THE INFLUENCE OF WEBSITE CHARACTERISTICS ON ONLINE IMPULSE BUYING TOWARD FASHION PRODUCT



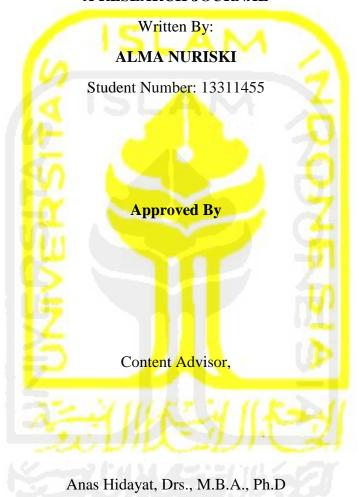
Written By:

Name of Student	: Alma Nuriski
Student Number	: 13311455
Department	: Management
Major of Study	: Marketing

DEPARTMENT OF MANAGEMENT INTERNATIONAL PROGRAM FACULTY OF ECONOMICS AND BUSINESS UNIVERSITAS ISLAM INDONESIA

2017

The Influence of Website Characteristics on Online Impulse Buying toward Fashion Product



A RESEARCH JOURNAL

Abstract

One of the issues that become concern in marketing department is online impulse buying. This research aimed at examining the empirical mode of website characteristics that influence customers' cognitive and affective response in online impulse buying especially for fashion products in Yogyakarta.

This research was conducted in Yogyakarta with 290 respondents from people who have an experience of buying fashion products through website in the age range of 16-30 years old. The data was collected by using questionnaire enclosed with the statement based on Linkert scale. Data analysis of this research uses*Structural Equation Modeling (SEM) Amos*.

The research findings revealed that MR cues has greater influence on perceived usefulness than TR cues. MR cues have greater influence on perceived enjoymet than TR cues. Result confirms that perceived usefulness will have positive effection enjoyment and those will have a positive effect on online impulse buying. Moreover, the characteristics of website both Task Relevant and Mood Relevant cues give positive impact on online buying impulsively.

Keyword: website characteristics, perceived usefulness, perceived enjoyment, online impulse

Introduction

The development of science and technology give big impact on the advance of business world.Nowadays, businesses have extended their marketing focus on online. In the old days, they should allocate a large amount of funds for promotion. Now, they can cut their marketing budget since marketing activities can be done through the help of the Internet. It is not surprisingly that e-commerce or online business has achieved its rapid growth in the last decade. One of the issues that becomes a central concern for marketing department is impulse buying, both offline and online. The impulse buying tendency may occur at any time and everywhere as customers see advertisement on television, billboard, and website and or when visiting stores. Impulse buying described as sudden, compelling, hedonically certain purchasing behavior that lacks of deliberation of all available information and choice alternatives which leads customer to make unplanned purchase (Shen & Khalifa, 2012, p.1; Parboteeah et al, 2009; Rook 1987). Impulse buying has got cognitive and affective aspects. The cognitive aspects such as perceived usefulness, lack of deliberation and of planning, meanwhile affective aspect such as feelings of pleasure, excitement, compulsion, lack of control and probable regret. Consumers with this impulse buying behavior do not plan to buy certain product; they just purchases goods on the spur of the moment.

In online business, the quality of the website plays an important role in encouraging impulse buys. The website characteristics divided into two, which is task relevant cues (TR) and mood relevant (MR) cues. The cues such as the ease of use, ease of navigation, knowledgeable as well as pleasure web design are some ways to attract visitors who are the potential customers. It can be explained that the identification of web features is further instrumental concept analysis on online impulse buying behavior that promotes and urges customers to buy impulsively. All of the website characteristics influence consumers to buy impulsively, particularly their cognitive and affective reaction (George & Yaoyuneyong, 2010). As soon as the cognition gets influenced, it will then has an impact on the customers' perceived usefulness and affective reaction has impact on customers' perceived enjoyment which in turn lead to impulse buying behavior.

There is a significant effect of the affective environment on individual response. Feelings of pleasure and enjoyment when surfing a website will have an impact on valuation which in turn encourage impulsive buying. The visitors who are interested in a website would be likely to stay longer and explore the website. When they find out interesting offers combined with superb web design that pleases them, they will be enticed to make impulse purchases. In this case, mood is a significant determinant of impulse buying as emotional feeling that arises from the experience during online interaction and transaction had a strong implication for the next action tendency (Shen & Khalifa, 2012).

There is theoretical concept to study this phenomenaon is psychological environment theory to know the stimulus, organism and response of online consumer. The theory will be the guidance to know the urge of consumers' online buying impulsively.

The researcher has decided to single out fashion product as the object to be analyzed, as the statistical data of Indonesian Trade Research and Development Agency show that fashion industry has been one of the biggest parts in Indonesia's creative sector, fashion industry is worthy to be further researched.

Conceptual Background

Website Characteristics

According to Zhang and Von Dran (2001), website characteristics cover the security of the website, download delay and ease of navigation. More broadly, according to Parboteeaah et al (2009);Eroglu et al (2001), the website characteristics are about high task relevant cues and low task relevant cues. The high and low task relevant cues then differ from each other in the utilitarian and hedonic in nature. The task relevant cues are more about the information provided in the website such as the ease of navigation; description of the product such as price, delivery process, and return policies and also the picture of the products. Meanwhile, low task cues are about the atmosphere that has the potential to make shopping activities more pleasurable, such ascolors, borders and background patterns, typestyles and fonts, animation, music and sounds, entertainment (games or contests), amount of "white space," icons, image maps, pictures other than the merchandise (for decorative purposes), indicators of secure connections/transactions, "unity" of site, web counter, site awards, and affiliation (Eroglu et al, 2001). Thus, the low task relevant cues are used to create an individual mood at a website to influence online shopping customer's emotion and shopping behavior. Because the low task relevant cues are more inclined to the creation of online customer mood, it further called as mood relevant cues (MR cues).

In digital spacewebsite characteristic is one of important things that can influence consumers to buy product online. Slow loading process, bad navigability and unsecure website will negatively influence in customer willingness to try and even to buy the products from the website. Website usability and appeal will be positively related to environmental atmosphere. It is also one of the key success factors of online stores, because it enables customers to involved into the same virtual place. The high quality environmental cues in online interface increase the quality of the website (Wells et all, 2011). The website design has been proven to have a positive effect in influencing customer's online shopping performance and customer's attitude toward the website (Floh and Madleberger, 2013; Wells et al, 2011). Environment characteristics have big impact on online impulse buying behavior. Customers who already experience a pleasant and useful activity with the company's website will build and develop a positive perception of the website (Koufaris et al, 2002). The online shopping atmosphere, the website design formed by

both the content and structure of information provided by the websites affects customers willingness and their decision to make purchases.

Proper website design is a significant stimulus for the organism (cognitive and affective reactions). Thus it affects their shopping outcomes whether approach and avoidance behaviors. The online shopping consumer's perceptions of the store layout design and atmosphere on an online website may lead to positive or negative emotions that will impact on their purchase intentionand behaviors(Wells et al, 2011).

Cognitive and Affective Reaction

According to the definition of cognitive proposed by Eroglu et al (2001), "cognitive state refers to all of the things absorbed on consumers' minds concerning the acquisition, processing, retention and retrieval of information". Cognitions describe consumers' internal mental process and states, and include attitudes, beliefs, attention, comprehension, memory and knowledge. One of the cognitive reactions in online context is when customers try to "input all of the product information related from the screen to their mind and try to interpret the information, choose from various sites and products". Cognitive components are such cognitive deliberationn (measure the functional motivation), unplanned buying and omit for future (Coley & Burgers, 2003). In this study, the cognitive variable is perceived usefulness (PUSF), it is online user's belief about their ability enhancement when they use a particular website (Koufaris, et al 2002). Meanwhile, affective refers to feelings, emotions and moods. Affective reaction relates to enjoyment and pleasure experienced when interacting with the environment stimuli (website). Affect is assumed as a place for a set of deeply mental process such as emotions, moods and attitudes. Affects components are such irresistible urge to buy, positive emotions and mood management. In this study, the affective variable is perceived enjoyment (PEJ).

The impulse buying can occur because there is an action, whether it is from both cognitive and affective reaction derived from stimuli (Coley &Burgess, 2003). Happiness or excitement experienced during a shopping trip may positively influence impulse buying behavior (Chang et al, 2011), specifically, customers who are more experience this urge to buy (Dhalokia, 2000; Rook 1987). Therefore, an impulse buyer tends to lack cognitive control or deliberation in buying situations as it is categorized as hedonic (affective) purchase behavior that is associated with feelings and psychosocial motivations instead of thinking and functional benefits (Sharma et al, 2005).

Study by Cheung et al (2000) showed that shopping online is a goal oriented activity and is more likely to be motivated by functional benefits, in contrast, study by Kim&Forsthyle (2007) discovered that hedonic motivation had stronger positive relationship than functional motivations on buying online. The result of the study stated that it was verry useful to see how the clothing looks by using the animation provided in the website. Strengthen by Fiore and Jin (2003), image interactivity such as mix and match application in the website can contribute to user's willingness to buy, willingness to return and likelihood to spending more time.

Researchers have suggested that consumers with hedonic motivations for shopping activities are more likely to be concerned with the entertainment and enjoyment aspects of shopping (Van Der Heidjen, 2004; Kim and Forsthye 2007). Study has found that affective are more overcomes the cognition and it leads to impulse buying behavior. Thus, when customers are ruled by their emotions, they tend to be easier to behave impulsively. Vice versa, if they tend to use their cognition by maximizing the information available, then they tend to behave impulsively which in the end make fewer impulse purchases.

Online Impulse Buying

Impulse buying is described as sudden, spontaneous, compelling, hedonically certain purchasing behavior that lacks deliberation of all available information and choice alternatives which leads customers to make unplanned purchase (Shen & Khalifa 2012, Parboteeah, 2009, Rock 1981). Study by Coley & Burgers (2003) about online impulse buying showed that impulsiveness is influenced by situation-specific positive effects.Impulse buying occurs after individual experiencing an urge to buy and it tends to be spontaneous and lacking of deliberation (Shen & Khalifa, 2012; Coley & Burgers, 2003). Impulse buying affected by cognitive and affective reaction. The affect overcomes cognition and it likely causes impulse buying behavior more (Coley &Burgers, 2003). The more urges experienced, the higher the likelihood that an impulse purchase will occur (Wells et all, 2013).

Hypotheses Development

The Relationship between TR and MR Cues with Perceived Usefulness

Studies in environmental psychology research revealed that websites consist of various environmental cues, they are high task and low task cues (Khoufaris, 2012; Parboteeah et al, 2009; Eroglu et al, 2001). High task-relevant (TR) cues is described as "all the description of the site including the verbal and/or pictorial that provided on the website which facilitate and enable the consumer's shopping goal attainment" (Eroglu et al, 2001). The high task-relevant cues include verbal content related to the shopping goals (descriptions of the merchandise, price, terms of sale, delivery, and return policies), pictures of the merchandise, availability of sampling, and navigation aids (site map, guide bar at top or bottom of page). Meanwhile, the low taskrelevant is described as the pleasure atmosphere that potentially can make customer shopping activity more joyful. Low task relevant can be used as the trigger for customer's mood and emotion which in turn affect their shopping behavior. Since low task relevant cues influence customers' feeling, it could be said that low task relevant refers to customers' mood, thus it is further called as mood relevant cues (MR). Examples of low task-relevant cues are verbal content, which is unrelated to shopping goals (check this out-sign), colors, borders and background patterns, typestyles and fonts, animation, music and sounds, entertainment (games or contests), amount of "white space," icons, image maps, pictures other than the merchandise (e.g., for decorative purposes), indicators of secure connections/transactions, "unity" of site, web counter, site awards, and affiliation. (Eroglu, 2000)

When ecommerce transaction occurs, they are at the time engaged in a business process in the sense that the shopping task will influence the type of online impact cues on the customer's intervening affective and cognitive states. Both TR and MR cues will lead to customer reaction in terms of cognitive and affective reaction (Shen &Khalifa 2012). TR cues more lead to cognitive reactions, because TR cues are task oriented that crucial in completion of shopping task, thus in completing the shopping task individuals should be more use their rational and cognitive. They are also more utilitarian than other, as the nature of utilitarian is associated with objective and functional characteristic. Individuals that have utilitarian motivation are more have intentions or desires to purchase a product efficiently and rationally (Kand and Park-Poas, 2011). The cognitive reaction relates to the high task relevant which relates to how the online user uses and processes the information provided in the website about the products.

There are several cognitive variables that have been studied such as perceived usefulness, perceived ease of use and computer self-efficacy. One of the most important variables that has

been analyzed and received great deal of attention is perceived usefulness (USF). Perceived usefulness is online user's belief about their ability enhancement when they use a particular website (Koufaris, et al 2002). When they do transaction through website, they will evaluate several cues based on the usefulness of the website itself to complete the shopping task. The quality of TR cues plays a significant role in perceived usefulness. Thus, hypothesis 1A is proposed as follows:

H1A: TR cues have significant effect on usefulness

Not only TR cues that influence perceived usefulness, but also MR cues. MR cues lead to affective reaction in term of perceived usefulness. The affective quality of a course management system has a direct impact on intention to use the system (Shen & Khalifa, 2012). It means that MR cues such as colors, borders and background patterns, typestyles, fonts and animationcan boost online users' perceived usefulness. For instance, bad website color and too small font size can bring inconvenience to users which in turn leave the web page. In contrast, proper website color and alphabet font will lead to user perception of usefulness. In the end all of those attributes can create individual favorable attitude. Thus, hypothesis 1B is proposed as follows:

H1B: MR cues have significant effect on usefulness

The relationship of TR and MR Cues on Perceive Enjoyment

MR cues relate tocustomer's emotion when they interact with the environment stimuli or website (Sun and Zhang, 2006). MR cues lead and relate to customer affective reaction. Affective reaction relates to enjoyment and pleasure experienced when interacting with the environment stimuli(website). The affective reaction is more hedonic in nature. Hedonism motivated by a desire to have fun and be playful. Therefore, hedonic shopping represents the experiential values of shopping that include fantasy, arousal, sensory stimulation, enjoyment, pleasure, curiosity, and escapism (Scarpi, 2006). Researchers have started to recognize multiple varying hedonic reasons for shopping and in this research analyze the enjoyment factor. When customers do transaction business in digital space they will evaluate the MR cues. Therefore, the quality of the MR cues will also influence and are related to one of the hedonic factors which is the enjoyment. From this explanation hypothesis 2A is proposed as follows:

H2A: MR cues have significant effect on enjoyment

There are several technological obstructs that may happen in e-commerce and disturb transaction process. These are: (1) download time; (2) measurement of web application success; (3) security (or perceived security) weaknesses; (4) lack of internet standards; (5) limitations in the interface and (6) request for hypermedia (Rose et al, 2001). All of the technological obstruct can influence customers' shopping task completion and it relates to TR cues. For instance, the long download time will disturb the shopping task completion and it makes online user does not enjoy a shopping transaction, the long download time will cause user dissatisfaction and frustation (Taylor et al, n.d). The other attribute such as web security weakness and lack of internet standard are the factors that alsocause online users do not enjoy their online shopping activity.

Therefore, hypothesis 2B is proposed as follows:

H2B: TR cues have significant effect on perceived enjoyment

Effect of Perceived Usefulness on Enjoyment (ENJ)

Both TR and MR cues have important implications for customer's behavior, due to its differences in terms of their nature.TR cues are more utilitarian and MR cues are more hedonic. The utilitarian are associated with tangible, objective and functional characteristic (Hirshman and Holbrook, 1982), thus it relates with cognitive. Meanwhile hedonic is related to the senses and associated with self-fulfilment and enjoyment, thus it relates with affective. Cognitive (example: Usefulness) and affective (example: enjoyment) are interrelated in term of usage intention to use technology (Davis et al, 1992). There should be positive relationship between usefulness and enjoyment to make the online impulse buying occurs (Parboteeah et al, 2009). When customer perceived that web characteristic is easy to use, they will see the usefulness in there and thus it can arise the feeling of enjoyment. Hypothesis 3 is proposed as follows:

H3: perceived usefulness will have positive effect on enjoyment (ENJ)

The Relationship of Perceived Enjoyment on the Urge to Buy Impulsively

An impulse is unconsciously, unplanned, but it arises immediately upon confrontation with a certain stimulus. It occurs immediately, spontaneously and when triggered, an impulse encourages sudden action.Impulse buying described as sudden, compelling, hedonically certain purchasing behavior that lacks of deliberation of all available information and choice alternatives which leads customer to make unplanned purchase (Shen & Khalifa, 2012, p.1; Parboteeah et al, 2009; Rook 1987). Impulse buying is a spontaneous of the moment purchase with little tought (Mohan et al, 2013). Impulse buying is a reactionary behavior that involves an immediate response to stimuli. A study has shown that affective or emotional state is the main driver for the impulse behavior (Mohan et al, 2013; George & Yaoyuneyong, 2010). The affective reaction that has been a central of attention is the perceived enjoyment (Scarpi, 2006; Hirschman and Holbrook, 1982). When online users enjoy their shopping activity they will take more time on the website and may get the things they need, find the things they like. Thus, it can be said that the feeling of enjoyment when the business transaction happens can cause or trigger the urge to buy impulsively. Thus, hypothesis 4A is proposed as follows:

H4A: Perceived enjoyment will have a positive effect on the impulsive urge to buy

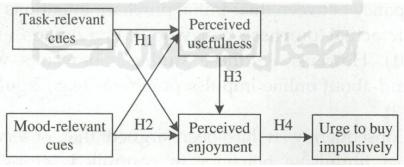


Figure 2.1. Full Framework Model

Instrument and Data Collection

Online Survey

Online surveys were developed with multiple items measuring five constructs (task relevant and mood relevant cues, perceived usefulness, perceived enjoyment and impulse buying) using Six Likert scales ranging from 1 (strongly disagree) to 6 (strongly agree).

Sample Characteristics

The research participants were people who ever buy fashion product through website in the age range of 16-30 years old. Researcher received 290 valid responses from 323 online survey requests. 40.7 percents respondents are male and 59.3 percent of respondents are female. 98.6 percent respondents are student and the rest are employee.

Data Analysis and Result

Reliability and Validity

The questionnaire was tested to know the validity and reliability test by using SPSS. The pre-test use 60 respondents with the r-table is 0.254. All of the indicators are valid, knowing by the r-counted greater than r-table. Meanwhile, all of the variables constructs are also reliable because the crobanch reliability alpha is greater than 0.6, as it is greater than the requirements of the criteria.

Structural Equation Modeling Test and Result

Then further examination conducted to test the validity and reliability of the research model. All of the variables are valid and reliable, indicating that items were good for latent constructs. Further, SEM was used to know the research proposition was supported. All of model fit by using goodness-of-fit indexes (Chi-Square, CFI, GFI, RMSEA, AGFI, TLI and CMINDF). The results indicate good fit for all structural models. The results of this study are: from the relationship of TR cues on perceived usefulness, the coefficient result of TR cues toward perceived usefulness is 0,000 with *p*-value< $\alpha(0.000 < 0.05)$. This means that TR cues positively significantly affect perceived usefulness. From, the relationship of MR cues on perceived usefulness, MR cues positively influences perceived usefulness. The coefficient result of MR cues toward perceived usefulness is 0.000 with *p*-value< $\alpha(0.000 < 0.05)$. This means that MR cues positively significant on perceived usefulness. From the relationship of MR cues and perceived enjoyment, MR cues have significant effect on perceived enjoyment. It can be known by coefficient of TR cues toward perceived enjoyment is 0.000, with *p*-value< α (0,000< 0.05). Moreover, TR cues has significant effect on perceived enjoyment, it can be known from pvalue< α , with *p*-value is 0.027 meanwhile α is 0.05 (0.027<0.05). Specifically, perceived usefulness has significant effect on perceived enjoyment. It can be known by seeing the p*value* $<\alpha$, which is p-value is 0.000 meanwhile α is 0.05. And the last, perceived enjoyment has significant effect on online buying impulsively. It can be known by seeing the *p*-value $<\alpha$, which is p-value is 0.000 meanwhile α is 0.05 (0.000 < 0.05).

Discussion and Findings

TR cues positively significantly affectperceived usefulness, TR cues more lead to cognitive reactions, because TR cues are task oriented that crucial in completion of shopping task, thus in completing the shopping task individuals should be more use their rational and cognitive. The cognitive reaction relates to the high task relevant which relates to how the online user uses and processes the information provided in the website about the products. MR cues positively determine perceived usefulness, MR cues such as colors, borders and background patterns, typestyles and fonts, animation, music and sounds, entertainment (such as games or contests) can boost online user perceived usefulness. From negative side for instance, bad website color and too small font size can bring inconvenience to users which in turn leave the web page. In contrast, proper website color and proper alphabet font will lead to user perception of usefulness. In the end all of that attributes can create individual favorable attitude. Thus, it can be said that MR cues have significant effect on perceived usefulness. MR cues have significant effect on perceived enjoyment, this thought can be understood that technological obstructs that may happen in e-commerce and disturb transaction process that relate with TR cues (download delay, bad navigation and slow loading response) may cause online users do not enjoy their online shopping activity. TR cues have significant effect on perceived enjoyment, as online user perceived that web characteristic is easy to use, they will see the usefulness in there and thus it can arise the feeling of enjoyment. Perceived usefulness has significant effect on perceived enjoyment, as online user perceived that web characteristic is easy to use, they will see the usefulness in there and thus it can arise the feeling of enjoyment. Perceived enjoyment will have a positive effect on the online impulse buying. This thought can be explained from the prior study explaining that affective or emotional state is the main driver for the impulse behavior. Online user mood is also one of the aspects in online impulse buy. When online users enjoy their shopping activity they will take more time in the website and stay longer.

Conclusion

Impulse buying becomes a concern in marketing department especially in online context. The website becomes the place where buyer and seller can meet and thus becomes important. the website take a role to study about the impulse buying as the characteristics of website can influence online users' cognitive and affective, once online user's cognitive influenced, it will have an impact on perceived usefulness, meanwhile once online users' affective influenced, it will have an impact on perceived enjoyment. Customers' reaction, both perceived usefulness and perceived enjoyment in the end influence impulse buying. The research findings revealed that the characteristics of website both Task Relevant and Mood Relevant cues give positive effect on enjoyment and those will have a positive effect on online impulse buying. Moreover, the characteristics of website both Task Relevant and Mood Relevant cues give positive impact on online buying impulsively.