A focus group study of consumer motivations for e-shopping: UK versus Malaysia

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Despite many previous empirical investigations in the area of e-shopping, it is not clear why the adoption of e-shopping in one country is faster than in another country. This study investigates the motivation of e-shopping between two different countries from a qualitative approach. In particular, this paper compares between consumer perception of e-shopping in the United Kingdom (UK), a developed country and Malaysia, a developing country. The study explores the differences of behavioural aspect between consumers in the UK and Malaysia in terms of motives and reasons in conducting e-shopping. Focus group discussions were conducted with consumers, who were residing in the UK and Malaysia; who have adopted e-shopping for at least a year. Focusing on the actual consumers’ shopping experience and not their shopping intention, this approach gives more advantage in identifying the actual motives and reasons of adopting e-shopping. The study found that most of the motives and reasons of adopting e-shopping are associated with some of the innovation attributes by Rogers (that is, relative advantages, complexity and compatibility). E-shoppers are price sensitive, while trust and strong brand name are influential to e-shoppers. The lack of the motives and reasons explained why the adoption of e-shopping is slower in Malaysia. The study confirms that the motives and reasons of adopting innovation are consistent with Rogers’ Diffusion Theory. The findings will help practitioners to recognise factors that drive consumers to buy online and facilitate business to develop successful e-marketing strategies.

Key words: Marketing, e-shopping, consumer behaviour, technology adoption, focus group.

INTRODUCTION

Shopping has become more common and accepted among developed countries such as United Kingdom (UK), US, Japan, etc. Most businesses have their website where consumers can search for products and make an order. Popular websites such as e-bay and Amazon have made it easy for consumers to find products that uniquely match their tastes and budgets (Kamarulzaman, 2007).

E-shopping in these countries is heavily adopted and there are incentives for consumers to order online as well. For example, consumers who order online from hypermarkets such as Tesco and Asda are able to redeem coupons online and select their own convenient date and time of delivery (Tesco, 2009). In fact, it is observed that many online shops in the UK are offering free delivery of online order.

However, amongst the developing countries like Malaysia, it is found that the adoption of e-shopping is still very low due to issues such as infrastructure, awareness and support.

There are not many products or services offered by domestic businesses in Malaysia that consumers could completely conduct online transaction. Although, many domestic businesses have their own website on the Internet, it is mainly to provide information to consumers and it is not designed for taking orders. Even in the most popular auction websites such as e-bay, there are not many items on sale put up by Malaysians.

This study aims to explore why the adoption of e-shopping is slower in Malaysia than in the UK. Past studies have investigated the adoption of innovation, while the difference of adoption between two countries is virtually neglected. The study is important in providing
insight to domestic businesses that want to set up business using the new media of communication.

Adoption of innovation

Among the most popular model that can be used to describe the adoption of innovation is suggested by Rogers (1995). Rogers defines innovation as an idea, practice, or object that is perceived as new by an individual. There are five dimensions of adoption namely relative advantage, complexity, compatibility, observability and trialability. This study was undertaken to find out whether the proposed dimensions as suggested by Rogers are among the motivational factors for consumers’ adoption of e-shopping in the UK and Malaysia.

RESEARCH METHODOLOGY

As the study aims to gain an understanding of motivational factors that affect consumers’ adoption of Internet shopping, qualitative research methodology was employed. As suggested by Maignan and Lukas (1997), qualitative methodology is useful to gain a rich understanding of the Internet users themselves. The best way to find out about motivation is by inferring the causes of behaviour from people’s thoughts and actions (Silverman and Zukergood, 2000). This could involve getting them to talk, in an atmosphere of psychological safety, about what they do and why they do it and how they feel about what they do. The best laboratory for this is likely the focus group.

The focus group is the ideal method to obtain this kind of information. One of the hallmark of focus group is it uses group interaction to produce data and insights that cannot be obtained from other research method such as survey or interview. In a focus group, people interacting with each other with the help of a moderator to get more information and to share their own experience. In general, the usefulness and validity of focus group data are affected by the extent to which participants feel comfortable about openly communicating their ideas, views, or opinions. In spite of the usefulness of the focus group as one of the research tools, there has been growing criticism of focus group research (Stewart et al., 2006).

Four focus group discussions were conducted to study the phenomenon. The focus group discussion involved twelve respondents who were residing in the UK and ten respondents who were living in Malaysia. All respondents have experienced shopping on the Internet. This is to ensure that feedback gathered is from actual online shoppers. In particular, all respondents had to be familiar with these transactions on the Internet, with at least one-year experience of e-shopping.

This is in conjunction with the purpose of the study; to study the actual experience of shopping on the Internet, and not their intention to purchase on the Internet. This was considered realistic approach, as it allowed the group discussion to focus on the adoption of Internet shopping through the shoppers’ experience rather than the intention to adopt e-shopping.

The respondents in the UK were recruited amongst postgraduate (that is, MBAs and PhDs) students at Cardiff University, UK. Meanwhile the respondents in Malaysia were amongst postgraduate students at the University of Malaya, Malaysia. All respondents were chosen based on their purchasing power, where all of them were in employment, owned credit cards and computer literate. The respondents aged between 25 and 45 years old, were grouped homogenously based on gender and age for the focus group discussions. These approaches were chosen so that the group members have common experience because homogeneous groups tend to promote more intense discussion and freer interaction (Cooper and Schindler, 1998).

In the focus group discussions, closed and open-ended questions were used to allow the collection of both standardised and unanticipated responses (Chisnall, 1997). The questions contained issues related to the types of products, reasons for shopping, shopping experience, comparisons to real shopping, advantages, and disadvantages of Internet shopping, web features and relationship marketing. Respondents were also asked to give feedback based on their previous experience of shopping from the Internet. Refreshments were provided during the discussion in order to make the ambience more relaxed. Each session takes about one and a half hours. The group discussions were carried out in a lively and informal manner.

FINDINGS AND DISCUSSION

The findings suggest factors that influence consumers adopting Internet shopping. Here we identify the major themes that emerged from the focus group discussion. Analysis of focus group data has identified a few common themes which are highly related to the adoption attributes suggested by Rogers (1989) that are relative advantage (that is, pricing, convenience, trust, control, privacy and risk) complexity, compatibility, trialability and observability. These are discussed below.

Relative advantage

Relative advantage is positively related to adoption as compared to other perceived adoption characteristics. It represents the degree to which an innovation is being perceived as better than the idea it supersedes (Rogers, 1995). The relative advantages appear to be significant to the diffusion of Internet shopping innovation. However, the reasons for adoption varied depending on the type and nature of products, time, price, promotions and needs during the course of the buying process. The followings are factors that have the relative advantages for shopping on the Internet.

Pricing

All respondents in the UK and Malaysia expected web retailers to offer lower prices. This is the main reason why they shopped via the Internet rather than engaging in actual shopping. In some cases, the Internet helps buyers to find better prices as the dispersion of prices could be substantial (Choudhury et al., 1998). The price search behaviour of the Internet shoppers was positively supported here:

‘I know I could find the best prices that are much cheaper than those offered in the high street shops …..that’s the beauty of Internet shopping and it is
really worth the effort…’ (female, UK).
'I can assure you that the Internet quotation is lower than the walk-in rate for a hotel room...you should look for an Internet Café for hotel booking...even when you have just arrived in front of the hotel...' (female, UK).

However, Malaysian respondents revealed their frustration of finding price information from domestic websites. In some cases, although prices were displayed on the website, online purchase results in higher price than high street as the price does not include delivery charges.

'I want to buy a guitar for my son but there is no information about price on the website...have to call them instead...' (male, Malaysia).
'If I have to phone the shop asking about prices and all that, then what's a point of having a website...' (female, Malaysia).

The power of pricing and promotion was seen as a vital reason for internet shopping adoption. As consumers are becoming more sensitive to price and more satisfied if they can get the best bargains, online shops must disclose the pricing information. The view that motivation is required to process information is consistent with a theory that price searching depends on both one's ability and one's motivation (Bettman and Park, 1980).

A better understanding is needed on the factors that influence shop owners in Malaysia for not revealing price information on their website. This is an important issue as consumers' ability to gather price information on the Internet...you just name it...' (female, Malaysia).
'I usually buy unusual books from sellers outside Malaysia...the website has really made it easy for me to purchase...' (male, Malaysia).

Control and privacy

The primary relationship of e-shopping is not between the seller and buyer, but rather between the buyer and the mediated environment (Hoffman and Novak, 1996). Internet buyers largely appreciate the lack of people while they are shopping. They do occasionally want help, but they want that help to be at their request and to be responsive to their individual needs.

Most respondents were less satisfied with the role of sales people and the pressure received from them when they went shopping.

'I would rather search for the information that I need from websites than ask questions to salespeople...they seem biased and sometimes intimidating...' (male, UK).
'I don't like being followed by the salesgirl while shopping...' (female, Malaysia).

In addition, some of the respondents focused on the freedom and privacy of shopping via the Internet.

'I have more privacy in choosing products without being influenced by salesperson...' (female, UK).
'I bought adult films online so that nobody knows what I'm watching...' (male, Malaysia).

Surprisingly, internet shoppers largely like the absence of social interaction while buying online. Moreover, the ability to find what they need and to complete a transaction without having to go through a human being is associated by online buyers with increased freedom and control. The absence of salesgirls or salesman is
appreciated for two reasons, firstly they are often perceived to be unhelpful or uninformed, and secondly they pressure or oblige buyers (Wolfinbarger and Gilly, 2001). The behaviour of salesmen generates a motivation to avoid the traditional pressure-orientated sales situation (Ellen et al., 1991).

Furthermore, consumers do not need to conform to the social practices of grooming and acceptable behaviour. For instance, some of the respondents mentioned specifically that they could buy adult-related products without the presence of their children. Shopping online provides buyers with an environment that is comfortable and personalised for them. Importantly, the qualities of accessibility and convenience are often related to control, freedom and privacy.

Trust, security and risk

Trust and security are two vital elements that could reduce consumers’ perceived risk in internet shopping. Trust in e-shopping is affected by the trustworthiness of the internet vendor and relevant external environmental factors impacting on e-shopping transactions (Cheung and Matthew, 1999).

Security includes authenticating business transactors, controlling access to resources such as Web pages for registered or selected users, encrypting communications, and in general, ensuring the privacy and effectiveness of transactions.

All respondents anticipated the risk of purchasing online. The group of shoppers; however, seems to have trust in selling and buying activities via the internet.

‘Normally I just accept the terms and conditions without reading them. I know it is risky, but I trust them...’ (male, UK).

‘I trust the payment system very well. Although I do not know what Pay Pal, E-wallet, SSL and other jargon means...I could not be bothered...’ (male, Malaysia).

Based on the responses, trust, security and risk are considered an important issue for Internet shoppers. In the context of e-shopping, consumers perceived personal risk such as the misuse of credit cards information to be the most significant of overall risks. However, security issues are not stopping people from shop online (Jarvenpaa and Todd, 1997). Most of the focus group participants thought that dealing well-know websites are secure and safe.

‘I feel secure doing transaction with big companies like the Amazon...’ (male, UK).

‘The reputation of the company is important to build up my trust and feel safe...’ (female, Malaysia)

Besides trust, security and risk, all respondents agreed that delivery was a concern.

‘Undelivered items are the most risky part...but it’s very rare case...’ (male, UK).

‘It is not safe to send valuable item by postal service... I do not trust that it will arrive safely...’ (male, Malaysia).

The respondents expressed dissatisfaction with the present delivery times and fulfilment when buying via the internet. Organising the delivery of a product bought from the Internet, however, was perceived to be even more complex and therefore the relative advantage in this area was seen as difficult to achieve. The speed and cost of shipping and delivery are important factors that help consumers decide whether to conduct acquisitions online or off-line (Gupta and Chatterjee, 1997).

Complexity

Complexity, defined by Rogers (1995), is the degree in which an innovation is perceived as relatively difficult to understand and use. If the degree of difficult is high, then adoption will be low.

Most of the respondents agreed that no additional skills were required for executing internet shopping, as it was not complicated at all. For them, basic computer knowledge should be sufficient for shopping. However, for the first-time user, familiarity with browsing and searching on the internet is important. In general, the respondents agreed that the degree of difficulty in e-shopping is low.

‘For e-bay customers, experience and skills are needed for successful bidding...’ (male, UK).

‘I bought a book from the Amazon... there is no problem at all...’ (male, Malaysia).

In addition, the following issues are found as factors that relates to the complexity of e-shopping.

Website features

Most respondents were not bothered about the colourful features of the websites. They were more interested in finding the information they wanted, easily executed the transaction, and delivered in time.

‘There are too many ads ... I install additional software to block the pop-up ads...’ (male, UK).

‘I could not be bothered about the attractiveness of a website...the content is more important to me...’ (male, Malaysia).

Some gave their comments on the features’ functions:

‘The online chat is hardly useful...there should a number to call 24 h a day for technical support
especially...’ (male, UK).

‘The online shop version is lousy...there are not many products...I have no choice but to go to the shopping mall...’ (female, Malaysia).

For most respondents, information, content and interactivity of websites were able to replace the interpersonal contact, as has been discussed earlier.

‘I can see....many websites are facilitating users by giving quality information, enough pictures and all the details that are important to customers before purchasing...' (male, UK).

‘I do not understand this website...the picture is not clear, information is not detailed... Do they expect me to phone them?... I am not interested in buying...’ (male, Malaysia).

Many respondents expected the internet website information to be detailed and attractive to facilitate their shopping. However, the web features do not influence the adoption of e-shopping. The increase in interactivity and intensity were associated with increased sense of presence, which have been shown to create more positive and more enduring attitudes toward websites (Coyle and Thorson, 2001).

**Personalisation**

Personalisation refers to the features that increase the sense of user control and freedom; including order tracking, purchase histories, saving information for quicker transactions during future sessions, and opt-in e-mail notification of new products and special deals (Wolfinbarger and Gilly, 2001). Respondents have mixed experiences regarding personalisation features.

‘I registered myself with the website... The promotional news sent to me as registered user were useful...’ (male, UK).

‘Although I registered myself with the website, I would probably buy from other websites if their offers were better... so customisation does not really matter...’ (female, UK).

‘The ability to track my order online is important... that I know the product is on the way to my house...’ (male, Malaysia).

Overall, they appreciated the online customization service that they received. This is consistent with the findings of Gallagher et al. (2001) where the internet users value the enhanced communication capabilities of the internet.

**Compatibility**

Compatibility, which is positively related to adoption, refers to the degree to which an innovation is perceived as consistent with the existing values, past experiences, and needs of potential adopters (Rogers, 1995). Many respondents faced no problems in adapting to the new way of shopping, either with regard to their culture or social life. It is very compatible with their beliefs, values and practise.

‘There is no reason why I should not use the internet to buy things... this innovation is good...’ (male, UK)

‘I wish I could buy a lot of things from the Internet... as long as it is value for money ... unfortunately there are not many products or services I can buy...’ (male, Malaysia).

‘I still go to shopping mall although I bought many things online... it is for the children to have a day out...’ (male, UK).

Although, the respondents' lifestyle and status were not greatly affected by the adoption of e-shopping, they become more price-oriented in their buying process. They might be in a 'wired lifestyle' who use the internet extensively for most of their activities such as reading news and communicating either at home or at work. They naturally turn to the internet to search for product information and eventually buy products and services (Bellman et al., 1999).

**Triability**

Triability is positively related to adoption and it represents the degree to which an innovation may be experimented with on a limited basis Rogers (1995). The ability to trial online acquisitions is an important factor affecting whether a product or service is suitable to be sold online. For example, demonstration versions of software, trial periods of online newspapers or video/music subscriptions reduce the uncertainty in purchase decision and thus stimulate purchases (Phau and Poon, 2000).

In the context of e-shopping, this represents a usage barrier, in the form of the failure of online services to allow test shopping. Ram and Sheth (1989) argue that all innovations represent uncertainty which can lead to consumers postponing the adoption of the innovation until they can learn more about it.

This uncertainty can create perceived risk, defined as the extent to which the consumer is uncertain about the consequences of an action (Hoyer and Maclnnis, 1997). Many respondents are aware that e-shopping is a real time transaction which cannot be cancelled once it has been completed.

‘When something is physically important, like a dress, you have to try it on and feel how it is ... if I don’t like it, I just return it, so no problem at all...’
Observability

The last motivational factors for consumers to adopt an innovation are observability. Rogers (1995) defines observability as the degree to which the results of an innovation are visible to others. In other words, peer observation is the key motivational factor in the adoption and diffusion of technology. Observability is also positively related with the rate of adoption of innovation. Most respondent agreed that they were not aware who have had experience in purchasing from the internet and their status were not affected by shopping from the internet. Therefore, the observability factor is not supported or considered important in motivating consumers to shop on the internet.

‘I believe e-shopping is common and nothing new nowadays... whether my friends agree with me or not I do not think it does matter...' (female, UK)

‘...status has nothing to do with how I make any purchase...' (male, Malaysia).

Conclusions

This research reveals common and universal motivational factors for consumers who were residing in the UK and Malaysia to shop from the Internet based on the model of adoption of innovation proposed by Rogers (1995). Using a focus group approach, the study finds that four out of five motivational factors are consistent with Rogers' theory for both nations.

Consumers shop from the internet because there are relative advantages gained from e-shopping such as better pricing, convenience, security, privacy, personalisation and friendly website features. Other motivational factors for consumers to shop on the Internet are complexity, compatibility, and trialability.

However, the observability factor is not supported. It means that consumers do not care whether their peers observed their actions which shows that the mode of purchasing is not important. Issues that are important for consumers are delivery, website features, information privacy and the rights to refund and exchange which may affect their inclination to adopt e-shopping.

The relative advantage of e-shopping is that it offers value for money which is the most important factor for consumers to shop on the internet. Like other consumers, e-shoppers are sensitive to prices and receptive to ‘offers’ and therefore their decision to purchase a product is often associated with price. Apparently, personalisation through web presentation does not have much influence on shoppers' decision-making but it does facilitate repeat purchasing.

This research also finds that respondents enjoy e-shopping as the ‘real’ shopping experience. They feel they are undergoing a similar process as when they are purchasing from the real shopping mall. The respondents also find that shopping from the internet is compatible with their experience of shopping. The less complexity of shopping from the internet is another motivating factor to attract consumers as the respondents find that shopping via the internet was not difficult. The respondents also find that the rights to return and exchange the products they bought from the Internet is an important factor.

Implications

In this study, the difference of motivational factors between consumers in the UK and Malaysia is examined. The factors are relevant to help marketers identifying and improving ways to attract consumers to shop on the Internet. Results from the focus group approach reveal several implications for the marketers and the authority.

The study shows that consumers’ expectations are not much different regardless of their geographical location and their media of purchase. For example, as the e-shoppers are sensitive to pricing, the online pricing tactics should also be flexible, with continuous price change throughout the year, which could attract web users to keep monitoring the offers. Online vendors could do offer of the day or offer of the week to attract repeated visitors to their websites. It means that the online vendors should be prepared to reduce their profit margin during a certain period by adopting a price penetration strategy that is, low price, high visit, and high volume of sale.

Based on the finding that consumers do not see current personalisation via web sites as cultivating ‘relationships’, this raises serious concerns. Besides address, e-mail and telephone number of online vendors, web marketers should provide detailed information about the products and services with audio and video-streaming demonstrations. Order tracker is compulsory, while web marketers should offer opportunities for consumers to interact with the vendors. In other words, web marketers must show that e-shoppers have total control of their purchases.

The focus groups also reveal the need for better consumer rights enforcement. It is noted that the consumer...
rights in the UK are well protected and enforced via legal statutory. On the other hand, the enforcement and consumers statutory rights in Malaysia are still at the infant stage. For instance, the policy of refund and exchange is alien and not widely practised. Currently, the policy is practised by only a few big superstores. Since it is common for e-shoppers to refund and exchange things they buy especially clothing and shoes, therefore the authority in Malaysia has to introduce the policy of refund and exchange. It is a basic policy that could protect consumer rights, which would increase consumer confidence in e-shopping. Ultimately, the policy could contribute to an increase e-shopping activities and online business. In the absence of the policy, web marketers should offer their own mechanism of refund and exchange.

In summary, the study finds that there is no difference in motives and reasons to shop online between consumers in the UK and Malaysia. A low adoption of e-shopping in Malaysia is due to the lack of product and services offered by domestic businesses as most of Malaysian e-shoppers buy from well-known overseas vendors. This could be due to the lack of consumer rights protection, which leads to lack of trust in dealings with domestic online vendors. Furthermore, the quality of domestic postal and courier delivery services in Malaysia is still doubtful in which consumers' complaints on undelivered items bought online are still rampant. It means that the infrastructure for the delivery of products has to be improved in order to increase e-shopping activities. However, the interplay between motivational factors, brand name, trust, and consumer rights protection is left for future research.

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