Online Shopping Continuance Intention:
A Case Study of Online Shopping in Thailand

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Abstract

This study determines individual's online shopping continuance intention in Bangkok, Thailand , how to retain existing consumers and attract new consumers, to find the most influencing key to Thai consumer's shopping continuance intention, to understand Thai consumers' online shopping continuance intention . The study included 400 respondents living in Bangkok and have purchased IT products online in the past six months. This study used non-probability purposive sampling technique and questionnaire for data collection. The results of study showed that time-oriented lifestyle, price-oriented lifestyle, and net-oriented lifestyle have significant impact on satisfaction with online shopping, while satisfaction with online shopping has a significant impact on continuance intention.

Keywords: lifestyle, technology acceptance model, continuance intention, expectation confirmation theory, personality

Introduction

Innovation in technology has changed the world, like it can change everything with a click of a button such as online shopping. Online shopping can be described as the method of buying products and services over the internet or inspecting, checking, browsing for a product to obtain more information with the possible aim of buying over the internet (Kim, 2004). This research focuses on the continuance intention of the customer on online shopping. Continuance or repurchase intention refers to the decision of a person to repurchase a stated product or service from the same company, considering his or her current condition and probable circumstances (Hellier et al., 2003). Some of the factors that can change the intention are satisfaction, interpersonal influence, perceived ease of use, cognitive absorption, customer price perception, perceived utility, and interest in the intent to shop online in fashion. Mohamed et al. (2004) suggested satisfaction contributes to individual online shopping continuance intention. The Nielsen Global Online Survey (Nielsen, 2008) estimated that in the last two years, more than 85% of the world's online population has used the internet to make a purchase, thus growing the online shopping market by 40 percent. The online shopping sector in Thailand is valued at $26.2 billion. As an emerging e-commerce market, it has expanded enormously over the past five years, with 48.7 percent growth in 2016 and 26.8 percent growth in 2017 (JPMorgan).The objectives of this research are to examine how to retain existing consumers and attract new consumers. The variables of the research include time-oriented, net-oriented, price-oriented and satisfaction with online shopping to understand online shopping continuance intention.

Literature Review

Expectation Confirmation Theory (ECT)

ECT implies that prior to buying, customers have original expectations for a product (Oliver, 1977, 1980; Overby & Lee, 2006), and then embrace and use the product. Consumers shape opinions about product output after consumption and begin contrasting them against expectations, assessing confirmation. Satisfaction is established based on confirmation. Happy customers create plans to reuse or repurchase the item. High confirmation satisfies a consumer with information systems, which in turn shapes continuity intentions; a dissatisfied user discontinues subsequent usage (Bhattacherjee, 2001).

Technology Acceptance Model (TAM)

The TAM was developed by Davis et al. (1989) based on the Principle of Reasoned Action (Fishbein & Ajzen, 1975). To forecast adoption of new technologies, like applications, researchers use TAM widely. Based on Davis' (1989) two constructs, TAM was generalized into perceived usefulness and perceived ease of use, which were theorized as fundamental determinants of the use of the system. Perceived usefulness is the degree to which a person assumes that using a particular method enhances his/her job efficiency. Perceived ease of use refers to the degree to which an entity feels it is effort-free to use a specific device. Perceived utility is causally linked to behaviors, intentions, and use. Davis et al. (1989) made an addition by incorporating external variables influencing perceived utility and perceived ease of use.

Consumer Lifestyle

Lifestyle describes how individuals live, spend money, and allocate time (Mowen, 1999) and is classified into price-oriented, net-oriented, and time-oriented lifestyles (Kim et al., 2000). The Price-oriented lifestyle relates to concerns about the reduced cost of items sold on the market. Consumers search for items on the internet because prices are lower than in brick-and-mortar stores. On the other hand, a Net-oriented lifestyle is exemplified by a customer who has spent years online getting vast numbers of e-mails every day and working on the internet in an office. This results to an immediate accessibility to information, entertainment , and internet shopping (Kraut et al., 1999). Time-oriented lifestyle is characterized by the number of hours spent by a customer shopping online. Customers explore new ways to find information on similar items across the internet, buying them quicker and more easily compared to conventional brick-and-mortar transactions.

Satisfaction with Online Shopping

In contrast to conventional retail store experiences, (Chen & Li, 2007) the judgment of his or her internet retail experience (Evanschitzky et al., 2004). Koppius et al. (2005); Bhattacherjee (2001, cited by Chung & Lee , 2003) and Bhattacherjee (2001) shows that satisfaction with previous online banking is the strongest predictor of the potential repeat

usage of online banking by consumers, a finding consistent with Koppius et al. (2005), who states that satisfaction in the context of e-commerce is a predictor of repurchase purpose. A link between individual satisfaction and the purpose of repurchasing in online shopping environments was found by Wen et al. (2011). Hellier et al. (2003), however, did not find evidence for a connection between car insurance customer satisfaction and repurchase intentions.

Online Shopping Continuance Intention

Intention to continue refers to the user's intention to use for potential information systems (Bhattacherjee, 2001). In an internet trade context, the word repurchase intent is sometimes used interchangeably with continuation of purchase. Intention to repurchase is referred to by Koppius et al. (2005) as the status of customer desire to buy again (who had bought on the internet at least once). In applying these principles, this research refers to the aim of consistency in online shopping as an individual urge for people, who had previously shopped on the internet, to shop on the internet again.

Relationship between Satisfaction with Online Shopping and Online Shopping Continuance Intention

The objective of customer continuity is defined primarily by satisfaction with the prior use of a product, according to the Expectancy Disconfirmation Theory (Oliver, 1980). Hsu et al. (2006) applied the theory and found that the dominant predictor to consumer repurchase intent is to have experienced pleasure with online shopping.

Relationship between Consumer Lifestyle and Continuance Intention

Internet shopping provides customers with an alternative form of shopping. Literature shows that consumer lifestyle affects the online shopping habits of customers (Swinyard & Smith, 2003).

Relationship between Individual Personality and Satisfaction with Online Shopping

Research shows that introverted individuals shop on the internet because there are no interventions from salespeople, spouses, crowds, and queues in this atmosphere because sociality is low (Wolfinbarger & Gilly, 2001). Rice & Markey (2009) suggest that introverted people use more computer-mediated communication, such as e-mail, chat rooms, social networks, and instant messaging, in comparison to face-to-face alternatives.

Conceptual Framework

The framework is based on Mohamed et al. (2014) Insights into individual's online shopping continuance. The conceptual framework as shown in Figure 1 has 5 variables: Time- oriented Lifestyle, Net-oriented lifestyle, Price-oriented lifestyle, Satisfaction with online shopping, and Continuance intention.

Figure 1

Conceptual Framework of the Determinants of Online Shopping Continuance Decision
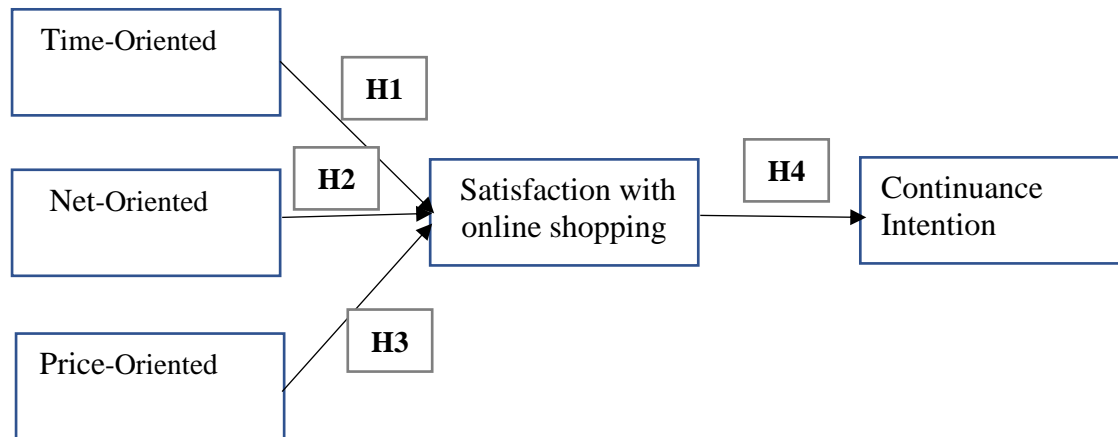
Hypotheses

$H1_o$: Time-oriented lifestyle has no significant impact on satisfaction with online shopping.

$H1_a$: Time-oriented lifestyle has a significant impact on satisfaction with online shopping.

$H2_o$: Net-oriented lifestyle has no significant impact on satisfaction with online shopping.

$H2_a$: Net-oriented lifestyle has a significant impact on satisfaction with online shopping.

$H3_o$: Price-oriented lifestyle has no significant impact on satisfaction with online shopping.

$H3_a$: Price-oriented lifestyle has a significant impact on satisfaction with online shopping.

$H4_o$: Satisfaction with online shopping has no significant impact on continuance intention to shop online.

$H4_a$: Satisfaction with online shopping has a significant impact on continuance intention to shop online.

Research Methodology

The study used non-probability sampling method for sample size of 400 respondents from 5.1 million population, who used online shopping platforms and reside in Bangkok. The appropriate sample size was based on Krejcie & Morgan's (1970) Sample Size Table. The suitable number of samples for 1 million population is 384 people. The rate of number of samples keeps decreasing with the increasing number of populations. Therefore, the researcher assumed that 400 samples would be suitable for 5.1 million population.

The researcher distributed the questionnaires online to the qualified samples via google form. The questionnaire has three parts with 32 questions. The first part included the screening questions that identified the respondents who have shopped online in the past six months. The second part used 5-point Likert scale to measure variables. The third part

consists of questions on demographic information of respondents. The realiability test was conducted and the reliability of items in the questionnaire were acceptable with Cronbach Alpha higher than 0.6. According to Sekeran (1992) the questionnaire with Cronbach Alpha higher than 0.6 is considered reliable.

The respondents were Thai and non-Thai people residing in Bangkok and who have shopped online in the past six months. The researcher applied non-probability sampling method. The data collection period was within September, October and November 2020. The data was analyzed using Multiple Linear Regression to test hypotheses 1-3 and Simple Linear Regression to test hypothesis 4.

Research Findings

Descriptive Statistics Demographic Characteristic

Descriptive statistics was used to examine demographic characteristics of the respondents, both Thai and non-Thai, residing in Bangkok and have shopped online in the past six months.

Table 1

Gender

Gender	Frequency	Percent
Male	192	48.0
Female	207	51.7
Total	400	100.00

Table 1 illustrates the distribution of the gender of respondents into male and female categories. Of the total sample size of 400, 192 are males and 207 are females at 48.0 percent and 51.7 percent, respectively.

Table 2

Nationality

Nationality	Frequency	Percent
Non-Thai	242	60.5
Thai	158	39.5
Total	400	100.00

Table 2 shows that out of the 400 respondents, 242 respondents (60.5%) were Non-Thai and the rest of the 158 respondents (39.5) were Thai.

Table 3

Age

Age	Frequency	Percent
21-30 years old	288	72.0
31-40 years old	100	25.0
41-50 years old	6	1.5
Less than 20 years old	5	1.3
More than 50 years old	1	0.3
Total	400	100.00

Table 3 shows that most of the respondents were in the age group of 21-30 years with 288 respondents (72.0 percent), followed by the age group of 31-40 years with 100 respondents (25.0 percent), 41-50 years with 6 respondents (1.5 percent), less than 20 years with 5 respondents (1.3 percent), and more than 50 years with 1 respondent (0.3 percent).

Hypotheses Testing

Multiple Linear Regression was used to analyze the impact of the independent variables: Time-Oriented Lifestyle, Net-Oriented Lifestyle, Price-Oriented Lifestyle, towards Satisfaction with online shopping.

Akinwande et al. (2015) stated that Variance Inflation Factor (VIF) less than or equal to 5 shows that there are no overlapping variables. Moreover, R-square value, shows the portion of variation in the dependent variable that is based on the independent variable.

Table 4

Summary of Multiple Linear Regression Analysis for Variable Prediction

Variables	B	SE B	Beta	Sig.	VIF
(constant)	3.221	.468		.000	
Time-Oriented	.106	.036	.123	.003	1.409
Net-Oriented	.202	.040	.211	.000	1.426
Price-Oriented	.693	.055	.521	.000	1.365

Note: R^2 = .510, Adjusted R^2 = 0.506, $p < .05$. Dependent Variable = Satisfaction with online shopping.

As illustrated in Table 4, all variables have VIFs of less than 5, there is no problem of multicollinearity. Moreover, the R square was .510 at 95% confidence level which means that the independent variables such as time-oriented, net-oriented, and price-oriented can explain the dependent variable, satisfaction with online shopping by about 51.0%.

Hypothesis 1

$H1_O$: Time-oriented lifestyle has no significant impact on satisfaction with online shopping.
$H1_a$: Time-oriented lifestyle has a significant impact with satisfaction with online shopping.

Table 4 shows the significant value is .003. The null hypothesis is rejected, and it can be inferred that time-oriented lifestyle has a significant impact on satisfaction with online shopping. It has a standardized coefficient of .123 which can be implied if time-oriented lifestyle increases by 1 unit, the satisfaction with online shopping can be improved by 12.3%

Hypothesis 2

$H2_O$: Net-oriented lifestyle has no significant impact on satisfaction with online shopping.
$H2_a$: Net-oriented lifestyle has a significant impact on satisfaction with online shopping.

Table 4 shows the significant value at .000. The null hypothesis is rejected, and it can be inferred that Net-oriented lifestyle has a significant impact on satisfaction with online shopping. It has a standardized coefficient of .211 which can be implied that if Net-oriented lifestyle increases by 1 unit, the satisfaction with online shopping can be improved by 21.1%.

Hypothesis 3

$H3_O$: Price-oriented lifestyle has no significant impact on satisfaction with online shopping.
$H3_a$: Price-oriented lifestyle has a significant impact on satisfaction with online shopping.

Table 4 shows the significant value at .000. The null hypothesis is rejected, and it can be inferred that Price-oriented lifestyle has a significant impact on satisfaction with online shopping. Besides, the Price-oriented is the strongest variable that have an influence on satisfaction with online shopping as its standardized coefficient is the highest with the value of .521 it can be implied that if price-oriented lifestyle increases by 1 unit, the satisfaction with online shopping can be improved by 52.1%.

Simple Linear Regression to determine the level of impact of satisfaction with online shopping towards continuance intention.

Table 5

Summary of Simple Linear Regression Analysis for Variable Prediction

Variables	B	SE B	Beta	Sig.	VIF
Satisfaction with online shopping	.336	.043	.367	.000	1.000

Note. $R^2 = .135$, Adjusted $R^2 = .133$, p < .05. Dependent Variable = Continuance intention

Table 5 shows that R square value = .135 at 95% confidence level which means that satisfaction with online shopping can explain continuance intention by 13.5%.

Hypothesis 4

$H4_O$: Satisfaction with online shopping has no significant impact on continuance intention to shop online.
$H4_a$: Satisfaction with online has a significant impact on continuance intention to shop online.

Table 5 presents that significant value = .000. The null hypothesis is rejected, and it can be inferred that satisfaction with online shopping has a significant impact on continuance intention. It has a standardized coefficient of .367 which can be implied that if satisfaction with online shopping increases by 1 unit, the continuance intention can be improved by 36.7%.

Discussion

The results of the hypothesis testing shows that there are four variables that have significant impact on continuance intention namely, Time- oriented, Net-oriented, Price-oriented and satisfaction with online shopping. These results have been confirmed by many previous studies.

Time-oriented lifestyles have a huge effect on online shopping satisfaction. Consumers are searching for new ways to find details about similar items, purchasing them quicker and more easily than the conventional brick-and-mortar sales in the previous study results revealed on the internet (Kraut et al., 1999).

Net-oriented lifestyles have a huge effect on online shopping satisfaction. As mentioned previously, studies argued that customers with a net-oriented lifestyle prefer to spend a lot of time in an office on the internet and working on the internet. The use of e-mail contributes to more time online in particular. This results from the immediate accessibility of the internet for data, entertainment, and shopping (Kraut et al., 1999).

The result of hypotheses testing showed that price has a substantial effect towards satisfaction with online shopping. Previous studies state that the concern about finding cheaper prices on the internet is price-oriented and since rates are lower than in brick-and-mortar shops, customers shop on the internet (Kim et al., 2000).

The results of satisfaction with online shopping showed that there is a significant impact of satisfaction with online shopping towards intent to continue online shopping. According to the Expectancy Disconfirmation Theory (ECT), the purpose of customer continuity is determined primarily by satisfaction with the prior use of a commodity (Oliver, 1980).

According to the hypothesis testing for continuance intention, the result represented that satisfaction with online shopping has a significant impact on continuance intention. The previous study supported that satisfaction with online shopping led to online shopping continuance intention.

Conclusion

The results of the study show that all the null hypotheses were rejected. Moreover, the strength of influence of variables toward satisfaction with online shopping was further ranked and summarized as shown on Table 6.

Table 6

Strength of Influence of Variables toward Satisfaction with Online Shopping

Rank	Independent Variable	Beta
1st	Price Oriented	.521
2nd	Net Oriented	.211
3rd	Time Oriented	.123

Dependent Variable: Satisfaction with online shopping

The data as analyzed using Multiple Linear Regression show results that three null hypotheses were rejected (H1, H2, and H3). Therefore, Time-oriented, Net-oriented, and Price-oriented have a significant impact on satisfaction with online shopping.

Table 6 shows the ranking of the impact of the independent variables toward Satisfaction with online shopping. Price-oriented has the strongest impact on Satisfaction with online shopping with a beta of .521, followed by Net-oriented with a beta of .211 and lastly, Time- oriented with a beta of .123.

The results using Simple Linear Regression shows that the null hypothesis was rejected (H4), therefore satisfaction with online shopping has a significant impact on continuance intention.

Recommendations

The results of the hypotheses testing shows that the independent variables namely, Time-oriented Lifestyle, Price-oriented Lifestyle and Net-oriented Lifestyle, have a significant impact on satisfaction with online shopping; and satisfaction with online shopping has a significant impact on continuance intention. It is recommended that in order to increase continuance intention of the consumers on a website the e-commerce companies, entrepreneurs, managers, or marketers have initiatives to increase the satisfaction of online shopping for the consumers.

Price-oriented lifestyle is the most significant factor that impacts satisfaction for online shopping base on the standardized coefficient of 0.521 which implies that if price-oriented lifestyle increases by 1 unit, it can increase satisfaction with online shopping by 52.1%. E-commerce companies, entrepreneurs, managers, or marketers should offer cheaper/lower prices on their websites to increase satisfaction with online shopping and online continuance intention. E-commerce companies should create more promotion or campaigns for price-oriented lifestyle consumers, such as : Black Friday, 11/11, 12/12 or every other festival sales. The companies or websites can lower shipping charges or set the price ending with nine if the consumers buy products worth more than at least 500 ThB as Thai consumers are concerned about the shipping fees.

Net-oriented lifestyle is the second influential variable based on standardized coefficient of .211. Therefore, it is vital for e-commerce companies, entrepreneurs, managers, or marketers to try and reach out more net-oriented lifestyle consumers for the better and wider reach of their products, promotions, and discounts. They can use google advertisement to promote the products on social media platforms such as Facebook, Instagram, YouTube, Twitter, but mainly focusing on Facebook and Instagram because Thai consumers use these social platforms the most. Moreover, the online platforms should hire or make contract with social influencers to create more trust, credibility and generate more positive brand image.

Third, Time- oriented lifestyle also has a significant impact on shopping with online shopping with the standardized coefficient of .123. It implies that if time-oriented lifestyle increases by 1 unit, the satisfaction with online shopping increases by 12.3%. Therefore, e-commerce companies, entrepreneurs, managers, or marketers should reach out to consumers at prime time such as 6 PM to 12 AM. The reason for this is because Thai consumers would normally use the internet after work, school or when they are free. The other reason is due to

the heavy traffic after work, Thai consumers tend to use social media more often at that time when they are caught in traffic. If the e-commerce companies, entrepreneurs, managers, or marketers do the advertising at that time it would be more effective.

Lastly, satisfaction with online shopping has a significant impact on continuance intention because consumers only continue shopping if they are satisfied with online shopping or good previous experience. It has a standardized coefficient of .367, which means if satisfaction with online shopping increases by 1 unit, continuance intention of the consumers increases by 36.7%. E-commerce companies are urged to pay attention to the fact that consumers who are satisfied with their online shopping will have an intention of continuing shopping. E-commerce companies, entrepreneurs, managers, or marketers could focus on the net-oriented lifestyle consumers at their convenient time with cheaper prices to increase the satisfaction of online shopping. The companies should seek to build long term relationship with customers.

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