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Using the Theory of Planned Behaviour to Predict Purchase Intention towards using Taobao

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Abstract

The Internet has witnessed a rapid growth in the development of e-commerce market. Taobao, for example, is one of the fastest-growing e-commerce sites that has received increasing attention from online retailers as a promising e-commerce market in the world. Given the rapid growth of the e-commerce market, there is a necessity to understand consumers' e-commerce behaviour towards the platform usage. This study attempts to examine consumers' online purchasing behaviour in e-commerce platform. As proposed by the Theory of Planned Behaviour (TPB), consumers' purchase intentions are affected not only by their attitudes, but also by their group's influences and their own perceived control. Therefore, in this study, attitude, subjective norm, and perceived behavioral control as the main constructs of the TPB are examined to predict purchase intention of micro-businesses in Malaysia. Research findings indicate that attitude and subjective norms are statistically significant determinants for respondents' purchase intention towards purchasing behaviour using Taobao. The results provide insights for micro-businesses in Malaysia who have the intention to purchase in Taobao to see it as a potential platform in search of eligible suppliers and purchase their product sourcing. Future research should explore supplier selection behaviour from the perspective of other stakeholders and from the e-commerce seller internal level. Also, other possible aspects such as gender-based perspective should also be considered as an added value for this research.

Keywords: E-Commerce, Purchase Intention, Purchase Behaviour, Theory of Planned Behaviour (TPB)

Introduction

The emergence of e-commerce has revolutionarily brought people to a whole new era of business. This new trend of business is well-received and growing rapidly in many places around the world today, observing global consumers' shift of preference to online shopping as well as showing the growth of market sharing. One of the most popular retail e-commerce sites today is Taobao which is operated in China by Alibaba Group and becomes a major online marketplace with market share over 80% (Davis, 2014). Taobao marketplace provides a platform for small- and medium-sized companies to open online stores and put products and descriptions like a typical physical store. Offering full-service strategy without charging money to sellers for using the platform, along with additional features such as free instant message tool, made Taobao grown remarkably fast since founded in 2003 (Ignatius, 2009).

As a dominant e-commerce site with more than 8 million vendors, Taobao ripe with opportunities attracting many micro- and small- businesses as well as individual entrepreneurs to sell and purchase products on the website (Mozur, 2014). Possessing the nature of e-commerce, Taobao provides benefits in which people can purchase products anywhere at any time, convenience, and ese of access. Using Taobao, vendors can create their own stores that are consistent over time, consumers also might develop a preference for a certain store from which they would have intention to buy things frequently.

Nevertheless, contrary to the growing number of online vendors, consumers' perceptions and attitudes towards Taobao are not always positive. There is a widespread concern about the trust towards Taobao and other online shopping platforms in China. Like other e-commerce sites, Taobao induces concerns and risk perceptions among consumers about possible losses, such as money, security, delivery time, or the product itself (Chen & Dubinsky, 2003; Liebermann & Stashevsky, 2002). The perceived risk of online shopping always exists to some extent across e-commerce marketplaces due to its nature, in particular, when consumers need to make transactions without having the chance to physically examine the products (Kim, Ferrin & Rao, 2008).

Therefore, this paper is going to examine consumers' purchase intention in using Taobao as a platform to purchase product and choosing suppliers. This is done by applying the general framework of the Theory of Planned Behaviour (Ajzen, 1991) in examining how attitudes, perception and social expectation could potentially motivate Malaysia micro-businesses' intention into using Taobao marketplace in search of suppliers and purchase their product. TPB helps to understand the structure of retailer-customer relationships which leads to behavioural norms and expectations to eventually predict behaviour (Potdar, Guthrie, & Gnoth, 2018). By scrutinizing respondents' perspectives towards Taobao will help to provide a better, clearer picture to micro-businesses in Malaysia in using e-marketplace platform such as Taobao in their search of supplier.

Literature Review

The Theory of Planned Behaviour (TPB), proposed by Ajzen (1985), is a social cognitive model used in social psychology to explain the complexity of human behaviour in terms of rational decision making. This theory believes that individual's intention is the most suitable predictive variable to explain behaviour. The intention reflects motivations and cognitive planning for engaging in the behaviour, as is determined by three key cognitive factors which are attitude,

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subjective norm, and perceived behavioural control. In general, the more positive the individual's attitude and subjective norm about behaviour, the stronger the control of perceptual behaviour, the stronger the individual's will to choose and implement the behaviour.

TPB has been the basis for several studies of online purchasing and selection behaviour (Battacherjee, 2000; George, 2004; Limayem et al., 2000; Pavlou, 2003; Suh & Han, 2003). In the current study, the study adopted the TPB model (Ajzen, 1991) as a theoretical framework to predict purchase intention and behaviour among Malaysian micro-businesses in using Taobao.com (Taobao) as a platform in search for supplier and product sourcing. The researcher believes that TPB could provide a theoretical basis for understanding the micro-businesses behaviour of selecting supplier. This study believes that the three predictive variables affect the behavioural intention of micro-businesses, and then influence their behaviour in selecting supplier (i.e. purchase behaviour in Taobao). Thus, the interpretation of the TPB-based micro-businesses behaviour is feasible.

Within the TPB, the first construct, attitude, refers to the degree of favourable or adverse evaluations of the behavioural consequences (Ajzen & Fishein, 1980). The evaluation is subjective which could result to a negative or positive outcome (Eagly & Chaiken, 1993). Individual's attitude towards certain behaviour is an immediate antecedent that predicts their intention to engage in certain behaviours (Ajzen, 1985). Therefore, in this study the attitude of micro-business towards using Taobao entails a consideration of the outcomes of performing the actual behaviour of selecting supplier and purchasing their product in Taobao.

The second construct in the TPB is the social situational factor, that is subjective norms, which is the social pressure or expectation of others that individuals feel when they choose to implement or not to conduct a specific behaviour (Fishbein & Ajzen, 1975). Subjective norms describe the belief about whether other important people approve or disapprove a certain behaviour (Ajzen & Fishein, 1980). In the context of this study, family, friends as well as societal demands and pressures are major determinants of micro businesses' preference that determine the micro-businesses' behavioural intentions of using Taobao in selecting their supplier.

The third construct in TPB, perceived behavioural control, can be described as an individual's perception of the level of ease or difficulty in performing or conducting the required behaviour of interest (Ajzen, 1991). In other words, perceived behavioural control is related to the individual's belief of their ability to execute the behaviour. Typically, it varies in different circumstances, which results in the individual having fluctuating perceptions of behavioural control depending on the context. In this study, micro businesses' perception of ease or difficulty to use Taobao in search of the right supplier is crucial in determining the actual behaviour of the choosing the supplier for their company.

In testing the basic TPB model, it is assumed that all relationships within TPB are significantly positive, which are confirmed by previous empirical research studies (Ajzen, 1991; Fishbein & Ajzen, 1975). More specifically, the following relationships are expected to be:

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H1: Attitude towards purchasing in Taobao has a positive relationship with purchase intention.

H2: Subjective Norms towards purchasing in Taobao has a positive relationship with purchase intention.

H3: Perceived Behavioural Control towards purchasing in Taobao has a positive relationship with purchase intention.

H4: Purchase Intention has a positive relationship with purchase behaviour.

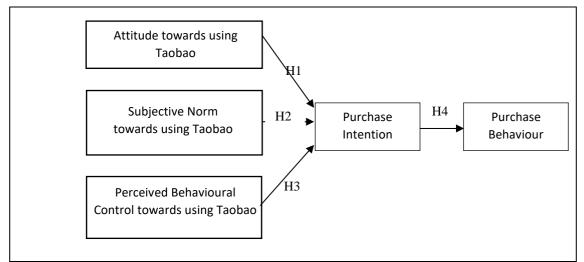


Figure 1. Conceptual Research Framework

Methodology

In this study, the questionnaire method was used to collect the data. The data was collected using purposive sampling and analysed using Statistical Package for the Social Science (SPSS) and Partial Least Squares Structural Equation Modelling (PLS SEM). A total of 250 questionnaires were issues, however 129 were withdrawn. Only 100 valid questionnaires were obtained. The questionnaire used the five-point Likert scales. Each item ranges from 1 (strongly disagree) to 5 (strongly agree). The survey was conducted to people who run the business. As shown in Table 1, majority of the sellers are female (57%) with range of age between 21 to 30 years old (43%).

Items	Characteristic	Frequency		
Condor	Male	31		
Gender	Female	69		
	20 and below	18		
Ago	21-30	43		
Age	31-40	24		
	41 and above	15		
	Less than 1 year	27		
Experiences	1-5 year	51		
	6-10 year	21		

Table 1 Demographic of Respondents

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11 and above	1
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Result and Discussion

According to Hair et al., (2009; 2014), if the items consist of two or more loading variable greater than .5, it shows that the items obtain significant cross loadings. Referring to Hair et al., (2016), AVE should be above 0.5 in order to attain convergent validity. Hair et al., (2014; 2016) also stated that CR value should greater than 0.7 to confirm internal consistency of the construct. The model tested consisted of 18 items. The result shows that all items have strongest interaction factor loading, attain convergent validity and reliability for internal consistency. Table 2 presents the results of factor loading, AVE and CR.

Table 2

Factor	Items	Loading	AVE	CR
Attitude	ATT1	0.921	0.863	0.949
	ATT2	0.923		
	ATT3	0.942		
Perceived Behavioural Control	PBC1	0.794	0.640	0.844
	PBC2	0.853		
	PBC3	0.792		
	PBC4	0.758		
Subjective Norm	SN1	0.815	0.664	0.885
	SN2	0.884		
	SN3	0.818		
	SN4	0.735		
Behavioural Intention	INT1	0.812	0.791	0.936
	INT2	0.891		
	INT3	0.922		
	INT4	0.927		
Supplier Selection Behaviour	BEH1	0.769	0.682	0.866
	BEH2	0.890		
	BEH3	0.814		

The Results of Factor Loading, AVE and CR

Table 3 below shows a total of four hypotheses that were tested and the results supported three of the proposed hypotheses. The results indicated that H1, H2 and H4 are statistically significant at p value < .001. this study found that H1 (attitude towards purchasing in Taobao influence purchase intention) has a β value of 0.116 and t-value 3.436***, followed by H2 (subjective norm towards purchasing in Taobao influence purchase intention) with a β value of 0.084 and t-value 3.855***. Next is H4 (purchase intention influence purchase behaviour in Taobao) has a β value of 0.060 and t-value 11.951***. On the other hand, H3 (perceived behaviour control towards purchasing in Taobao influence purchase intention) is statistically insignificant at p value (β = 0.104, t-value 1.609), therefore H3 is not supported.

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Table 3
Results of the study

		VIF	F2	Beta	T value	P value	Result
H1	ATT -> INT	2.098	0.108	0.116	3.436***	0.000	Significant
H2	SN -> INT	1.765	0.086	0.084	3.855***	0.000	Significant
H3	PBC -> INT	1.944	0.020	0.104	1.609	0.054	Not Significant
H4	INT -> BEH	1.000	1.062	0.060	11.951***	0.000	Significant

Conclusion

The findings in this study show that attitude and subjective norm are significant in influencing purchase intention toward using Taobao as a platform for micro-businesses in Malaysia to search for suppliers and purchase their product supplies. Much of the value from this study is to provide knowledge to micro-businesses in Malaysia with practical information when they have the intention to purchase in Taobao. As a business grow, different solutions are required to embrace problems and opportunities. The information provided by this study would enhance the understanding from TPB perspective that could encourage appropriate action for micro-businesses' side. This implies that, to achieve competitive advantage over the competitors, attitude and subjective norm from micro-businesses are important if sellers plan to use Taobao during the process of supplier selection.

Each study has its own constraints, this study offers fresh results and forms the basis on future works. Even so, majority of the respondents in this study are female and referring to Costa et al., (2001) who revealed in their study that personality between gender is genetically and culturally different. Hence, in a research, female respondents are more likely to possess perceptual attribute of agreeable than their male counterparts (Bernardino, Freitas & Cadima, 2018). Therefore, future research should utilize equal number of respondents for both gender and scrutinize the sample studies according to gender-based perspective. Also, future research should explore supplier selection behaviour from the perspective of other stakeholders and from the e-commerce seller internal level.

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