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# Exploring the Mediating Role of Purchase Intention in Generation Y's Online Shopping Behavior

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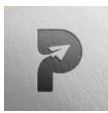
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**Abstract** – When compared to working people, young consumers spend more time online since they have more purchasing power and find internet shopping more convenient. This study aims to examine the factors that influence university students' intentions to make online purchases. To this end, variables including behavior, attitude, subjective norm, and trust were examined. Sixty-two of the 800 surveys that were delivered may be used. Survey questionnaires were distributed as part of a quantitative study, and the data were examined using structural equation modeling (SEM) to determine how the variables related to one another. The results of the studies demonstrate that purchase intention has served as a successful mediator between the dependent variables (online purchasing behavior) and the independent factors (attitude, subjective norm, and trust). The findings of this study open up some fresh avenues for bolstering and enhancing additional research on the range of internet buying habits. In the context of Malaysian online purchases, this study adds to the dynamics of the causative relationships between the variables under investigation and emphasizes the importance of attitude, subjective norm, trust, and customer behavior in determining the buy intention.

**Index terms** – Purchase intention, Attitude, Subjective norm, Trust, Consumer behavior.

## I. INTRODUCTION

In the twenty-first century, the internet is not a strange instrument. According to Thatcher et al. (2007), businesses favored using the internet for internal communication amongst coworkers in connecting departments to fully enhance the efficiency and effectiveness of organization performance as well as connecting with their business counterparts worldwide. Government agencies use the internet to communicate internally amongst departments and to offer services and information to the general public. In order to improve students' academic performance, schools and universities use the internet to find the most recent teaching resources and references. For the general public, the internet is a reliable source for information, social networking, and shopping as a way to relieve stress (Gregoire, 2013).



Regarding this, despite the introduction of e-commerce promotional efforts, Malaysian consumers' acceptance of online buying is still in its pre-mature stage (Khatibi et al., 2006; Zamri and Idris, 2013). Malaysian customers. For example, the government established a telecenter to give the local community access to the Internet for the purpose of learning new skills, which was anticipated to help e-commerce in the future (Economic Planning Unit, 2010). Meanwhile, private companies like Tesco and Guardian have opened an online store to better and more conveniently serve their customers in Malaysia (The Star, 2014, March 25).

## II. RESEARCH OBJECTIVES

The following goals have been established in light of the requirement of this investigation:

- a. To investigate how consumers' attitudes affect their online buying behavior;
- b. To investigate how consumers' subjective norms affect their online shopping behavior;
- c. To investigate how consumers' trust affects their online shopping behavior; and d. To determine whether purchases by consumers act as a mediator in the relationship between attitudes, subjective norms, trust, and online shopping behavior.

## III. RESEARCH QUESTIONS

The following research inquiries were formulated:

- a. Does a customer's mindset have a big impact on how they shop online?
- b. Does the subjective norm have a substantial impact on the way people shop online?
- c. Is customer trust a major factor in online purchasing decisions?
- d. Does the relationship between customers' attitude, trust, subjective norm, and online purchasing behavior become mediated by their buy intention?

## IV. LITERATURE SURVEY

### *Generation Y and Online Shopping*

About 11 million members of Generation Y made about 40% of Malaysia's total population in 2010 (Department of Statistics Malaysia, 2013). The majority of Malaysian internet buyers were made up of Generation Y. According to multiple studies, young adults between the ages of 20 and 30 have more internet experience than those 40 and older when it comes to online shopping (Aghdaie et al., 2011; Hasan and Rahim, 2008; Norazah and Norbayah, 2013; Raman and Annamalai, 2011). Young individuals between the ages of 18 and 34 (72%) are more likely than other age groups to regularly browse the internet, according to comScore (2004) and the Online Publishers Association (OPA).



### *Purchase Intention*

One's intention to buy products or services in the future is known as their purchasing intention (Limbu et al., 2012). This refers to a pattern of repeat purchases and a greater likelihood of customers returning for the same products or services. In order to forecast consumer preferences and discover the elements that have the greatest influence on a group of consumers' purchasing intentions, this particular topic has drawn the attention of the majority of commercial organizations and policy makers (Fon et al., 2008).

### *Subjective Norm*

Ajzen (1991) defined a subjective norm as the perceived social pressure to engage in or refrain from engaging in an activity. In various societies, social pressure can have varying effects on an individual's conduct (Husin). and Rahman (2013). Viewpoints of other people's normative expectations and their motivation to meet them can be used to measure subjective norms (Orapin, 2009). According to Azjen (1991), normative views are thought to determine subjective norms, and consumers will also be impacted by societal perceptions and group expectations (Xie et al., 2011). According to earlier studies, purchase intention is significantly influenced by subjective norms (Al-Maghrabi et al., 2011; Limayem et al., 2000; Orapin, 2009; Park, 2013).

### *Trust*

According to Limbu et al. (2012), trust is an assured dependence in which the trustee and the trustor will work to satisfy one another and forge a close bond. Instead of person-to-person connection, trust was established with online consumers via person-to-website communication via technology (Corritore et al., 2003; Winch and Joyce, 2006). According to Wei et al. (2010), the majority of customers had doubts about the reliability of the vendors during pre- and post-purchase assistance, merchant verification, and non-repudiation of faulty goods. Furthermore, unlawful access, accuracy of declarations, and privacy protection all contribute to distrustful behavior (Tseng et al., 2011). Customers' trust may be impacted by how accurately the information provided by the underlying information systems is interpreted.

### *Consumer Behavior*

Consumer behavior can occur for an individual, a community, or an organization that offers ideas, services, and physical goods (Sharma, 2006). It could occur in a number of careless circumstances (Banyte and Raisyte, 2009; Kardes et al., 2010). Consumer behavior occurs when a person decides to buy something based on the brand and what they have already bought in the past few days (Perner, 2008). Consumers will always think about when to buy and how they will feel about the goods (Saylor.org, 2013). Kardes et al. (2010) state that even if a buyer does not



make a purchase, they will likely be exposed to marketing material through advertisements, product details on packaging, recommendations from friends and family, and brand insignia on nearly everything.

#### *Theory of Planned behavior (TPB)*

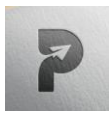
The Theory of Planned action (TPB), a new extension theory from the Theory of Reasoned Action (TRA), was proposed by Ajzen and Fishbein (1980) since the former demonstrated voluntary action and the latter was The idea that the behavior is not entirely under control has been redesigned. To support their studies, numerous researchers used Ajzen's (1985, 1991) Theory of Planned Behavior (Alam and Sayuti, 2011; Chen and Zimitat, 2006; Hidayanto et al., 2012; Huang et al., 2011; Limayem et al., 2000; Orapin, 2009; Phau et al., 2013; Tseng et al., 2011; Zhao and Othman, 2011). Ajzen (1991) asserts that the Theory of Planned Behavior (TPB) needs to be improved because there are still a lot of problems that need to be resolved.

According to the Theory of Planned Behavior (TPB), intention, attitude, subjective standards, and perceived behavioral control all affect actual behavior. Two independent variables—attitude and perceived behavioral control—that Ajzen (1991) proposed were used by Hidayanto et al. (2012) to support their study. The findings indicated that attitude and perceived behavioral control were positively correlated with the intention to make an online purchase. Several important limitations of this study include its small sample size, the fact that it was carried out in Indonesia, and its inability to generalize the results to other regions.

#### *Technology Acceptance Model (TAM)*

The adaptation model from the Theory of Reasoned Action (TRA) is called the Technology Acceptance Model (TAM). In order to assess a user's computer acceptance, the initial TAM addressed three antecedents: attitude, perceived usefulness and perceived ease of use) in order to affect the propensity to utilize a computer (Davis et al., 1989). However, TAM 2 was then suggested with the attitude eliminated from the model because it had little effect on the intention to use. Trust is used in the majority of online shopping contexts and has been shown to have a substantial link with TAM (Heijden et al., 2003; Kim and Song, 2010; Lai and Wang, 2012; Rocca et al., 2009).

According to Davis (1989) and Wu and Chen (2005), the degree of confidence in an online website determines how beneficial people find it. Trust is a crucial need for predicting online purchase behavior, according to numerous studies to date (Hsu et al., 2013; Jiang et al., 2008; Limbu et al., 2012; Mukherjee and Nath, 2007; Nor et al., 2010). According to Gefen et al. (2003), an integrated trust and TAM study revealed that trust will precede and enhance a website's perceived usefulness. The rationale is that the owner of the website can determine the website's utility, which in turn influences the desire to make an online purchase (Wu and Chen, 2005).



## V. METHODOLOGY

A key component of this study is the Theory of Planned Behavior (TPB), which has been extensively employed in earlier research to evaluate and explain user behavior in online shopping environments (Zhou et al., 2007). However, trust was substituted for perceived behavioral control in TPB in order to meet the study's goal, as it is a crucial factor in determining customers' control over online transactions (Tseng et al., 2011).

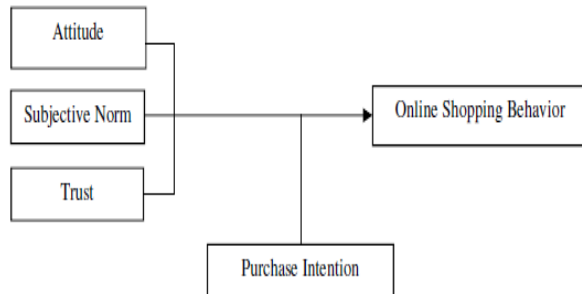


Fig. 1: Research Framework

The chosen factors that will be tested are represented by the study framework in Figure 1. Survey questionnaires were delivered to Malaysian students enrolled in public universities as part of a quantitative research study. Easy selection was made possible by the questionnaires' close-ended questions. Sixty-two of the 800 surveys that were sent were useable. While Analysis for Moment Structures (AMOS) was used for Structural Equation Modelling (SEM) analysis, SPSS version 18.0 was used to explain frequency, reliability, and descriptive studies.

## VI. CONCLUSION

The purpose of this study is to provide insight into the variables that have been chosen, specifically purchase intention, trust, subjective norm, and attitude, and how these variables connect to university students' online buying behavior. This study opens up some fresh avenues for enhancing and bolstering additional research on the subject of online buying habits. In order to build the future pattern of e-commerce, future research could leverage the platform of this study to target certain groups, such as those based on gender, age, and educational attainment. Our study's findings showed that trust and attitude had a favorable impact on consumers' online buying habits. Online shopping intention and behavior increased in tandem with increases in attitude and trust level. Subjective norm and online purchasing intention had a weakly positive link, however surveys revealed a negative relationship between subjective norm and online shopping behavior. To put it another way, university students have a good attitude and a high degree of trust regarding the adoption of online shopping, whereas the subjective norm—that is, friends, family, and the media—indicates less effect over the intention to purchase online.



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