THE IMPACT OF CULTURE ON YOUNG CONSUMER'S INTENTION TOWARDS ONLINE SHOPPINGH IN MALAYSIA

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Abstract—**Cultural differences generally lead to distinctions in consumers' attitudes and intensions. Attention to these distinctions can provide more success for marketers and managers. This study intends to evaluate the impact of culture on young consumer's intention towards online shopping in the multicultural context of Malaysia. Consequently, Hofstede's cultural dimensions are being examined on Malaysian young consumers across the three sub-cultures of Malay, Chinese, and Indian. Moreover, in order to assess the association between each cultural dimension and the consumers' intention to do online shopping, this study takes advantage of the Technology Acceptance Model developed by Davis et al. (1989) and the impact of culture as an external variable on TAM model is evaluated through SPSS tool . The Results illustrated that culture is a determining factor to predict the consumers' intention to do online shopping among young consumers. This study aims to help the marketers and managers to apply new plans and strategies for online shopping based on some cultural values.**

Keywords: culture; online shopping; Intention

I. INTRODUCTION

Culture has a very remarkable effect on the human's process of making a decision and performing any action, the study of this important aspect of people's life is becoming increasingly crucial over time. This study has always been an important area of research for marketers and researchers due to their intention of developing a map in order to evaluate the shopping behavior of the customers more effectively. Kurtz (2008) claimed that marketing is the ability and capability of gratifying customers and it is completely obligatory for marketers to evaluate their customers from the cultural point of view. There are hundreds of definitions and implications for culture. Culture is a compile of ideas, values, experience, faith, attitude, relations, religion, positions, characters, concept of times and world and creations, material objects, assets and personal properties belonging to a group of people [9]. Different types of culture have different impacts on attitudes and inducements of consumers [1] and the way they consume products and services [20]. In this study, the Technology Acceptance Model (TAM) presented by Davis et al. (1989) is mainly employed to describe each person's willingness for actually using and taking advantage of information technology. Since the first step for a consumer to buy a product or service online is thorough visiting a website, that is a type of information technology, online shopping activities can be described to some extent by TAM. Although, visiting a website and shopping online are somehow different [18].Studies accentuated the importance of multi-channel strategy for a retailer more profit [5].Schramm-Klein and Morschett (2005) concluded that multi-channel retailing is planned to provide the needs of modern consumers that is barely possible for a one-way channel retailing. In conclusion, more consumers are accepting multi-channel retailing and turning to multi-channel shoppers.

II. CULTURE

Scholars and specialists define culture in different ways. Based on different studies there is not a generally accepted language to define such a complicated concept like culture, besides; studies have shown that culture has a dynamic and modifying nature time and time again [7]. Hofsted(1997) defined culture as a collection of acquired behaviors of a group of people that makes their custom which is transferred over generations. In this context, Hofstede (1980) directed a study that describes five dimensions of culture that explains the impact of culture on individual's behavior. Hofstede's value system consists of five concepts which are described as below: (source: Greet Hofstede Website).

1- Power distance (PDI) - The amount of inequality acceptance of people in a society. It refers to how much people in a culture comply with inequality.
2- Individualism (IND) - Refers to how much people are intended to take action individually or in a group.
3- Masculinity(MAS)-Degree to which values like assertiveness, performance, success, and

competition prevail among people of a culture over gentler values like the quality of life, maintaining warm personal service, care for the weak, etc.[17]

4- Uncertainty Avoidance (UAI) - Refers to how much people in a society can bear uncertainty and ambiguity.

5- Long-term orientation (LTO) - fostering of virtues oriented towards future rewards.

Therefore, different behavior of people in different societies is rooted in the characteristics of their culture.

III. TECHNOLOGY ACCEPTANCE MODEL (TAM)

Technology Acceptance Model by Davis et al. (1989) is mainly employed to describe each person's intention for actually using technology in this study. This study will help marketers and managers to find out about the main differences in cultures that influence consumer level of accepting technology for online shopping. TAM is stemmed from TRA to describe the level of user technology acceptance. TRA intends to describe any individual's behavior from the virtual perspective" [6].Moreover, TAM model explains about the connection between Perceived Ease of Use and Perceived Usefulness as independent variables and computer using behavior and attitudes as well as intentions of users as dependant variable. Perceived Usefulness (PU) in TAM describes how much users think that a technology is useful for them in order to perform a job better and Perceived Ease of Use (PEOU) explains how much users think that a technology is easy for them to use [17]. Previous studies illustrate that TAM is truly able to predict customers' online purchase intentions. Figure 1 presents the TAM model by Davies et al. 1989:
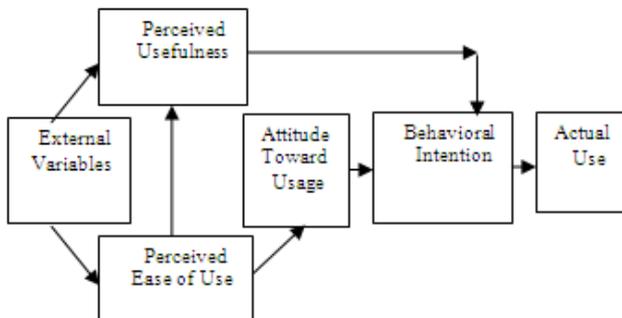

Figure 1. TAM (Davies et al. 1989)

One of the main innovation aspects that has not been considered in other model but is studied in TAM is Compatibility. Compatibility can be defined as the extent to which an innovation is adopted with the current values, previous experiences, and desires of likely adopters [15]. TAM intended to clarify the determining factors of individual acceptance of technologies [4].

IV. BEHAVIORAL INTENTION

Based on Warshaw and Davis (1985) study, behavioral intention is the degree to which an individual intentionally arranges to do or not to do a specific behavior in the future. This explanation comes together with the Theory of Reasoned Action [6] and its Theory of Planned behavior [2]. These theories explained that behavioral intention tremendously anticipates the actual behavior. In the area of information system, lots of researchers have been examining to apply the technology acceptance model to predict human's behavioral intention to benefit from information technology [13, 14]. In technology acceptance model, behavioral intention to take advantage of a novel technology is generated from the people's attitude toward utilizing that technology. From the other point of view, internet has altered the consumers' orientation and the new channel of transaction has also created a significant factor in examining consumers' Purchasing intention over the world. In this situation, the information revolution and the arrival of the internet and the appearance of online markets have formed two types of shopping as off line or traditional shopping in oppose to online or internet shopping. These two types of shopping have created two forms of shopping intentions as [3, 10]:

1. Online shopping intention: the intention to purchase in the internet by an e-commerce activity.

2. Offline shopping intentions: the intention to purchase traditionally for example in the shops, malls, and other brick and mortar market places (normally hypermarkets) [3, 10].

Meanwhile, Jayawardhena et al. (2007) discussed that two factors have provided online shopping intention with superiority over the traditional shopping intention in the offline environment and physical markets. The two factors are:

1. More product customization in online shopping
2. Cost reduction

Moreover, Jayawardhena et al. (2007) have also claimed that consumer's intention for online shopping is derived from their shopping orientation and in virtual stores consumers assume and depict several orientations and as a result their intention is complex process. Fundamentally, in addition to web site capabilities and functions, customer's attitude in either online or offline environments in the shape of word of mouth and beliefs affects their shopping intention while deciding to make a purchase [11].

V. CULTURE AND TECHNOLOGY ACCEPTANCE MODEL (TAM)

The question in this context is that whether the distinctions in cultural background affect the technology acceptance process. Basically Hofstede's studies describe different dimensions of culture which could be used to explain the influence of each dimension on technology acceptance and technology adoption of members of different cultures. The Hofstede's four key cultural dimensions on Malaysians are illustrated in the fig 2. (*GEERT-HOFSTEDE.COM).*
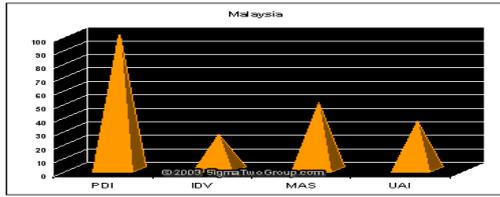
Figure 2.   Malaysian Culture and Four Dimensions of hofstede's Cultural Values (*GEERT-HOFSTEDE.COM*)

1. Influence of Uncertainty Avoidance Index(UAI) on TAM

Hofstede's definition for Uncertainty Avoidance is the extent to which a society is feeling worried about uncertainty and ambiguity. Straub (1997) described that technology acceptance could be influenced by uncertainty avoidance. In this situation, users choose computer based media or traditional media. Uncertainty avoidance is different in each culture; therefore, members of each culture may go for different media for communicating.

2. Influence of Power Distance Index(PDI) on TAM

Power Distance is referred to as the amount of inequality in a society in which the members of that society believe it as to be normal [8]. With high level of PDI in a culture, low powered individuals avoid to use media that do not provides face to face contact in order to show difference to high powered individuals in a society [17].

3. Influence of Individualism (IND) on TAM

In a low individualism society, the culture may move against a computer base communications, since these communication media destroy the group effect. Members in collectivism cultures move toward face to face communication media rather than computer based communication media regarding their social situation [17].

4. Influence of Masculinity (MAS) on TAM

Assertiveness is highly related to level of intention for interpersonal existence in a society. In cultures with high masculinity context, the communication media which do not provide the individual social presence, like emails, would not be desired. On the other hand, in culture of societies with less masculinity context, face to face media is not essentially required [17].

VI.   PARTICIPANTS

In order to conduct this study, 100 questionnaires have been distributed personally face to face among Malaysian young consumers including students from the three subcultures of Malay, Chinese and Indian which have been chosen as the population of this study from Multimedia University located in Cyberjaya, USM located in Penang and UM located in Kuala Lumpur on the basis of the availability and accessibility of this population. Moreover, sampling from universities leads to provide populations by age, education and more significantly, by their level of access to technology.

VII.   DATA ANALYSIS

This research study consists of a sample group of 100 respondents. In term of gender, 58% of the respondents are male and 42% of the respondents are female. In term of ethnicity, 39% are Malay, 32% are Chinese and 29% are Indian. 67% of the respondents are between 18 to 25 years old and 33% of them are between 26 to 30 years old. All respondents are educated while 8% have studied in secondary education level, 2% studding in a certificate level, 12% are studding a diploma level, 32% are studding at degree level, 21% at master level, and 17% at PhD level.
 In order to determine the impact of culture on TAM model, the SPSS tool has been used. Consequently, the total mean of the cultural dimensions has been calculated and was used as the mean of culture as a whole. (Table1). Meanwhile, regression analysis has been used to determine the significance of influence of culture on technology acceptance model variables (PEOU, PU, Attitude and behavioral Intention). The results are illustrated in table 2.

TABLE I.   DESCRIPTIVE STATISTICS

N=100	CULTURE	PU	PEOU	ATT.	INT.
MEAN	3.77	3.92	3.94	4.03	4.01
Std. Dev	0.90	0.71	0.91	0.78	0.89

TABLE II.   REGRESSION ANALYSIS

	Coefficients	Standard	Alpha	Results
Culture				
P U	0. 51	0.05	.004	Supported
PEOU	0. 12	0.09	.000	Supported
Perceived Usefulness				
Attitude	0. 19	0.09	.000	Supported
Perceived Ease of Use				
Attitude	0. 15	0.07	.000	Supported
Attitude toward Usage				
Intention	0. 18	0.08	.009	Supported

Perceived Usefulness				
Intention	0.63	0.09	.000	Supported

VIII. CONCLUSION

Based on the results, this study supports the impact of cultural dimensions on technology acceptance model. Accordingly, the cultural dimensions across the sub-cultural system of Malaysian consumers is a determining factor of their intention for online shopping and the influence of culture on technology acceptance model is supported in the case of Malaysia. Additionally, The TAM model suggests that Perceived Usefulness and Perceived Ease of Use are significant (Davis et. al, 1989). These variables do support the improvement of performance. Meanwhile this study also affirms this fact. Accordingly, regarding the factor of culture, the results show that there is a significant relationship between culture and PU as well as PEOU. Consequently, the culture has impact on the consumer's level of online shopping adoption. By the way, Future research is necessary to reconsider and re-examine the relationship between Culture, Perceived Ease of Use, Perceived Usefulness as well as Attitude and Intention in the context of online shopping acceptance to generalize the result to whole Malaysians.

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