

THE FACTORS AFFECTING THE DECISION TO SHOP ONLINE OF VIETNAMESE YOUTH IN FASHION FIELD

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Abstract

The study objectives are to analyze the factors affecting online shopping decisions online among Vietnamese youth in the field of fashion. Qualitative and quantitative research methods are used to conduct a survey of 294 people with 30 observed variables which determine online shopping decisions online among Vietnamese youth in the field of fashion. The study results show that there are 5 group factors affecting follows: Subjective Standard, convenience perception, site Impact, price expectations, and behavioral control perception with significance level 5 %. In addition, the research results processed from SPSS 20.0 software. The findings implement the following objectives: First, identify the factors that influence online shopping decisions online among Vietnamese youth in the field of fashion; Second, determine the priority order of the impact degree of factors affecting online shopping decisions online among Vietnamese youth in the field of fashion; Finally, propose recommendations to increase online shopping decisions online among Vietnamese youth in the field of fashion.

Keywords: decision, online, Vietnamese, fashion and shopping.

Introduction

According to the Wearesocial statistics in January 2015, more than 39.8 million Vietnam Internet users accounted for over 40% of the national population, more than 90% of internet users use search engines such as Google. Every day more than 30 million Vietnamese use the search engine to find information, products and services they need. Many experts believe that online shopping with smart phones and devices connecting to the Internet would become the trend of strong growth in the future (Alexandre Dardy, CEO Lazada). Vietnamese young customers will become the appropriate objects for this style of shopping. According to research of Flurry Analytics Market firm (2013), growth in the number of smartphone users in Vietnam are ranked the second in the world. This is a good condition for the e-commerce businesses operating retail channel online through mobile applications IOS or Android. The tendency of online shopping through mobile devices (smartphone, tablet ...) will be popular for coming decades. While revenue online retailers currently in Vietnam is only 1-3% of total retail sales market. Therefore, the "cake" of e-commerce

in Vietnam is still very large and attractive (Kinhtesaigon Online Magazine, 2014). Many experts have predicted that the size of the e-commerce sector in Vietnam in the years of 2015 -2016 is expected to double comparing to 2014. Many online sales corporations in the world have entered in Vietnam. They are "accelerating" in the race to increase the market share of online retail in Vietnam. Besides Internet Rocket, German corporations invested up to 250 million dollars in 2013 for Lazada and claimed to multiply capital investment in the coming years; Rakuten, Japanese online retailer also invested pretty much in Vietnam etc. They will be the strongest opponent of online sales businesses in Vietnam (FPT Shop, Nguyen Kim, World Mobile, Tiki, phongvu, Lanzada, Zanado, etc.) right on its home yard.

It is probably said that online shopping has been the foreseeable trend of people in the modern technology world, especially for young people. It has really brought more modern, comfortable and better life and gradually changed people's consumption habits. In Vietnam, the online shopping is becoming popular and growing fast. Muachung.com, Cungmua.com, Mua.com, FPT Shop, Nguyen Kim, World Mobile, Hotdeal.vn, Lazada.vn, Zalora.vn, Lamido.vn and 701Search, etc. have been no stranger to Vietnamese youth. For consumers, shopping online saves time, significant cost savings, many opportunities to find suitable products and goods etc. For corporation, this is a new business model, cost saving management and cost saving space, advertising costs, staff costs, etc. and it also will be the trend in strongly growing in many countries around the world at present and in future. Although online sales models have been successful in many countries, in Vietnam, they also face many difficulties. In fact, there are still a lot of Vietnamese really being excited about this shopping form. General attitudes of many Vietnamese consumers have been skeptical, afraid of and anxious about them when shopping online. That significantly impact to the success of this business model in Vietnam. Therefore, the study of psychology and reinforcing the confidence of Vietnamese consumers, especially the youth to promote regular online shopping behavior of Vietnamese consumers, especially the younger, have become essential and urgent for selling online companies in Vietnam.

Literature review

Chant, (2001); John P., J (2002) in his Behavioral theory, he suggested that the buying behavior of consumers is one of the best elements to predict consumer trends. His research on the factors influencing the decision to buy online is the Subjective Standard, convenience perception, Price expectations, and Behavioral Control Perception. He also stressed more on the factors contributing to the trend of online shopping is "convenience perception" and "Subjective standard" of the customers. Consumers will notice these attributes which bring convenience and necessary benefits and different level of importance. If you know the weight of the attributes that close results of consumers' choice can be predictable. The "Subjective standard" (the subjective norm) can be measured through people related to consumers (such as family, friends, colleagues, etc.); these people like or dislike the consumers buy. The extent of the impact factor groups "Subjective standard" to buying trends of consumers depend on: (1) the degree of support or opposition to the purchase of the consumer and (2) of the consumers' motive driven by the desire of those who affected. In other words, "subjective standard" impacts on customers' buying decisions. Brock (2005) also had many studies on behavioral purchasing and shared the view that personal choice can affect the choice of the others with whom they are related, directly or indirectly. It need stressing that this interaction does not work through the market, one will adjust his choice through observing others' actions (Adam Khoo, 2014), for example mimic, spread and transmit effects, etc. often appear in our modern days.

Keller (2000) also had similar findings and discussed further in behavioral model theory that online shoppers are influenced by factors "Price Expectation" and "Site Impact". The external

factors are characteristic of online shoppers in general. In the model of the factors affecting the behavior of online shoppers of Henry T., P (2011) "Price Factor" group (as there are many opportunities to compare prices among suppliers, reasonable price, clearly posted prices and transparency etc.) can also affect thinking, action online purchase decisions of consumers.

Thus, it is concluded that the factors affecting online shopping decisions online among Vietnamese youth in the field of fashion focusing on key factors as follows: Standard subjective, Convenience Perception, Site Impact, Price Expectation, and Behavioral Control Perception.

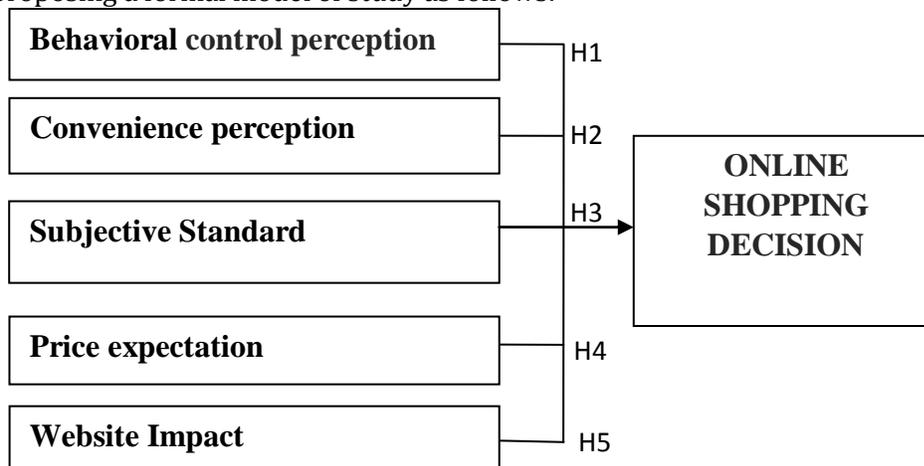
Subjective Standard: It is standards, thinking, perception system and subjective thinking and logic of an individual or collective, in many cases, and specific space scope. [Chann, T, (2001)]

Convenience Perception: It is set of benefits, utility, convenience and value that suppliers bring to consumers in order to arise the interest and attention of others. [John P., J, 2002]

Site Impact: It is a series of activities integrated with many internet search engines to help increase measures and communication art to two-way interact with customers which aims to introduce the product, persuade viewers, attract attention and decide to buy of consumers. [Keller, 2000]

Behavioral Control Perception: It is a set of ideologies, thoughts and subjective perception of consumers concerning about the use of its resources on finance, facilities, individual capacity, exchange experience to satisfy personal needs and wants. [Chann, T, (2001)]

Price Expectation: Prices are the currency of exchanging the value of the goods; the amount to be paid for a commodity, a service, or a particular asset; the change measure revolving around the values. Prices are the supply and demand of one or a serie of comodity. Expected prices reflect and conform to the value of a certain goods with quality products. Based on the theoretical framework of behavioral theory of Chann, T, (2001) and John Ward, J (2002), Ajzen and Fishbein (1975); Theory of Planned Behaviour of Ajen (1985); Reasonable action theory of Brown, P., J (1988); the research results of Crompton, J. L (1991); Arnould, E (2003); and Haley, R. (2008); Herzberg, K. (1996); Oliver, R. (2000); and Fornell, C (2010) and many related findings as mentioned above, the author consulted experts and conducted preliminary studies before proposing a formal model of study as follows:



Hypothesis

H1: **Behavioral control perception** affects online shopping decisions online among Vietnamese youth in the field of fashion.

H2: **Convenience Perception** affects online shopping decisions online among Vietnamese youth in the field of fashion.

H3: **Subjective Standard** affects online shopping decisions online among Vietnamese youth in the field of fashion.

H4: **Price Expectation** affects online shopping decisions online among Vietnamese youth in the field of fashion.

H5: **Website Impact** affects online shopping decisions online among Vietnamese youth in the field of fashion.

Methods of research

The two major research methods, qualitative and quantitative research are focused, particularly; the research process has three stages. Stage 1, based on theory and the related results mentioned the above, qualitative research method was used for group discussing and leading expert consulting to select the variables and observed variable groups. Stage 2, Based on the factors affects online shopping decisions online among Vietnamese youth in the field of fashion, a questionnaire was designed to collect the opinions of 294 online shoppers in HCMCity, Danang and Hanoi. The research model includes 5 scales, 30 observed variables (questionnaires), using 5-point Likert scale (Likert scale with a 5-point), Distance value = $(\text{Maximum} - \text{Minimum})/n = (5 - 1)/5 = 0.8$: 1. Completely disagree; 2. Disagree; 3. No opinion / Normal; 4. Agree; 5. Completely agree. Survey results were entered SPSS 20.0 and Cronbach's Alpha coefficient was used to test reliability of the scale. Stage 3, after testing the reliability using Cronbach's alpha coefficient, Exploratory Factor Analysis - EFA was analyzed to shrink and summarize the data of the scale (Hoang Trong Chu and Nguyen Mong Ngoc, 2005 "Quantitative Research SPSS"). This method is based on extraction ratio factor (Eigenvalue), under which only those factors having ratiion (Eigenvalue) greater than 1 will be kept, those smaller than one will not show information better than origin variable because after standardizing, each original variance is 1. The method of extracting the main components (Principal components) and original method of factor rotation (Varimax Procedure) were used to minimize the number of variables that have large coefficients for the same factor, which increases explaining the factors. The above results was used to analyze multiple linear regression aiming at testing the assumptions of the model, which consider the level of impact of these factors online shopping decisions online among Vietnamese youth in the field of fashion.

Research results

Testing reliability of the scale for factors of Online shopping decision

Table 1: Cronbach's Alpha for factors of Online shopping decision

	Code	Factors	Cronbach's Alpha Coefficient
Independent Variables	NT	Convenience perception	0,881
	MD	Price expectation	0,889
	WS	Website impact	0,891
	CQ	Subjective standard	0,869
	HV	Behavioral control perception	0,939
Dependent Variable	I	Online shopping decision	0,797

(Source: The researcher's collecting data and SPSS)

Table 1 showed that the test results of scales are high accuracy with Cronbach's alpha coefficient > 0.7 and the correlation coefficients of the total variables of measurement variable factors meet the demand allowed (> 0, 3), the scales are accepted. From the 30 initial observed variables, exploratory factor analysis is conducted in the next step.

Exploratory factor analysis (EFA)

The results of Exploratory Factor Analysis (EFA) in the above table showed the total variance extracted is greater than 50% (69.125%), this means that the extracted factors would explain 69.125% for model, the remaining of 30.875% was explained by other factors. Extraction ratio factor (Eigenvalue) is greater than 1 should be retained.

Table 2: Exploratory Factor Analysis of Online shopping decision

Code	Observed Variables	Component				
		1	2	3	4	5
HV5	I feel easy when online shopping	.947				
HV1	I think I have enough knowledge and experience to participate in online shopping	.935				
HV3	I have a credit card to make payments convenient	.869				
HV4	I can use good international language for online shopping	.859				
HV2	I have sufficient means to make the online shopping	.832				
NT5	The online fashion products are varied and plentiful		.826			
NT1	Online shopping helps me save a lot of time when choosing		.773			
NT2	Online shopping helps me find information of product faster		.763			
NT6	I have many choices of brands and suppliers when shopping online		.754			
NT4	I can purchase products anytime, anywhere		.725			
NT3	I do not need go directly to distribution stores		.711			
CQ3	I believe that online shopping guarantee quality products as online advertising			.846		
CQ4	I find online shopping is safe			.780		
CQ5	I am affected since the information on social networking sites when shopping online			.740		
CQ1	I think online shopping is an inevitable trend of modern society			.719		
CQ2	I think online shopping is the act of the modern people			.713		
CQ6	I am affected from relatives and colleagues when shopping online			.645		
MD3	When shopping online there are many opportunities to compare prices among suppliers				.806	
MD4	Prices of products are listed online clear, transparent				.766	
MD5	When shopping online, there are many opportunities to buy quality goods				.740	
MD2	Prices of fashion products online are very reasonable				.735	
MD1	Online shopping help me save costs				.708	
WS5	I usually select the websites with many people transactions and purchases					.857

WS3	I usually choose the website with full of information about the products and prestige suppliers					.854
WS4	I usually choose to buy product on website with attractive advertisement					.853
WS2	I usually choose to buy products on the website with the recording, reviews, comments system from previous buyers					.705
WS1	I usually choose the website with nice interface, easy to see, simple operation					.515

(Source: The researcher's collecting data and SPSS)

Table 2 showed that the above results of EFA are consistent with the data, calculated into 5 groups of factors and may be used for a multiple regression analysis.

Multiple linear analysis regression results for factors affecting online shopping decision

The results showed the correlation coefficient adjustment: $R^2 = 0.444$ (verification F, sig. < 0.05); which means that 44.4% of the change of variable Y is explained by six independent variables (X_i). Coefficient Durbin - Watson (d) = 1.783; some observers $n = 294$, parameter $k = 5$, the level of significance of 0.01 (99%), the statistical tables Durbin - Watson, dL (less statistical value) = 1.623 and dU (statistical value over) = 1.725. So we have: $(dL = 1.623) < (d = 1.783) < [4 - (dU = 1.725) = 2.275]$ proved the model no autocorrelation phenomena.

The test results $F = 47.860$ value and $Sig. = 0.000 < 0.05$ shows the building model is consistent with the data set and the variables included in the model which are related to the dependent variable. Generally, regression analysis with selected reliability is 99%, corresponding to the selected variables are statistically significant at the $p < 0.01$; the results show that all variables are satisfying the demand. Verification of conformity of the model shows multicollinearity phenomenon does not violate ($VIF < 10$).

Table 3: The regression results for factors affecting online shopping decision

Influenced factors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	.682	.176		3.866	.000	.335	1.029
X1	.104	.033	.140	3.118	.002	.038	.170
X2	.165	.044	.190	3.779	.000	.079	.252
X3	.241	.043	.289	5.577	.000	.156	.327
X4	.135	.047	.172	2.884	.004	.043	.227
X5	.143	.044	.184	3.252	.001	.056	.229

(Source: The researcher's collecting data and SPSS)

The results of regression analysis show that factors affecting online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5 % and presenting the priority as follows: (1) Subjective Standard: $\beta = 0.289$; (2) Convenience Perception: $\beta = 0.190$; (3) Website Impact: $\beta = 0.184$; (4) Price Expectation: $\beta = 0.172$; and (5) Behavioral Control Perception: $\beta = 0.140$.

Analysis of variance (ANOVA)

ANOVA variance testing is to measure if the difference between online purchase intention or not with the elements of gender, age, education, occupation and income. The research results are as follows:

Table 4: Analysis of variance (ANOVA) for gender, age, education, occupation and income

<i>Gender</i>					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.332	1	.332	.814	.368
Within Groups	118.872	292	.407		
Total	119.204	293			
<i>Income</i>					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.243	8	.155	.375	.933
Within Groups	117.961	285	.414		
Total	119.204	293			
<i>Occupation</i>					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.213	7	.316	.773	.611
Within Groups	116.991	286	.409		
Total	119.204	293			
<i>Age</i>					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.731	6	.122	.295	.939
Within Groups	118.473	287	.413		
Total	119.204	293			
<i>Education level</i>					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.532	3	.177	.434	.729
Within Groups	118.671	290	.409		
Total	119.204	293			

(Source: The researcher's collecting data and SPSS)

Table 4 showed that the test of homogeneity of Variances is greater than 0.05 so ANOVA results can be used. The analytical results show that the value Sig. of Anova the elements are larger than 0.05 so it is concluded that there is no difference between online shopping decisions online among Vietnamese youth in the field of fashion with each element of gender, age, level of education, occupation and income.

Conclusions and recommendations

Conclusions

This study showed that there were five factors that influence online shopping decisions online among Vietnamese youth in the field of fashion and the degree of influence of each factor is different. According to the analysis, five factors are correlated to the impact of online shopping decisions in the field of youth fashion, in that order respectively: (1) subjective standard, (2) convenience perception, (3) website impact, (4) price Expectation, (5) behavioral control perception. Those are important basis for enterprises to consider the strategic development of their business in the future. The results of this study conclude as following:

There is a positive relationship between “Behavioral control perception” and online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5%.

There is a positive relationship between “Convenience perception” and online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5%.

There is a positive relationship between “Subjective standard and online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5%.

There is a positive relationship between “Price Expectation” and online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5%.

There is a positive relationship between “Website impact” and online shopping decisions online among Vietnamese youth in the field of fashion with significance level 5%.

Recommendations

Recommendation 1: “Subjective standard”: This study and other studies indicated that the tremendous impacts the decision to purchase online from many sources: The social network, customers rating, experts rating, Online Advertising, Advertising on video clips, mouth of mouth, Website labels etc. Online shopping customers often undergo three stages. Phase 1 is getting acquainted with product evaluated through sharing from the network (or User content), seeking information from the manufacturer, learning about the brand (or branded content) and consulting opinions from reputable third parties (or Expert Content). Phase 2 is customer links these components. Phase 3 to decide to purchase. Many customers agree that the evaluation from reputable third parties that make them confident when shopping. The higher the price is, the more valuable the "expert content" is. Therefore, it is necessary to build trust using third reliable party, deeply connect and engage with customers after building trust, continue calling for contributing contents from customers parallel with providing "branded content" value. In other words, companies need focusing on developing special programs, "Branded Content", "Expert Content" and "User Content" tools in a professional and logical method.

Recommendation 2: “Convenience perception”: Enterprises retain customers by turning the ease and convenience become secret. Reasonable hours of operation or even 24/24, accept all types of credit cards, way of compensation is reasonable, the friendly attitude of the staff, the polite greetings in the phone etc which always create a good impression in the minds of customers, particularly to customers dealing with the site for the first. Doing these things successfully is very simple, easy and does not take much effort, time or financial of enterprises. If businesses want their customers to stay, online shopping should be easy, convenient, comfortable, and even easy for a child to perform as well. In order to do this, businesses have to begin by examining carefully all the segments of the operation to ensure that businesses do not lose these purchases because of some simple actions that the companies do not pay attention.

Recommendation 3: “website impact”: Businesses need to invest their website to become communication channels and strong support for their businesses. Website designing must meet

SEO standard. First, the website must create its own brand of business on the internet, creating opportunities to meet customers everywhere at all times. Secondly, sales website is a channel introducing product effectively. Third, Sales Website is to support businesses in the sale. Fourth, sales website helps leaders be able to manage the business easily. The process of managing business through website needs automating to help managers run their business from anywhere. Thus, website towards comprehensive business management should be enhanced. Fifth, Sales Website must bring economic performance such as increasing customer base, revenues and profitability with the help of the current search engine (like Google, Bing, Yahoo, etc.).

Recommendation 4: “Price expectation”: In the commodity economy, prices are affected by many factors, especially the three factors: market value of goods and the relation supply and demand for goods and purchasing power of the currency in circulation. The higher the prices are, the lower the demand for these goods is low and vice versa. For online shoppers, the price is one of the factors that they are particularly interested. Prices of goods and services in the marketplace are a direct factor affecting the demand for goods and services while online shoppers have more opportunity to choose multiple dealers. Thus, how the strategic price decisions are in order to maintain customers’ loyalty is the major problem that every business needs to have a strategic vision.

Recommendation 5: “Behavioral control perception”: Online shoppers include many different backgrounds but most of them are young. Understanding customers is not easy. Customers vary in age, income, education; gender, etc. still have different requirements and tastes. Research results on 294 people can not represent all online shoppers. Therefore, the marketing department should study carefully in order to meet the customers’ needs, even strategies to serve the needs of each target customer group. On that basis, enterprises deploy products and services to satisfy to their customers’ needs.

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