Influences and Intention of Consumer’s Online Shopping Decision: Jordan as a Case

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ABSTRACT

Many researchers in Jordan tried to study customers’ behavior in the domain of online shopping to understand consumers’ attitudes and behaviors towards the adoption process. Still, a lot of work is to be done as customers real usage and adoption level is low which entails more research to be done to investigate the main reasons behind such behavior. In response, this article aims to shed light on consumers’ attitudes towards online shopping decisions and extends the technology acceptance model (ease of use, perceived usefulness) of the technology acceptance model (TAM) with four factors (trust, security, privacy, and risk). As such, 200 undergraduate and postgraduate students from Yarmouk University formulate the sample of this study. Findings indicate that the six factors are significantly impact consumers’ intention to adopt online shopping. Additionally, the F-test of this study indicates that a linear relationship exists between the model’s variables and consequently they can be utilized to study this process.

KEYWORDS

Ease of Use, Intention, Online Shopping, Risk, Security, Trust, Usefulness

INTRODUCTION

Online shopping has been usually accepted as a mean of buying products and services. It has grown to be a new accepted means in the Internet world (Bourlakis, Papagiannidis & Fox, 2008). In addition, it provides consumers additional information and selections to evaluate price and product, more selection, easier to locate everything online (Butler & Peppard, 1998). There are several explanations why people go online for shopping. For instances, customers be able to buy products at any time instead of going to the physical market; they can locate the similar product or service with low price through comparing multi websites at one time and customers want to keep away from traffics.

These factors could be categorized into three categories: efficiency of cost and time (Prasad & Aryasri, 2009), product and information availability (Lim and Dubinsky, 2004), convenience (Wang, 2005), and disintermediation (Gupta, 2014) in which suppliers and buyers interact with each other without intermediaries which achieves a good level of transparency. As a result of that all information about products and services is in the hands of customers. In this environment, many factors are considered important in the eyes of consumers when they intend to adopt electronic commerce transactions. Some of these factors are related to the website and its content like accuracy, usefulness,
usability and quality (Huang & Benyoucef, 2013; Al-Dwairi & Kamala, 2010; Al-Dwairi & Kamala, 2009) whereas some other factors are related and perceived by the consumer like trust, risk, security and privacy (Kim, Ferrin & Rao, 2008; Al-Dwairi & Kamala, 2009).

Under the umbrella of e-commerce, many applications like e-learning, e-government, online banking, e-payments, online shopping, etc. are exist (Turban, King & Lang, 2011, p. 51). Online shopping is performed according to the availability of electronic means in which information and service could be exchanged electronically. Online shopping is conducted based on web technology like e-commerce web sites and communication tools such as internet as a transformation channel (Galant, Jakubczyk & Paprzycki, 2002). The diffusion of online shopping as a modern approach in customers’ daily life changes consumer lifestyle and accelerates the way consumers transfer their services online. Internet shopping as new business model uses web technology that enables companies to have a competitive advantage and good return when it is used properly (Al-Madi, Al-Zawahreh & Al-Qawasmi, 2013). In addition, customers’ satisfaction will increase when they decide to use online shopping instead of conventional shopping due to savings in time, efforts, and money (Andersone & Sarkane, 2015). Yannopoulos (2011) pointed that buyers can benefit from online shopping by entering to worldwide e-markets anytime and anywhere with new chances for fast search, comparing prices and getting special offers. In addition, sellers can benefit by accessing international markets and increasing their revenues and earnings.

The extensive use of internet and web 2.0 increased the experience of people in using new ICT tools and push them to conduct online shopping transactions. As a result of that, the rate of using internet shopping transactions is increasing rapidly. Dabrowski & Acton (2013) mentioned that there was a quick growth in online shopping where it exceeded $279 billion in 2015. In addition, the wide spread and use of social media enable consumers to share and post products and services information over the web. Consequently, customers are able to make good relations and collaborate easily with firms, which in turn boost the level of trust between them which finally leads to increase customer’s intention to adopt online shopping (Zhang, Cheung & Lee, 2014).

Jordan as a small country in the Middle East has enhanced and improved the use of information and communication technologies (ICT) and web 2.0 tools to enhance the way of life for people who live in Jordan. For example, the use of e-government facilities to provide Jordanian citizens with online services will increase e-participations and enhance the spread of utilizing online business transactions (Abu-Shanab & Khasawneh, 2013). Despite the high penetration rate of ICT tools among Jordanians and the good knowledge and experience in using computers and internet websites, yet traditional shopping still the dominant (Al-Madi et al., 2013). Based on this, customers’ intentions and behaviors to adopt online shopping is not clear which calls for more research in this field. In response this study offers a real opportunity to close this gap by conducting a study to investigate the main factors that affect customers’ adoption of online shopping in Jordan.

LITERATURE REVIEW

Al-Jabari, Othman and Mat (2012) examined the factors that promote the formation of the actual online shopping behavior among Jordanian customers. The findings of their study pointed that subjective norm and perceived behavioral control have significant positive effects on Jordanians intention to shop online. In addition, attitude showed no direct significant impact on online shopping intention. Halaweh (2011) focused on the security challenge in the online shopping environment in Jordan from a customer and an organizational perspective. The study recommends that this factor is important and should be considered from online marketers.

Alsmadi (2002) conducted study to investigate the factors that affect consumers’ attitudes towards online shopping in Jordan. Results of his study showed that Jordanians have good skills and knowledge to use online shopping but they are doubt about the security measures of online transactions. Hence, security is a major factor that restricts customer’s willingness to make a better use of online shopping.
Data Security for Software as a Service
www.igi-global.com/article/data-security-for-software-as-a-service/130493?camid=4v1a