay more attention to perceived usefulness. As a business provider, an online shopping marketer must improve the overall quality of the

customer purchasing experience so that customers perceive the additional layer of customer service provided by incorporating the element of responsiveness at every stage of the process transaction while providing a great deal on sales and thereby raising the level of satisfaction on your sites (Dharmesti et al., 2021). Hence, it will have an effect on the consumer's intention to make an online purchase and increase the likelihood that they will be willing to pay for the product in the market. In addition, online shopping marketers should emphasize perceived ease of use more in an effort to improve user-friendly website design. It is a crucial instrument that gives all customers the convenience of access throughout online transaction procedures by creating the system flows (Chung & Al-Khaled, 2021).

Therefore, for the future studies, it is recommended to enhance the sample size among the respondents. With a larger sample size, the studies can improve the quality level of the findings and can be used to determine the reflection of the behaviour of the entire community. In order to ensure that the data sample collected can produce more robust and trustworthy data, it is urged that studies be conducted in other Malaysian regions in the future.

References

- Abdullah, D., Kamal, S. B. M., Azmi, A., Lahap, J., Bahari, K. A., Din, N., & Pinang, C. P. (2019). Perceived Website Interactivity, Perceived Usefulness and Online Hotel Booking Intention: A Structural Model. *Malaysian Journal of Consumer and Family Economics*, 21, 45-57.
- Bahari, K. A., Abdullah, D., Kamal, M. S. B., Johari, N. R., & Zulkafli, M. S. (2018). The Influence of Hotel Website Design Quality, Perceived Ease of Use and Perceived Usefulness on Loyalty Intention. *The Turkish Online Journal of Design, Art and Communication*, 8, 701-710. https://doi.org/10.7456/1080SSE/102
- Boon, L. K., Fern, Y. S., & Meng, Y. W. (2018). A Study of Purchasing Intention of Private Label Brands in Malaysia. *Global Business and Management Research*, 10(3).
- Chung, J. F., & Al-Khaled, A. A. S. (2021). Factors Affecting Online Purchase Intention of Gen Y in Klang Valley, Malaysia. *International Journal of Academic Research in Business and Social Sciences*, 11(4), 983-1034. https://doi.org/10.6007/ijarbss/v11-i4/9767
- Department of Statistics Malaysia. (2021). Quarterly Balance of Payments, Fourth Quarter 2020. https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=86&bul_id=b1ZQSlA5dy 9rQWcvM05nd1pkanIvZz09&menu_id=azJjRWpYL0VBYU90TVhpclByWjdMQT09
- Dhahak, K., & Huseynov, F. (2020). The Impact of Online Consumer Reviews (OCR) on Online Consumers Purchase Intention. *Journal of Business Research Turk*, 12(2), 990–1005. https://doi.org/10.20491/isarder.2020.889
- Dharmesti, M., Dharmesti, T. R. S., Kuhne, S., & Thaichon, P. (2021). Understanding online shopping behaviours and purchase intentions amongst millennials. *Young Consumers*, 22(1), 152-167. https://doi.org/10.1108/yc-12-2018-0922
- Geetha, S., Al-Khaled, A. A. S., & Fenn, C. J. (2020). The Intention of Purchasing Power Towards Adidas Sportswear in Klang Valley, Kuala Lumpur. *International Journal of Academic Research in Business and Social Sciences*, 10(9), 170-184. https://doi.org/10.6007/ijarbss/v10-i9/7719
- Ha, N. T., Nguyen, T. L. H., Pham, T. Van, & Nguyen, T. H. T. (2021). Factors Influencing Online Shopping Intention: An Empirical Study in Vietnam. *The Journal of Asian Finance, Economics and Business*, 7(10), 909-918. https://doi.org/10.13106/jafeb.2020.vol7.no10.909
- Huang, Y. C., Chang, L. L., Yu, C. P., & Chen, J. (2019). Examining an Extended Technology Acceptance
 Model with Experience Construct on Hotel Consumers' Adoption of Mobile Applications. *Journal of Hospitality Marketing & Management*, 28(8), 957–980.
 https://doi.org/10.1080/19368623.2019.1580172

- Ijaz, M. F., & Rhee, J. (2018). Constituents and Consequences of Online-Shopping in Sustainable E-Business: An Experimental Study of Online-shopping malls. Sustainability, 10(10), 3756. https://doi.org/10.3390/su10103756
- Keni, K. (2020). How Perceived Usefulness and Perceived Ease of Use Affecting Intent to Repurchase? *Jurnal Manajemen*, 24(3), 481. https://doi.org/10.24912/jm.v24i3.680
- Kiew, C. C., Abu Hasan, Z. R., & Abu Hasan, N. (2021). Factors Influencing Consumers in Using Shopee for Online Purchase Intention in East Coast Malaysia. *Universiti Malaysia Terengganu Journal of Undergraduate Research*, *3*(1), 45–56. https://doi.org/10.46754/umtjur.2021.01.006
- Latif, T. (2016). Consumers' Purchase Intentions towards Global Brands: Psychological Underpinnings. *Abasyn Journal of Social Sciences*, 9(2), 309-328. https://doi.org/10.2139/ssrn.3139179
- Le-Hoang, P. V. (2020). Factors Affecting Online Purchase Intention: The Case of E-Commerce on Lazada. *Independent Journal of Management & Production*, 11(3), 1018. https://doi.org/10.14807/ijmp.v11i3.1088
- Malik, A. N. A., & Annuar, S. N. S. (2021). The Effect of Perceived Usefulness, Perceived Ease of Use, Reward, and Perceived Risk toward E-Wallet Usage Intention. *Eurasian Business and Economics Perspectives*, 17, 115-130. https://doi.org/10.1007/978-3-030-65147-3_8
- Maryanto, R. H., & Kaihatu, T. S. (2021). Customer Loyalty as an Impact of Perceived Usefulness to Grab Users, Mediated by Customer Satisfaction and Moderated by Perceived Ease of Use. *Binus Business Review*, 12(1), 31-39. https://doi.org/10.21512/bbr.v12i1.6293
- Nguyen, T. T. H., Nguyen, N., Nguyen, T. B. L., Phan, T. T. H., Bui, L. P., & Moon, H. C. (2019). Investigating Consumer Attitude and Intention towards Online Food Purchasing in an Emerging Economy: An Extended TAM Approach. *Foods*, 8(11), 576. https://doi.org/10.3390/foods8110576
- Othman, A. K., Abu Hassan, L. F., Hamzah, M. I., Razali, A. R., Saim, M. A. S., Ramli, M. S., Osman, M. A., & Azhar, M. A. A. (2018). The Influence of Social Commerce Factors on Customer Intention to Purchase. *Asian Themes in Social Sciences Research*, *3*(1), 1–10. https://doi.org/10.33094/journal.139.2019.31.1.10
- Peña-García, N., Gil-Saura, I., Rodríguez-Orejuela, A., & Siqueira-Junior, J. R. (2020). Purchase Intention and Purchase Behavior Online: A Cross-Cultural Approach. *Heliyon*, 6(6), e04284. https://doi.org/10.1016/j.heliyon.2020.e04284
- Riorini, S. V. (2018). Social Media Marketing Toward Perceptual Consciousness and Its Impact on Online Purchasing Intention. *European Research Studies Journal*, 21(1), 402-416. https://doi.org/10.35808/ersj/958
- Ru, L. J., Kowang, T. O., Long, C. S., Fun, F. S., & Fei, G. C. (2021). Factors Influencing Online Purchase Intention of Shopee's Consumers in Malaysia. *International Journal of Academic Research in Business and Social Sciences*, 11(1). https://doi.org/10.6007/ijarbss/v11-i1/8577
- Ventre, I., & Kolbe, D. (2020). The Impact of Perceived Usefulness of Online Reviews, Trust and Perceived Risk on Online Purchase Intention in Emerging Markets: A Mexican Perspective. *Journal of International Consumer Marketing*, 32(4), 287-299. https://doi.org/10.1080/08961530.2020.1712293
- Wen, J., & Ling, B. (2020). Factors Influencing Consumers' Purchase Intention in Klang Valley, Malaysia: A Study of Bubble Milk Tea. *BERJAYA Journal of Services & Management*, 13, 29-43.
- Wilson, N., Keni, K., & Tan, P. H. P. (2021). The Role of Perceived Usefulness and Perceived Ease-Of-Use toward Satisfaction and Trust Which Influence Computer Consumers' Loyalty in China. *Gadjah Mada International Journal of Business*, 23(3), 262-294 https://doi.org/10.22146/gamaijb.32106
- World Population Review. (2021). Malaysia Population (live). Retrieved March 30, 2020, from https://worldpopulationreview.com/countries/malaysia-population/
- Yu, S. X., Zhou, G., & Huang, J. (2022). Buy Domestic or Foreign Brands? The Moderating Roles of Decision Focus and Product Quality. Asia Pacific Journal of Marketing and Logistics. https://doi.org/10.1108/APJML-04-2020-0210