# To E-Shopping or Not: Factors Influencing the Purchasing Process of Malaysian Generation Y.

## Membeli belah atas talian atau tidak: Faktor yang Mempengaruhi Proses Pembelian Generasi Y Malaysia

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**Abstract:** The electronic shopping phenomenon has created a new breed of shoppers where shop at their phase. It is a known fact that the younger generation spends more hours online compared to the generation before them. The objective of this study is to investigate the selection of online stores by Malaysian generation Y and to understand the kind of information listed on the online website that helps generation Y users in finalizing their purchasing process on online platforms. A qualitative method used in this study to gather deeper and more affluent understanding among generation Y preference for online shopping. The limitation of this study is that it did not intend to use quantitative methods and focused on existing users of online shopping. Based on the construed verbatim, participants would select an online store based on the intended product and would scrutinize all details available before finalizing their purchase. Participants would scan for negative comments first such as the quality of the product, the accuracy of product information, and shipment mainly the Last-Mile-Logistics (LML). This study will help in better understanding generation Y purchasing behavior among Malaysians since Malaysians will be implementing 5G internet soon.

**Keywords:** e-shopping, generation Y, preferred platforms, purchasing decisions

**Abstrak:** Fenomena membeli-belah atas talian telah mewujudkan pembeli baru di mana mereka berbelanja pada fasa sendiri. Generasi muda menghabiskan lebih banyak masa dalam talian berbanding generasi terdahulu. Objektif kajian ini adalah untuk mengkaji pemilihan kedai dalam talian oleh generasi Y Malaysia dan juga untuk memahami jenis maklumat yang disenaraikan di laman web dalam talian yang membantu pengguna generasi Y dalam menyelesaikan proses pembelian mereka. Kaedah kualitatif yang digunakan dalam kajian ini untuk mengumpulkan pemahaman yang lebih mendalam dan makmur antara pilihan generasi Y untuk membeli-belah dalam talian. Hasil analisa mendapati responden akan memilih kedai dalam talian berdasarkan produk yang diinginkan dan akan meneliti semua butiran yang ada sebelum membuat pembelian. Responden akan mencari komen negatif terlebih dahulu seperti kualiti produk, ketepatan maklumat produk dan penghantaran terutamanya faktor Last-Mile-Logistics (LML). Kajian ini boleh membantu dalam memahami tingkah laku pembelian generasi Y yang lebih baik dalam kalangan rakyat Malaysia dalam persiapan penggunaan internet 5G.

Kata kunci: beli-belah atas talian; generasi Y; platform kegemaran; keputusan pembelian

## Introduction

The birth of the internet has changed the generic human communication process where there is less face-to-face interaction. The virtual world was created based on the needs, wants, and ease of use of users. According to Damanpour and Damanpour (2001) Internet has not only changed communication but also created newer methods of doing business. Electronic commerce (e-commerce) has increased convenience for consumers to transact. Users can shop online using any electronic gadget such as a smart mobile phone that is connected to the internet from anywhere at any time. Wen, Chen, and Hwang (2001) define e-commerce as a selling and buying of using available Internet connections.

In 2010 the Malaysian e-commerce industry net profit was RM37.5 billion and it increased tremendously whereby in 2018 it was worth RM85.8 billion with over 20,000 businesses registered for e-commerce MDEC, (2019). Malaysian mobile phone penetration rate is at 132% with 39,161 subscribers in Malaysia. Malaysia ranks 3rd among ASEAN countries for fixed broadband speed and 5th among ASEAN countries for mobile broadband speed (Communication and Multimedia facts and figures, 2019).

## Literature review

### Products and Services Attributes

In any form of online shopping purchaser and seller are only able to communicate virtually and all decision-making processes are finalized based on the product and services attributes. Complete information about products and services must be provided by the seller to increase confidence and trust in online shopping (Ha and Stoel 2009). The attributes described by the sellers about the product and services will reduce uncertainty and increase likeability which will also contribute to positive word of mouth and encourage repeat purchases made. The overall online purchase experience has an impact on consumer's probability of purchasing based on the service provided by the seller (Chen and Tan 2004). This is very important mainly in a country where online shopping is still at its infancy stage and needs the support of the current generation to prosper further.

### Website Characteristics

The overall design and compatibility to be viewed on various electronic devices increase the online shopping experience of the users. The words used to promote the product on the website encourage online consumers to find out more information about the product (Ganesh, Reynolds, Luckett, and Pomirleanu, 2010). Moreover, consumers can compare freely without much effort. This increases the probability of a consumer shifting to other online retailers to purchase the same product based on various factors such as price, guarantee, the flexibility of delivery, and other factors (Kim, Kim, and Park 2010).

## Research Objectives

The objective of this research is to investigate the selection of online stores by Malaysian generation Y; and the kind of information listed on the online website that helps generation Y users in finalizing their purchasing process on online platforms. The crux of the question is to understand the behavior of Malaysian's generation Y and needs to investigate in understanding the ever-changing online business paradigm.

## Method

According to Hepworth and Kay (2015), they have suggested that the strategy of the inquiry is vital to gather more information. Qualitative research is using a phenomenological method will generate a better and deeper understanding of the experiences of a particular participant.

### Target population

Participants were must have used e-shopping in the past three months and are between the ages of 20 to 30 years old. This will help to generate relevant responses in answering both research questions for this study. This is because based on data retrieved from Malaysian Communications and Multimedia Communications Internet user survey 2018 this target population surf the internet the highest with an 8 hours average.

### Sample size and sampling methods

A total of five face-to-face interviews were conducted using the snowballing technique. Where the respondents were asked to recommend their friend(s) that would fit the requirements. The core purpose of the qualitative method is to attain a deeper understanding from the participants where it is not possible in a quantitative method (Creswell, 2009). The list of interview questions was first given to two subject experts to ensure the questions were relevant to the study area and at the same time grammatically correct.

### To maintain rigor.

After the interview, the recording was used to produce the verbatim and shown to the respective responded to ensure the content transcribed was correct and agreed by the participant. This is useful in ensuring the rigor was sustained throughout the study. Having this extra step

would help in verifying the accuracy and authenticate the information shared by the participants (Carlson, 2010).

*Interview results*
Based on the verbatim the most similar results were derived and coded from the interview questions as listed below:

1. What is the preferred e-shopping platform for generation Y?

"… small digital add-ons I will opt for Shopee if big digital add-ons like the laptop I will opt for Lazada. If a few bags I will opt for Taobao."

"…Lazada rate comparison is a lot higher than Shopee and 11 street. So Taobao is the most inexpensive one. if you ask you to purchase together with your buddies, so maybe less expensive for the delivery."

"I assume is relying on what are the products I want to buy, however, I just constantly interchange among Lazada and Zalora. For Zalora similar to sell apparel and all however Lazada is like the undergo matters apart from clothes."

2. What kind of information increases the generation Y purchasing decision?

"honestly I evaluate from the bad comment first due to the fact the remark if simply remark about the product not superb pleasant I assume I will try to find out different dealers."
"evaluate the awful comment first to look the other patron will comment about the product and provider of the seller that he gives is right."
"Will first evaluate the terrible feedback to peer whether any trouble with the dealers; are the deliveries proper on time? after which I'm able to overview the pix to peer the product due to the fact sometimes they may be like submit out their photos of products. They write something approximately the product does it honestly match with the image and the excellent, so I'm able to take a look at."

## Findings

Based on research question 1; what is the preferred e-shopping platform for generation Y?

There is a variety of online platforms that offer similar products. However, respondents select their product first and only then select the e-shopping platform. For example, one participant has already predetermined the e-shopping site based on the intended products. Moreover, participants have known which e-shopping to

refer to for a very low price and at the same time on how to save more when they are shopping online. This tactic helps in understanding the behaviours and processes involved when users conduct e-shopping among generation Y.

Based on research question 2; what kind of information increases the generation Y purchasing decision?
Based on the verbatim, it is very clear that viewing the negative comments listed by other users that have purchased the product is seen as a crucial step in increasing trust and completing the purchase. Participants would scan for negative comments such as the quality of the product, receiving the product shipment until the last-mile-logistics (LML); view the picture of the product posted by previous buyers to see the accuracy of the advertised product and the overall experience of other consumers purchasing the product form the said seller.

## Discussion and conclusion

It is indisputable that online shopping has the decision-making process for shoppers. Generation Y are the main users and encourages online shopping mainly due to their long hours spent online. Moreover, due to the government policies set to digitalize Malaysian are also seen as a contributing factor towards online shopping. Furthermore, the compatibility of many online shopping sites with smartphones encourages users to easily compare from various online sites (Lazada, Shopee, 11 Street Taobao, Zalora, etc.) before finally finalize their purchase online.

Generation Y consumers that have experience shopping online can identify specific online shopping site for a particular product and at the same time can crosscheck from various online shopping sites for the best deal before finalizing.

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