

Cosmetic Product: A Study of Malaysian Women Shoppers in Cyberspace

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Abstract: Online business had become a trend in this century and marketers have started to shift their business from brick-and-mortar to click-and-mortar or even click only setting. As online purchasing grows, it is important to understand factors influencing consumers' intention to purchase online. This study will explore factors affecting women shopper shopping purchase intention, specifically for cosmetic product purchase in the cyberspace. This study consist of four independent variables which are trust, attitude, brand awareness and consumer online purchase experiences. 250 set of questionnaires were distributed to collect the primary data from female respondents who are internet savvy and with online purchase experiences. The data was then analyze by using the correlation and multiple regression analysis. A surprising result shows that brand awareness does not have significant relationship with purchase intention while the other variables have a significant relationship with purchase intention. Lastly, recommendations and implications of finding have been discussed based on the finding.

Key words: Purchase intention • Trust • Attitude • Brand awareness • Consumer online purchase experience

INTRODUCTION

The internet technology has influenced people's living by creating an important impact in the business world. Online purchasing is online versions of physical retail stores where all transactions and their relevant activities take place via online [1]. Online purchasing is also known as internet shopping, e-shopping or e-retailing. Online purchasing is rising rapidly because it is convenient, time-saving and cost saving. As such, there are getting more and more products being offered in the cyberspace, range from a tangible products until services such as online banking, online booking airline tickets or hotels and job seeking.

Online Shopping in Malaysia: Internet users in Malaysia keep on increasing. According to Internet World Statistics [2], the broadband subscribers have reached 1 million on March 2008. Up to December 2011, the internet users in Malaysia have reached 17 million or 61.7 percent of the Malaysian total population. As a result of this rapid expansion, it placed Malaysia as one of the top ten countries in Asia that have high number of the internet

penetration in year 2011. According to Louis and Leon [3], it is important for the local companies in Malaysia to have a good understanding of the marketplace for their products and their target customers before engaging themselves in online shopping. According to the report from Ho [4], the top 7 things Malaysian purchase online are: travel related products (RM 435 million), bill payment (RM 329 Million), entertainment and lifestyle (RM 255 Million), IT and electronics (RM 218 Million), insurance (RM 205 Million), fashion and beauty (RM 181 million) and gift (RM 68 Million). From the statistics, the online purchase for fashion and beauty products is still low as compare to others products. In view of not many studies in this area, specifically in Malaysia, this study will intend to identify the women shoppers online purchase behaviour when they want to purchase the cosmetics product online. Through this study, it will give online retailers and entrepreneurs a good understanding of their target customers and enable the marketers to develop more effective and targeted online retailers operations that meet the requirements and expectations of their new internet shopping customers.

Cosmetic Products: Cosmetic products can be described as any substance or preparation applied to the human body such as skin, hair, nails, lips, eyes or teeth for beautifying, cleansing, colouring, perfuming, conditioning, protecting, preserving or changing the appearance [5]. The purpose of cosmetics since the ancient time is to enhance the appearance. This function has not changed until this century as cosmetics is designed to capture the appearance of looking healthy, clean and attractive. In Malaysia, cosmetic products are sold through supermarkets, department stores, pharmacy, direct sales and specialty stores. However, Malaysian consumers prefer to use imported skincare products compare to local brands. The total sales of the local cosmetic product are still relatively low as compared to the imported cosmetic product. It is believed that imported products will continue to remain in high demand especially from the middle and high-income consumer as the standard of living among Malaysian had increased. Cosmetic industry expected to grow steadily in near future due to the greater demand for premium products. When internet present as another options for the women shopper to get the cosmetics products they desire, it create an opportunity for the online marketers to promote their product via cyberspace.

MATERIALS AND METHODS

Hypothesis Development: The research model is formed by 4 independent variables, which are the factors influencing the purchase intention and a dependent variable, which is intention to purchase online. The research model of the study is as shown in Figure 1.

Trust in online purchasing is consumer willingness to rely on the seller and take action in circumstances where such action makes the consumer vulnerable to the seller [6]. Teo and Liu [7] mentioned that trust is an important factor in influencing consumer purchase when the customers are uncertain on the risk and technology. According to Ang and Lee [8] consumer will not move to the purchase decision if the website they visit fail to makes them trust the website. Hence, it is proposed that: H1: There is a relationship between trust and intention to purchase online.

Attitude is defined as a person's relatively consistent evaluations, feelings and tendencies toward an object or idea [9]. Limayem *et al.* [10] found that attitude towards online shopping had the strongest effect on the intentions to shop online. Also, Sajjad *et al.* [11] indicated that attitude will give an impact to the consumer online

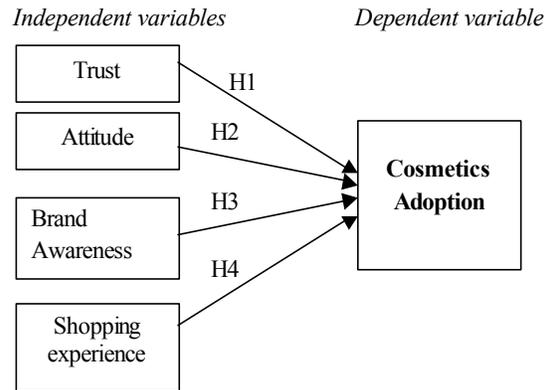


Fig. 1: Research Model

purchase intention. Hence, it is proposed that: H2: There is a relationship between attitude and intention to purchase online.

Aaker [12] defines brand awareness as “the ability of the potential buyer to recognize and recall that a brand is a member of a certain product category”. Also, Farquhar [13] stated that consumers with a high level of brand awareness can influence their purchase decision due to the familiarity with the brand and its characteristics. Hence, it is proposed that: H3: There is a relationship between brand awareness and intention to purchase online.

Consumer online shopping experiences resulted from the past purchase regarding the total impression about the online seller. Yoh [14] claimed that consumers who had more prior experience with the internet had more positive beliefs and attitudes about online shopping and these beliefs positively influenced consumers intention to purchase through the internet compared to those who had less past purchase experience on the internet. Pavlou [15] found that consumers' satisfaction with previous online shopping resulted in building trust in the online merchant and influenced adoption of e-commerce. Hence, it is proposed that: H4: There is a relationship between consumer online shopping experiences and intention to purchase online.

Sample: This study used female as the sample to collect data for three reasons. First, since their purchasing power through online is assumed stronger than others. Second, this is also due to the rise in the number of working women and increase of urbanization. Also, cosmetic products are used mostly by women and it has played an important role for them as beauty purpose [16].

250 target respondents are selected in a random basis regardless of their geographical location, occupation level or races. However, the respondents must be computer literate and have sufficient knowledge in online purchasing.

Research Instrument: Questionnaire was developed to collect data from the respondents. The questionnaire is divided into 2 parts: part A, the demographic of the respondents and part B, the research variables. The questions in the questionnaire are formed based on published research. Trust construct is adopted from Gefan *et al.* [17] with total of 6 items. 6 items from Taylor and Todd [18], Heijden *et al.* [19] and Liao and Cheung [20] is adopted in order to measure attitude. Brand awareness construct is adopted from Aaker [12] with the total of 4 items. 4 items from Li *et al.* [21] is adapted to measure consumer online purchase experience. 4 items from Koufaris [22] is adapted to measure intention to purchase online. The respondents' opinion was measure by using 6-point likert scale ranging from "strongly disagree" to "strongly agree". The scale is chosen in order to avoid the neutral midpoint.

RESULTS AND DISCUSSION

205 useable questionnaires were collected from the female respondents. Majority of the respondents are below 25 years old (49.8 percent). All the respondents are internet savvy. Based on the analysis, all the variables are reliable in this study. Trust has a reliability of 0.920 which is considered strong whereas the attitude has a reliability of 0.865. Brand awareness variable has a reliability of 0.899 and consumer online shopping experiences achieved reliability of 0.908. Lastly, the dependent variable has a good reliability result of 0.886.

Pearson Correlation: Table 1 shows the correlation analysis between variables. Pearson Correlation analysis was conducted to determine the association between dependent variable and independent

variables. It indicates that all variables are significant and have associations with intention to purchase as the P value =0.000 (p< 0.05). The correlation value indicates the degree of the association. Based on the study, all the variables have strong associations with Intention to purchase online because the correlation values are more than 0.6.

Multiple Regressions: Table 2 shows the Multiple regression analysis between variables. R squared shown in the table 2 is 0.663. This means that regression equations accounted for 66.3 percent of the variance of the dependent variable. The results demonstrate that there are significant relationships between consumer online shopping experiences, attitude, trust and ease of use toward intention to purchase online (p-value less than 0.05). However, there is no significant relationship between brand awareness and intention to purchase online (p-value more than 0.05). Thus, Hypotheses H1, H2 and H4 are supported while hypothesis H3 is rejected.

Based on the result, the highest beta value is 0.332 which is consumer online shopping experiences followed by the beta value of trust is 0.246, the beta value of attitude is 0.213. Whereas the lowest beta value falls on 0.118 which is brand awareness. Based on the beta value, it indicated that the strongest forecast of consumer intention to purchase online is consumer online shopping experiences. Meanwhile, the t value for trust is 3.093, t value for attitude is 3.385, t value for brand awareness is 1.527 and lastly the t value for consumer online shopping experiences is 4.375.

From the empirical findings, three hypotheses are supported whereas one is rejected. Further discussion of each finding on the relationship between trust, attitude, brand awareness, consumer online shopping experiences and intention to purchase online are presented as below:

Based on the results presented, it indicated that there is a relationship between trust and intention to purchase online where p-value = 0.002. The result concludes that trust plays an important role in influencing consumer intention to purchase online. This is supported by the

Table 2: Multiple Regressions

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	0.073	0.210		0.348	0.728
Trust	0.260	0.084	0.246	3.093	0.002
Attitude	0.282	0.083	0.213	3.385	0.001
Brand awareness	0.117	0.077	0.118	1.527	0.128
Consumer online shopping experiences	0.315	0.072	0.332	4.375	0.000

Dependent variable: Purchase intention, R²= 0.663

researchers stated that the most salient source of trust in a retail setting is the salesperson where consumer trust is dependent on the salesperson's expertise, likeability and similarity to the customer [23]. Thus, trust create favourable feelings towards the online vendor that are likely to increase a customer's intention to purchase products from the vendor [17].

Based on the finding, it revealed that there is a relationship between attitude and intention to purchase online where p value= 0.001. Loudon and Della Bitta [24] stated that attitudes are also derived from both direct and indirect experiences in life. Consumers' attitudes are developed from personal experiences, earning with reality, as well as from information from friends, salespeople and mass media. In conjunction to that, Limayem *et al.* [10] also pointed out that attitude towards online shopping had the strongest effect on the intentions to shop online.

From the finding in this study, it indicated that there is no relationship between brand awareness and intention to purchase online where p value= 0.128. The reason may due to the fact that women are more conscious on the quality of the products that they use especially when they are closely related to their skin care, beauty and health. According to Chen [25] brand awareness is important, but not sufficient to create value among customers. This is because a brand might famous because of the negative aspect but not on the value or quality of the product. Therefore, brand awareness might not much influences consumers in the online cosmetic channel. Also, some consumer will only purchase cosmetic products that with good ranking and good recommend as a security of better quality.

According to the finding in this study, the result shows that there is a relationship between consumer online shopping experiences and intention to purchase online where p -value =0.000. It holds the highest importance in influencing intention to purchase online. This is supported by Bagozzi and Warshaw [26] who found that the more positive the person's past experience, the more positive their attitude and more likely they are to engage in the online environment. Therefore, It is demonstrated by past research finding stated that consumer online shopping experiences have a direct impact on intention to purchase online [27, 28].

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