

The Influence of Website Trust and Website Quality on Intention to Purchase Online

Azahari Jamaludin

drazahari.fbf@twintech.edu.my

Twintech International University College of Technology

Raemah Abdullah Hashim

Open University Malaysia

Fais Ahmad

Universiti Utara Malaysia

Abstract

Through the years, Internet usage has grown rapidly and it has become a common medium for delivering and trading of goods, services and information, acting as a global market for buyers. Even though this method of business transaction or exchange had started to win the hearts of Malaysian buyers, the elements influencing their willingness to purchase online are still unknown. Therefore, the objective of this study is to examine the effect of trust and quality to websites on the buyer's intention to purchase online. A total number of 78 (100 percent) returned questionnaires were accepted, coded and were subject to further analysis. The findings supported all the hypotheses stated in the current study. The results indicated that website trust contributed 16.1 percent ($R^2 = 0.161$) and website quality contributed 20.1 percent ($R^2 = 0.201$) respectively to the variance in the buyer's intention to purchase online. The outcome of the study will assist marketers to devise marketing plans and business strategies to attract more new buyers as well as retaining the existing ones to their online businesses. However, there are several issues that could be addressed to further improve or extend the conceptualization of the proposed model.

Keywords: Purchase online, Website trust and Website quality

1.0 Introduction

The Internet has become a key medium for the purchase of product and services via virtual markets which effectively linked all countries and businesses. Through the Internet, e-commerce offers a tremendously wide variety of e-commerce business opportunities, one out of third most popular internet activities after e-mail or instant messaging and web browsing, is online purchasing. Online shopping in Malaysia is a recent trend ever since the technology's breakthrough, especially in the retailing industry (Zuriahti Azura, 2010; Haque, Sadeghzadeh & Khatibi, 2006). According to Micheal (1998), consumers' attitude towards online shopping affects their online shopping behavior. His finding supported past studies that attitude was found to directly influence decision making in various industries that influenced buyer's shopping behavior (Soto-Acosta et al., 2014; Chou, 2015; Chang, et al., 2014). Therefore, it is important to recognize factors that lead to customers change in their attitude.

The process of consumers' decision-making on online shopping relates to the experiences and satisfaction they perceive while shopping. Zuriahti Azura (2010) argued that Malaysian online shoppers tend to seek self benefits such as cost saving, convenience, cheaper price, easy navigation to seek for product or service information, and round the clock services. Azahari, Raemah and Yasmin (2011) pointed out that consumers' motives tend to affect their attitudes towards online shopping. Thus, this study is conducted to understand the driving forces that affect the behavior intention of customers

who use the on line medium and to recognize their motivation, as well to know how online purchasing is done.

Khatibi, Haque and Karim (2006), found that about 76 percent of the Malaysian younger market segment used the internet for other reasons that were non-shopping activities, such as seeking information, playing games and entertainment. Furthermore, Jariah et al. (2004) suggested that with the expansion of educational services in Malaysia, the universities community comprising the university staffs, lecturers and students are becoming the most important target groups for most businesses, including on line businesses. Therefore, it will be of great significance to find out the factors which influence this target market's intention to purchase or to shop online, especially among students who formed the largest group in the community. This study will be important especially for retailers who wish to expand not only their online buyers target markets, but also increase the volume of their e-commerce. Unfortunately, studies examining these target markets, especially the university student segment behavior towards online shopping in the Malaysian environment, are limited (Zuriahti Azura, 2010). In addition, to the best knowledge of the researchers, empirical evidence based on this topic is not extensive, especially in Malaysia. Previous similar studies were conducted in developed countries such as in Europe, United Kingdom and America. The burning question is then, what are the factors that contribute to the intention to purchase online? In the context of this study – how do trust and quality relate to the intention to purchase online?

2.0 Literature Review

Li & Zhing (2002) referred customer's intention to purchase online as those who are willing to make a purchase in an Internet store site. Soto-Acosta et al.(2014) found that customers intended to make purchases in future only when they truly trust the web site based on their past experiences shopping online. Amaro and Duarte (2015) who studied online travel shoppers, argued that attitude and perceived behavioral control their intentions to purchase while another study postulated that in the online shopping environment, potential buyers tend to pay attention to the brand benefits rather than other factors that would encourage them to proceed with the purchases (Chou, 2015). Chang, et al. (2014) however, disputed that purchase intention of on line shoppers were only indirectly predisposed by website quality through the intermediary of perceived trust. Nevertheless, their study indicated there is a strong correlation between website quality and perceived trust, especially customers who were brand conscious. Nonetheless, customers who perceive high service value would likely to perceive trust as the most important aspect in their future purchases.

Jarvenpaa, Tractinsky & Vitale (2000) defined trust in the Internet store as a consumer's willingness to rely on the seller and take action in circumstances where such action makes the consumer vulnerable to the seller. According to Ba and Pavlou (2002), trust is a crucial variable that determines outcomes at different points in the process and serves as the glue that holds the relationship together. In the e-commerce context, customers who do not trust an e-business will not be loyal to it even though they are generally satisfied with the e-business. Online trust simply refers to trust in a virtual environment. Trust exists in many forms, across multiple domains, and at a variety of levels (Chiu, Cheng & Fang, 2008). Other studies have proposed new methods of promoting trust in e-commerce such as agents and virtual reality technologies, government involvement and video-conferencing (Cheung & Lee, 2001). In addition, Lee and Turban (2001) found that the perceived integrity of an Internet merchant is positively related to customer trust in Internet shopping.

According to Chummanod and Rotchanakitumnuai (2010), information quality refers to the amount, accuracy and the form of information about the products and services offered on a web site. The initial purpose of the web site is to attract the attention of the potential customer through a myriad of product and service that offers value (Ho & Lee, 2007). Web site presentation will ensure potential customers to be initially drawn in, but the web site content is still the critical issue in online purchase. Fancy design and presentation will only draw at the initial stage but without good valuable content, consumers might likely venture elsewhere (Azahari et al., 2011; Jarvenpaa, Tractinsky & Vitale, 2000). Furthermore, Yoo and Donthu (2001) reviewed web site quality factors influencing Internet buying behavior by categorizing them into three groups, two of them are also named motivators and hygiene factors, and third, media richness factors. In their opinion, motivators are those who support the transaction process directly while hygiene factors protect the consumer from risks or unexpected events in the transaction process. In short, a variety of factors related to web site quality have been demonstrated to significantly influence consumer's online shopping attitudes and behavior. Better web site quality can guide the consumer's complete transactions smoothly and attract them to revisit this Internet store. (Azahari et al., 2011).

3.0 Research Model and Hypothesis

Based on literature reviews, the proposed research model is depicted in Figure 3.1 below. It demonstrates the relationship between the independent variables of trust and quality and the dependent variable of intention to purchase online.

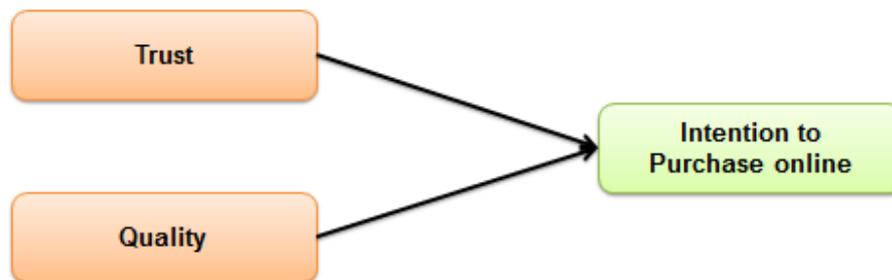


Figure 3.1: Relationship between Trust, Quality, and Intention to Purchase Online

Based on the above research model and literature review, the following hypothesis is postulated:

H1: There is a significant positive relationship between website trust and the intention to purchase online.

H2: There is a significant positive relationship between website quality and the intention to purchase online.

4.0 Methodology and Research Design

The target population for this study was undergraduate students at the Malaysian Institute of Information Technology (MIIT), Universiti Kuala Lumpur, Malaysia. The sample size depends on the basic characteristic of the population, the cost involved and the type of information required. In this study, the sample focuses on the undergraduate students who had browsed at least one time on any online shopping website. In ensuring that the instruments capture the desired response from the respondents, three factors were taken into consideration. Firstly, the general design of the questionnaire, secondly, the validation by pretesting and lastly, the methodologies by which the questionnaires were administered (Hair, Money, Page & Samouel, 2007). The questionnaires were personally distributed to 78 undergraduate students selected randomly. Data was collected within a period of two weeks. All students returned the completed questionnaires for further analysis. The response rate was 100 percent. A total of 21 items were used to capture the subjects' assessment of website trust, website quality and intention to purchase online. Each of the variables has 7 items. Likert scale ranging from 1 for Strongly Disagrees and 5 for Strongly Agree was utilized.

Both descriptive and inferential statistics were used in this study. Descriptive analysis refers to analyzing the respondents' demographic elements and their responses towards every item, descriptive statistics including mean, frequency and percentage were used to show result. Other analysis methods are as follows:

- Pearson Correlation Analysis: to determine the relationship of all components, the tool to be used is correlation. Using this tool as an analysis of relationships could be made for trust with intention to purchase online and quality with intention to purchase online.
- Regression: current study will proceed with more detail analysis using regression method. Regression model is created from the study and the model is as below:

$$Y = a + \beta_1 X_1 + \beta_2 X_2$$

Y = Intention to Purchase Online

X1 = Trust

X2 = Quality

a = constant value of the intercept on the Y axis

5.0 Findings and Analysis

To assess the reliability of the measurement items of all the components, the researcher utilized the Cronbach's Alpha coefficient analysis to test the reliability of the instruments. The instrument was tested for internal reliability and the following Table 5.1 demonstrated the scales generated.

Table 5.1: Overall Internal Reliability

Variables	No. of Item	Cronbach's Alpha Pilot study (N=40)	Cronbach's Alpha Actual Study (N=78)
Intention to Purchase Online (Y)	7	0.89	0.82
Trust (X1)	7	0.83	0.79
Quality (X2)	7	0.79	0.81

The reliability tests indicated excellent reliability for all its components with a coefficient alpha of above 0.70 levels which exceeded the minimum acceptable level, as suggested by Nunnally and Berstein (1994). In order to ascertain that all the measurements in this study exhibit some degree of validity, content validity was conducted (Davis & Consenza, 1988) in the pre-tested stage by soliciting the expert opinions of two experts from a university. After necessary modifications, the scale was also pre-tested to a set of respondents similar to the population as suggested by Davis and Consenza (1988).

The following Table 5.2 depicted the demographic profile of respondents at MIIT, Universiti Kuala Lumpur. The sample indicated that male respondents represented a slightly higher percentage (55%) when compared to the female respondents (45%). A majority of the respondents were young between 23 to 27 years of age (78%) followed by those between 28 to 32 years old (12%), 18 to 22 years old (7%) and 33 to 37 years old (3%). A majority of the respondents were single (94.20%) followed by married respondents (5.8%). With reference to education program, all respondents are pursuing an undergraduate program. The majority of the respondents (80%) have purchased products through the Internet.

Table 5.2: Demographic Profile of Respondents

Variables	Number	Valid Percent (N=78)
<i>Gender:</i>		
Male	43	55
Female	35	45
<i>Age:</i>		
18 – 22	6	7
23 – 27	61	78
28 – 32	9	12
33 – 37	2	3
<i>Marital Status</i>		
Single	73	94.20
Married	5	5.80
<i>Education Program</i>		
Undergraduate	78	100
<i>Years of Experience with Internet</i>		
1 - 2 years	2	2
3 – 4 years	4	5
5 – 6 years	9	12
7 – 8 years	22	28
9 – 10 years	27	35
11 years and above	14	18
<i>Number of Times Product Bought on the Internet</i>		
Never	16	20
Seldom	37	48
Occasionally	13	17
Often	12	15

The following Table 5.3 depicted the descriptive statistics for all items used in the model. The items were later computed to obtain its mean average score to represent each variable in the study, as per Table 5.4.

Table 5.3: Questionnaire Items

	Statement	Mean	Std. Deviation
<i>Trust</i>			
1	Trusting online purchasing is not difficult	4.12	0.29
2	I have positive experience in using the internet	4.23	0.35
3	I feel safe in my transactions with the website	4.02	0.23
4	I trust the website administration will keep my personal information safe	3.87	0.67
5	Internet shopping is unreliable	3.28	0.85
6	Internet shopping cannot be trusted; there are too many uncertainties	3.08	0.94
7	I tend to trust online shopping even though I have little knowledge of it	3.83	0.35
<i>Quality</i>			
1	The likely quality of this site is extremely high	3.76	0.76
2	The site is easy to navigate	4.01	0.24
3	I feel safe in my transactions with the website	4.24	0.35
4	This site must be of very good quality	4.32	0.45
5	This site appears to be of very good quality	4.11	0.56
6	This site creates a memorable experience	4.33	0.37
7	The site is easy to find	4.12	0.40
<i>Intention to Purchase Online</i>			
1	I will definitely buy products from this site in the near future	4.32	0.33
2	It is likely that I will purchase through this site in the near future	4.20	0.42
3	I expect to purchase through this site in the near future	4.15	0.45
4	I will return to this website in the future	4.34	0.36
5	I will consider purchasing from this website in the longer term	3.10	1.05
6	I intend to purchase through this site in the near future	3.53	0.98
7	I will consider purchasing from this website in the short term	3.63	0.69

Table 5.4: Descriptive Statistics of Measures

Variables	N	No. of Item	Minimum Score	Maximum Score	Actual Study Mean (SD) N=78
Intention to Purchase Online (Y)	78	7	1.46	4.56	3.89(0.47)
Trust (X1)	78	7	1.34	5.00	3.78(0.42)
Quality (X2)	78	7	1.96	5.00	4.13(0.45)

Table 5.5 indicates that there are significant and positive relationship between trust, quality and intention to purchase online. This means that trust and quality have strong relationship with intention to purchase online with coefficient value $r = 0.54$ and $r = 0.55$.

Table 5.5: Correlation Results

Variable	Y	X1	X2
Intention to Purchase Online	1.00		
Trust	0.54**	1.00	
Quality	0.55**	0.49**	1.00

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

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

Table 5.6 below summarize the regression results, trust accounted for 16.1 percent in the variance of Y (intention to purchase online) and quality accounted for 20.1 percent in the variance of Y. As a result, it was apparent that all independent variables (trust and quality) were consistently significant and this implies that all the independent variables could influence consumer intention to purchase online.

Table 5.6: Regression Results

Dependent variable Y = Intention to Purchase online
 R=0.440
 R²=0.193
 Adjusted R²=0.193
 F Change = 7.311
 Sig. F=0.001***
 N=78

Variables	R ² Δ	B	Beta	T	Sig.t
Constant		1.017		3.311	0.007**
Trust	0.161	0.334	0.301	2.718	0.003**
Quality	0.201	0.346	0.311	2.697	0.004**

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

6.0 Conclusion and Discussion

All independent components appeared to be significant predictors of intention to purchase online. The higher the respondents trust the website, the higher the intention to purchase online. The finding of the current study supports the hypothesis that website trust has a significant positive relationship with intention to purchase online (Turban,2001). However, there is limited research about website trust toward intention to purchase online to support this finding. However, it can be assumed that when the respondents revisit the same website, they basically trust the website. Therefore, the more frequently respondents revisit a website, the higher probability that they trust the website and buy from that website.

The study also found that the higher the website quality, the higher the intention to purchase online. The finding of the current study supports the hypothesis that website quality has a significant

positive relationship with intention to purchase online (Azhari et al. 2011). The respondents in this study also indicated that high quality website is one of the factors that make them intent to purchase online. To them, an attractive website makes it easier for them to navigate the website. This study also supports Lynch, Kent and Srinivasan (2001) findings which indicated that the website quality is correlated to purchase intentions. The study was done for high touch goods such as t- shirts, which is also known as experience products. In addition, website design, user-friendly website, attractive appearance or maybe the website was a priority choice to them than other website (Lynch, Kent & Srinivasan,(2001).

The outcome from the current study will assist marketers to devise marketing plans and business strategies to attract more new buyers as well as retaining existing buyers to their online businesses. However, there are some issues that could be addressed to further improve or extend the conceptualization of the proposed model, especially in the following areas: The unit of analysis in the current study was individual undergraduate students at MIIT, Universiti Kuala Lumpur. The improvement to the proposed model would be to differently define the unit of analysis, as well as making some changes in the composition of the sample. By defining the unit of analysis by department, section or an organization, it is then possible that there would be more variation in the independent variables and dependent variable.

References

- Amaro, S., & Duarte, P. (2015). An integrative model of consumers' intentions to purchase travel online. *Tourism Management*, 46, 64-79.
- Anderson, R.E. & Srini, S.S. (2003). *E-Satisfaction and E-Loyalty: A Contingency Framework*. Drexel University.
- Azahari, J., Raemah, A. H., & Yasmin, Y. (2011). Developing Malaysian Micro Entrepreneur Through E-Business. *2nd International Conference on Business and Economic Research (ICBER)*, 14th-16th March 2011, Langkawi, Kedah, Malaysia.
- Ba, S. & Pavlou, P.A. (2002). Evidence of the Effect of Trust Building Technology in Electronic Markets: Price Premiums and Buyer Behavior. *Management Information System Quarterly*, Vol. 26, No.3: 243-268.
- Chang, K. C., Kuo, N. T., Hsu, C. L., & Cheng, Y. S. (2014). The Impact of Website Quality and Perceived Trust on Customer Purchase Intention in the Hotel Sector: Website Brand and Perceived Value as Moderators. *International Journal of Innovation, Management and Technology*, 5(4), 255
- Cheung, C.M.K. & Lee, M.K.O. (2001). Trust in Internet Shopping: Instrument Development and Validation Through Classical and Modern Approaches. *Journal of Global Information Management*, Vol.9, No.3, pp. 23-35.
- Chiu, M.C., Cheng, H.L. & Fang, Y.H. (2008). Determinants of Customer Repurchase Intention in Online Shopping. *Online Information Review*, 33(4), 761-784.
- Chou, C. W. (2015). The Influence of Brand Benefit on Purchase Intention to Online Shop—Using Product Type as the Moderating Variable
- Chummanond, N. & Rotchanakitumnuai, S. (2010). Determining the Online Purchasing Loyalty for Thai Herbal Products. *World Academy of Science, Engineering and Technology*.
- Davis, D., & Consenza, R.M. (1988). *Business research for decision making* (2nd Edition). Boston: PWS – Kent Publishing House.
- Gefen, D. (2002). E-Commerce: The Role of Familiarity and Trust, Omega. *The International Journal of Management Science*, 286, 725-737.
- Hair, J., Money, A., Page, M., & Samouel, P. (2007). *Research Methods for Business*. U.S.A: John Wiley and Sons.
- Haque, A., Sadeghzadeh, J. & Khatibi, A. (2006). Identifying Potentiality Online Sales In Malaysia: A Study On Customer Relationships Online Shopping. *Journal of Applied Business Research*, 22(4): 119-130.
- Hausman, A.V. & Siekpe, J.E. (2009). The effect of web interface features on consumer online purchase intention. *Journal of Business Research*, Vol. 62, pp: 5-13.

- Ho, C. & Lee, Y. (2007). The development of an etravel service quality scale. *Tourism Management*, 28, pp: 1434-1449.
- Jariah, M., Husniyah, A.R. Laily, P. & Britt, S. (2004). Financial Behavior and Problems Among University Students: Need for Financial Education. *Journal of Personal Finance*, 3(1).
- Jarvenpaa, S.L., Tractinsky, N. & Vitale, M. (2000). Consumer Trust in an Internet Store: *Information Technology and Management*, 112, 45-71.
- Khatibi, A., Haque, P. & Karim, K. (2006). E-Commerce: A Study on Internet Shopping in Malaysia. *Journal of Applied Sciences*, 6, pp. 696-705.
- Lee, M.K.O. & Turban, E. (2001). A Trust Model for Consumer Internet Shopping. *International Journal of Electronic Commerce*, 6(4), 75-91.
- Li, N. & Zhang, P. (2002). Consumer Online Shopping Attitudes and Behavior: An Assessment Of Research. *Eighth Americas Conference on Information Systems*, p. 508-517.
- Lynch, P.D., Kent, R.J., & Srinivasan, S.S. (2001). The Global Internet Shopper: Evidence from Shopping Tasks in 12 Countries. *Journal of Advertising Research*. p.15-23.
- Micheal, K.S.D. (1998). *E-shock the electronic shopping revolution: Strategies for retailers and manufacturers*. London: Mac Millan Business.
- Nunnally, J.C., & Berstein, I.H. (1994). *Psychometric Theory*. (3rd Edition). New York: McGraw Hill.
- Soto-Acosta, P., Jose Molina-Castillo, F., Lopez-Nicolas, C., & Colomo-Palacios, R. (2014). The effect of information overload and disorganisation on intention to purchase online: The role of perceived risk and internet experience. *Online Information Review*, 38(4), 543-561.
- Yoo, B. & Donthu, N. (2001). Developing Scale To Measure Perceive Quality of an Internet Shopping Sites (SITEQUAL). *Quarterly Journal of Electronic Commerce*.
- Zuriahti Azura, R. (2010). *The Influence of the Intention Online Purchase Among Universiti Kuala Lumpur, Malaysian Institute of Information Technology Lecturer's and Staff's*. Unpublished Final Year Project, Malaysian Institute of Information Technology, Universiti Kuala Lumpur, Malaysia.