REINVESTIGATING ONLINE PURCHASE BEHAVIOUR MODEL: A TEST OF ALTERNATIVE MODELS USING A CROSS-CULTURAL STUDY

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A THESIS SUBMITTED IN FULLFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

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ABSTRACT

Extensions of online consumer research have been discussed to a great extent as forms of new e-business strategy (Hoffman and Novak 2000; Park and Fader 2004; Schlosser, White, and Lloyd 2006), but reviews of online marketing literature have been relatively limited. This research assesses the existing work on customer satisfaction, trust and online attitudes, and integrates it into a conceptual framework to understand online purchase behaviour regarding each construct that the model represents. In particular, testing alternative models in different data settings is important because online consumers are susceptible to different thresholds of the constructs investigated.

Firstly, this research seeks to build alternative models including two key constructs: customer satisfaction and trust on the Web. Second, prior pioneering online navigation models (e.g., Hoffman and Novak, 1996, 2000; Lim and Dubinsky, 2005; Shim et al., 2001) on the Internet do not fully explain overall consumer behaviour, particularly online purchase. While these previous models have primarily focused on developing theoretical frameworks for web environments, the current study builds and tests a systematic general model of consumer responses to website navigation behaviour, which remains a cornerstone in a better understanding of online consumer purchase behaviour. Finally, in contrast to prior research on online consumer behaviour that has been conducted in a single country, the author examines comparisons of online purchasing behaviour in Korea and the UK, thereby offering a cross-cultural assessment of the proposed relationships.

More specifically, this study develops competing models that embody the components of what makes for an online purchase experience. In addition, this research attempts to develop an appropriate hypothesized model to predict e-shopping behaviour; the process of selection involves a full study of alternative models in order to select the
one providing the best fit. It uses data collected from two large-samples, paper-based consumer surveys to measure these constructs, and the work fits a series of structural equation models that test related prior theory. The conceptual models largely support and provide additional insights into understanding the process of online purchase behaviour.

This research provides marketing scholars with an operational definition of key model constructs. A key insight from the thesis is that online purchase behaviour can, in part, be explained by the role of attitudes toward the website, and related to important marketing variables. Model constructs presented relate in significant ways to key consumer behaviour variables, including online shopping and web use applications such as the extent to which consumers are to willing to accept customized information and engage in web interactivity as cues of purchasing. As such, these alternative models may be useful both theoretically and in practice as marketers strive to develop successful online business models and extend scholars’ knowledge of online shopping trends for the niche population of teenagers across Asian-Western European borders.
ACKNOWLEDGEMENTS

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I received a good amount of useful advice and technical knowhow from the other member of the Swinburne Business School: Professor Christopher Selvarajah and Michelle Lee. Other members also encouraged me to complete my thesis: Professor Chung-Koo Kim of Sung Kyun Kwan University; Professor Sang-Kyu Park of Kangwon National University; Professor Myung-Soo Lee of the City University of New York in the US; Professor Joby John of University of Louisiana in the US; and Jan Peacock in the UK. Further, I would like to thank Professor Sang-Kyu Park and Dr. Raphaël K. Akamavi for collecting cross-cultural data in Korea and the UK, respectively. Their support was great. Also, I would like to thank two thesis examiners, Professor Angappa Gunasekaran, who is working at University of Massachusetts in the US and Professor Kim-Shyan Fam, who is working at University of Otago in New Zealand for their constructive comments. Finally, I would like to specially thank Donna Williams for her professional editorial assistance.

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persevered with me through every step of the long PhD program. Her love, sensitivity, humor, support, and ability to shake me out of a slump have helped me get through graduate school, and even made it a very enjoyable experience!
DECLARATION

I hereby declare that this thesis entitled “Reinvestigating Online Purchase Behaviour Model: A Test of Alternative Models using A Cross-Cultural Study”, and submitted in fulfillment of the requirements for the Degree of Doctor of Philosophy in the Faculty of Business and Enterprise of Swinburne University of Technology, is my own work and that it contains no material which has been accepted for the award to the candidate of any other degree or diploma, except where due reference is made in the text of the thesis. To the best of my knowledge and belief, it contains no material previously published or written by another person except where due reference is made in the text of the thesis.

Hong-Youl Ha
February 2008
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PART I:
RESEARCH INTRODUCTION
1.1 Research Introduction

The Internet has seen rapid development since 1995; together with other information processing technologies it allows sellers to better understand individual customers’ requirements. Internet retail selling has staked a firm claim as a new distribution channel that allows retailers to sell to customers through additional retail Web sites, Internet consumers, and increased purchases by current and new Internet consumers. In 2001, interactive and e-commerce sales grew by 12.1% to $31.4 billion and were expected to reach $81.1 billion by 2007 (Anonymous, 2002). Total business-to-consumer sales in the USA alone are projected to rise from $131 billion to $229 billion by 2009, while over the same time period European sales are expected to rise from $82 billion to $407 billion by 2011 (e-Marketer, 2007). Many companies are, not surprisingly, turning to the Web not only to advertise their products and services and improve brand awareness and reputation, but also to strengthen relationships with their customers.

With the growth of trends in both online satisfaction and trust, these areas have become popular topics in marketing literature, precipitating an increase in research. In a report published by Neaman Bond Associates (2001), customer satisfaction was stated as being a top concern for the management of 91% of “dotcoms”, whereas 71% of brick-and-mortar companies cited profitability as their single biggest issue. Furthermore, research shows that 98% of online consumers leave without making a purchase (Berkowitz, 2006). Indeed, Berkowitz (2006) addresses that about half of all web shoppers who put an item into a virtual shopping cart leave without buying any item.
Despite this dramatic growth of activity, research regarding e-business is still in its infancy, particularly in the context of business-to-consumer.

It has been argued (Srinivasan, Anderson, and Ponnavolu, 2002) that the main factor enabling dotcom companies to survive is the development of e-satisfaction: a company’s profitability depends on developing and fostering its relationships with customers, and most companies now appreciate the importance of these factors, particularly since the explosiveness of the e-business bubble. Although encountering this predicament is a common problem, online satisfaction and trust can be understood only through the determinants that influence them, either indirectly or directly.

The direct effect of both constructs on purchase intentions is critical, while an important question to ask is why either satisfaction or trust would not have an impact on purchase intentions, particularly for young consumers. Numerous researchers have attempted to address this question by including additional antecedents and mediator variables between satisfaction, trust and purchase intentions such as commitment (Eastlick, Lotz, and Warrington, 2006), preference (Hwang, Jung, and Salvendy, 2006) and characteristics (Lubbe, 2007). However these approach methods that may be linked to the abovementioned relationships are rarely highlighted in consumer research (e.g., Bearden and Teel, 1983). This research approach uses alternative explanations as supported by Elliot and Fowell (2000)\(^1\) who emphasize the urgent need for further research to explore the nature of Internet shopping behaviour and its link to the theoretical framework of e-purchasing behaviour.

Thus, for this research, the starting point is that theoretical background forms the basis of investigating the interacting relationships between core factors and variable outcomes such as customized information, web interactivity, positive attitude and

\(^1\) To date there is very little research that has been investigated by alternative explanations, particularly, in the context of e-commerce.
purchase intention. Since marketing literature regarding online consumer behaviour has been limited to focusing on each individual construct (e.g., customized information, web interactivity, attitude and purchase intention) [e.g., Fiore, Jin, and Kim, 2005; Heijden et al., 2003], existing research was reviewed in order to create an integrative theoretical framework. Building from this reasoning, the current study attempts to not only support the model, but contribute to establishing a basis for customer- and profit-oriented business models.

First, the thesis offers a systematic model\(^2\), along with insights concerning consumer behaviour in e-businesses. Existing research has studied consumer responses (e.g., purchase intentions, e-advertising perceptions, web-navigation reaction, etc.) on individual variables (e.g., e-satisfaction, e-community, e-CRM, brand building factors, and communication) [Betts, 2001; Coyle and Thorson, 2001; Geissler, 2001; Hoffman et al., 1999; Li et al., 2002a, 2002b; McKeown, 2002; McWilliam, 2000; Rettie and Hilliar, 2002], but little research has been conducted into the relationships between antecedents and outcomes in the context of online business (e.g., Hoffman and Novak 1996; Hoffman et al., 2000). For example, although Hoffman and colleagues’ studies (1996, 2000) have handled the e-navigation models of consumer behaviour, their studies have not adequately dealt with experiential and psychological perspectives of online consumer behaviour. Thus, the current study seeks to emphasize that these factors could act as motivations to trigger consumer behaviour.

This research expects that the proposed model will provide an answer for dotcoms as to why they are suffering from a lack of e-solutions in the wake of the bubble economy from a cross-cultural study, Korea and UK. “Cultural difference is a

\(^2\) Traditional stochastic models of purchasing behavior assume that purchase rates are unchanging over time (e.g., Morrison and Schmittlein, 1988). Such an assumption may indeed hold true when these models are tested in stable and mature markets, but many new markets go through a state of flux for quite some time. In other words, individuals’ visiting behavior often changes as they continually adapt to a new environment.
fundamental aspect of marketing phenomena, with increasing relevance in the global arena (Penaloza and Gilly, 1992, p. 2).” In particular, most marketers may have a tendency to adopt a similar online marketing strategy into different countries. Because of the cultural difference, the question still remains: “will consumers from different cultures show online purchase behaviour in a similar way?” Further, the recent growth in the importance of services in online markets highlights “the need for a cross-cultural investigation of the variables and the relationships” that are the focus of this thesis (Brady, Knight, Cronin, Tomas, Hult, and Keillor, 2005, p. 218). The growth is due to the emergence of information technologies that facilitates cost-effective Internet services operations (Brady et al., 2005; Knight, 1999). Despite the current digital trend, research in this area is not addressed in detail.

Issues which are becoming increasingly important to service-industry managers will also be addressed in this research: namely, whether the levels of satisfaction and trust for services are different when customers choose these services online. If this is the case, this study attempts to outline what factors are behind these differences. How does the relationship between satisfaction, trust, and attitude in an online environment differ from that in other, different customer environments? In particular, researchers identified these three factors that can influence purchase intentions of customers from different countries (Lynch et al., 2001; Zhou et al., 2007). The current study, thus, proposes a conceptual framework and develops hypotheses regarding online consumer behaviour and online medium’s effects on satisfaction and trust, and on the relationships between these constructs.

In short, the main focus of the thesis is on building the online purchase behaviour model. In order to justify the model, this research uses alternative explanations for predicting online purchase behaviour because alternative explanations
(or competing models) are an accepted way of understanding relationships among constructs (Ferrer and McArdle, 2003) proposed in this research. By structuring such alternative models, McKenzie (1998) argues that researchers may be better able to judge how the evidence relates to each alternative view. Punj and Hillyer (2004) claim that competing models are useful in marketing. The availability of competing models involving the constructs of interest in this study allowed us to interpret data, understand developmental processes, and formulate new research questions (Ferrer and McArdle, 2003). Following analysis, this research attempts to report some notable findings, particularly with regard to the best model of online purchase behaviour through alternative models.

1.2 Research Aims

Despite business success (e.g., Amazon.com and E-Bay) by companies using the Internet to deal with increasing customer satisfaction and improving their profitability, one of the major remaining problems concerns understanding online purchase behaviour and its relationship with Internet marketing. This research attempts to afford managers and researchers interested in the strategic aspects of both online satisfaction and trust a more analytical understanding of the concepts which have been previously conducted in the traditional marketplace.

This study focuses on the importance of the online purchase process by developing alternative models designed to explore the role of both satisfaction and trust as a predictor of online purchasing intentions. This research expects that these constructs are the most important elements leading to purchase via the Internet. If two constructs play a central role in predicting future purchase intention, they could be valuable research tools for predicting the probability of consumer purchase behaviour.
on the Web. Such a finding would also suggest that any decision not to buy while shopping on the Web is largely the consequence of unfavorable reactions to a site rather than a broader based lack of interest in this distribution channel.

First, this research attempts to build an integrated model (see Chapters 3 and 5) regarding two constructs: satisfaction and trust on the Web. The majority of researchers have focused on individual constructs such as e-satisfaction and trust, but to the best of the researcher’s knowledge, no study has yet investigated the integrative model on the basis of both constructs using alternative explanations (or competing models). This study seeks to emphasize the wide gap between consumers’ overall purchase behaviour and company strategy. Thus, this study argues that the balance between satisfaction and trust on the Internet plays a crucial role in building a consumer experience-oriented purchase behaviour model. In order to achieve the study’s objectives, an Online Purchase Intention Model is developed that integrates an interaction model of online consumer navigation model. More importantly, in their biggest cited article of Marketing Science, Hoffman and Novak (2000) suggest that investigating the relationship between customer experience and online marketing outcome variables may be productive. Based on their suggestion, this study will develop a new model, which includes current key marketing variables (i.e., satisfaction, trust, and customer attitude on the Web).

Second, prior pioneering navigation and models (e.g., Hoffman and Novak, 1996, 2000; Lim and Dubinsky, 2005; Shim et al., 2001) on the Internet do not fully explain overall online consumer behaviour, particularly online purchase. While these previous models have primarily focused on developing theoretical frameworks for web environments, this study builds and tests a more systematic model of consumer responses to website shopping behaviour, which remains a cornerstone for a better
understanding of online consumer purchase behaviour. To improve a company’s profitability and better understand existing customers’ purchase behaviour, therefore, a new model, including a variety of constructs, is required. In line with this observation, this research provides a conceptual model concerning online consumers’ experience-oriented behaviour. This research argues that building a consumer experience-oriented purchase model in online environments is necessary to analyze experience-focused purchase behaviour and expand scholars’ knowledge of future digital consumers’ direction.

Third, a further consideration of the current study is an investigation of the extent to which the empirical results are robust and generalizable across Asian-Western European borders. A cross-cultural comparison of this relationship appears intriguing in view of Jarvenpaa’s et al., (1999) study which suggests that further research should examine cultural differences related to the level of trust. Specifically, Hwang and colleagues (2006) report that the relationship between trust and purchase intentions is dependent on the nature of cross-cultural differences. The need for greater cross-cultural understanding of consumer behaviour in the Web context has also been advocated by both academics and practitioners (Chau et al., 2002; Cole and O’Keefe, 2000). As comparisons from a cross-cultural study can apply to many levels of consumer behaviour, this study offers a significant contribution to the study of online consumer behaviour from a cross-cultural perspective.

Finally, this research attempts to examine the relationships between attitudes which are defined as “overall feelings towards a particular website with some degree of favor” and other diagnostic measures. As outlined by Cronin, Brady, and Hult (2000, p. 198), in order for a more pragmatic picture of the underlying relationships that exist among key variables to emerge, an investigation of a more collective model is needed.
More specifically, four alternative structural models of the mediating role of attitudes are proposed and tested. In order to provide a theoretical justification, this research examines evidence from two or more plausible hypotheses in terms of their explanatory power and model fit. As noted earlier, Sawyer and Peter (1983) claim that competing hypotheses (or models) are useful in marketing, and they cite studies by Cialdini et al. (1978), Burger and Petty (1981) as successful illustrations. Based on research objectives, it would be useful for a better understanding of the research, the questions as follows:

1. Why an integrated purchasing model should be focused on consumer responses to website shopping behaviour? (see Chapter 5)

2. Will consumers from different cultures show online purchase behaviour in a similar way? (see Chapter 4, 5, & 6)

3. How should the role of attitudes be incorporated into the development of the online purchase intention model? (see Chapter 6)

4. What are additional alternative models? Why are they important to the online B2C stage? (see Chapter 4 & 6)
1.3 Organization of the Thesis

In order to achieve research objectives, the researcher addresses very specific topics in each chapter (Chs.4-6). Each topic deals with a systematic approach for developing the online consumer purchase model based on the following criteria:

1) The comparison of alternative explanations (Ch. 4);
2) The development of research hypotheses (Ch. 5); and
3) The effects of customized information and interactivity on using the web for repurchasing (Ch. 6).

Each chapter addresses different topics which are linked to the research objectives. Thus, subsequent chapters of the thesis are constructed from submitted manuscripts or officially accepted papers in academic journals.

1.4 Conclusion

This study attempts to build a conceptual model of online consumer purchase model and describe a structural equations analysis of four alternative models for understanding the developmental process of online purchase behaviour, while at the same time interpreting the role of attitudes. The expected findings contribute to conducting online marketing strategy for practitioners and expanding marketing scientists’ knowledge of online consumer purchase behaviour.

The remainder of this research is organized as follows: Chapter 2 provides a broad literature review which is applicable to all three studies (Chs. 4 to 6). Chapter 3 addresses the research model’s methodology, overall evaluation, and design statistic method. Chapter 4 deals with developing alternative explanations between each
The model represents. To establish alternative explanations, this study reviews previous work including both social science literature and marketing. Accordingly, a framework is presented to organize elements of the hypothesized model in the Internet environment. As briefly discussed, this research considers the following constructs: customized information, web interactivity, attitude, satisfaction, trust, and purchase intention. **Chapter 5** addresses the importance of customized information to predict further activity. In this chapter, this research builds theoretical hypotheses between customized information and its consequences. **Chapter 6** compares other possible alternative structural models which focus on the indirect effects (e.g., web interactivity → attitudes → purchase intentions), and analyzes the results of the hypothesized model. The impact of alternative models on the online activities that take place between perspectives in the Internet purchase environment is also investigated. **Chapter 7** discusses the findings based on the results and provides implications for practitioners and scholars. Finally, overall findings and research limitations are summarized in **Chapter 8**.
PART II:

RESEARCH APPROACH
Chapter 2
Literature Review: Definitions and Primary Links of Constructs in the Model

2.1 Introduction

Websites provide consumers with information that can be difficult and expensive to get in any other way. There is no other method of easily interacting and obtaining the quality and quantity of information about companies, products, and services (Coupey, 2001; Hanson, 2000). Hanson (2000) pointed out that consumer adoption of the Internet as a communication medium has been rapid, partly due to the fact that there was, and still is, no close interactive: the Web has provided something fundamentally new and valuable.

Unlike the traditional marketplace, the online world is still in its infancy and consequently a huge number of companies are eager to develop their new potential markets. In doing so, improving profitability is a fundamental element. However, most dotcoms still demonstrate a lack of understanding of their target consumers as reflected in their business performance (McKeown, 2002). Without a better understanding of consumers’ purchase behaviour, companies run the risk of failing to achieve their ultimate goals of gaining a formidable competitive edge.

In 2000, the majority of scholars held skeptical views regarding e-business. This was due largely to the fact that vast numbers of online shoppers returned to physical stores after the bubble economy burst (McCarthy, 2000). Nevertheless, online economy is healthier than at the end of 2000. According to a BBC online survey (January, 2005), Internet buyers as a percentage of all Internet users are expected to
grow from just 19 percent in 1995 to 90 percent by 2008. To keep managing current trends and facilitating company’s aims, Shim et al. (2001) demonstrates that a full understanding of e-shoppers’ purchase behaviour is necessary. This chapter addresses key constructs that could build a conceptual model of online consumer purchase behaviour.

2.2 Key Constructs for Alternative Explanations

Researchers can easily see consumer shopping habits change due to the Internet (Sim and Koi, 2002). Technological change has been extremely rapid during the past two decades, and indications are that this rate of change will continue (Sheth, Sisodia, and Sharma, 2000). In the present thesis, a Model of Online Purchase Intention is developed to investigate the predictors of intention to purchase products or services.

As shown in Table 2.1, in particular, researchers distinguish three constructs such as satisfaction, trust, and attitudes. Both satisfaction and trust refer to a customer’s evaluation of a specific transaction as outcomes of marketing variables (Bolton and Drew, 1991). In contrast, a consumer’s attitude corresponds to a global evaluation of the product or service, rather than to an evaluation of a specific transaction (Holbrook and Corfman, 1985). Consequently, the development of an integrated model between satisfaction, trust and attitude is necessary to a complete understanding of online purchase behaviour.

From a theoretical perspective, numerous studies have endeavored to model these links among satisfaction, trust, attitudes, and purchase intentions, particularly into the specification of the “antecedent, mediating, and consequent” relationships (e.g., Fiore et al., 2005; Park and Kim, 2003; Shim et al., 2001; Wu, 2005). However, there are no alternative (or competing) models that are linked to relationships among
customized information, web interactivity, satisfaction, trust, attitudes and purchase intentions. More importantly, a closer evaluation of Table 2.1 reveals little uniformity concerning the six variables, or combinations therein, that directly affect consequence measures.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Key Variables</th>
<th>Study</th>
<th>Main Findings</th>
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<tbody>
<tr>
<td>Hoffman and Novak (1996, 2000)</td>
<td>Interactivity, Flow, Skills, Challenges</td>
<td>Focuses on the marketing implications of commercializing hypermedia computer mediated environments, of which the world wide web on the Internet is the first and current networked global implementation.</td>
<td>Consumers who experience the flow state in a hypermedia CME exhibit exploratory behaviors (e.g., shopping behavior) than those who do not.</td>
</tr>
<tr>
<td>Heijden, Verhagen, and Creemers (2001)</td>
<td>Attitude, Trust, Purchase Intention</td>
<td>Examines two competing models that explain online purchase intention.</td>
<td>Online purchase intention at the website is strongly determined by attitude towards online shopping at the website. Also, trust-oriented models appear to be more appropriate to explain online purchase intention than website-oriented models.</td>
</tr>
<tr>
<td>Lee and Turban (2001)</td>
<td>Trust</td>
<td>Describes a theoretical model for investigating the four main antecedent influences on consumer trust in Internet shopping.</td>
<td>The findings indicate that merchant integrity is a major positive determinant of consumer trust in Internet shopping, and that its effect is moderated by the individual consumer’s trust propensity.</td>
</tr>
<tr>
<td>Koufaris, Kambil and LaBarbera (2001)</td>
<td>Attitude, Involvement, Information</td>
<td>Investigates the impact of consumer experience and attitudes on intention to return and purchase on-line.</td>
<td>Positive attitudes can increase the intention of web customers to purchase. Also, information can have a significant impact on their online experience which will result in future online purchase.</td>
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<tr>
<td>Author(s)</td>
<td>Key Variables</td>
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<td>Shim, Eastlick, Lots and Warrington (2001)</td>
<td>Attitude, Information Search</td>
<td>Determines whether intent to search the Internet for product information is a key element for marketing researchers to employ in predicting consumers’ Internet purchasing intentions.</td>
<td>Intention to use the Internet to search for information is not only the strongest predictor of online purchase intention but also mediates relationships between purchasing intention and other predictors (i.e., attitude toward online shopping and previous online purchase experience).</td>
</tr>
<tr>
<td>Heijden et al. (2003)</td>
<td>Web interactivity, Trust, Reputation, Attitude</td>
<td>Investigate the antecedents of online purchase intention for B2C websites with two competing models.</td>
<td>Online purchase intention at the website is strongly determined by attitude toward online shopping at the website. In particular, trust-antecedent interactivity directly influenced the attitude towards purchasing online.</td>
</tr>
<tr>
<td>Park and Kim (2003)</td>
<td>Information, Satisfaction, Commitment</td>
<td>Investigates the relationship between various characteristics of online shopping and consumer purchase behaviour.</td>
<td>Information affects information satisfaction and relational benefit that, in turn, are significantly related to each consumer’s site commitment and actual purchase behaviour.</td>
</tr>
<tr>
<td>Park and Fader (2004)</td>
<td>Information, Visiting Time, Expectations</td>
<td>Develop a stochastic timing model of cross-site visit behaviour to understand how to leverage information from one site to help explain customer behaviour at another.</td>
<td>Summary information (i.e., frequency) from past visit patterns at a competing site can make accurate statements about the future behaviour (i.e., previous nonvisitors to a given site).</td>
</tr>
<tr>
<td>Lim and Dubinsky (2005)</td>
<td>Consumer Attitude</td>
<td>Examines the impact of three key components of TPB (i.e., attitude, subject norm, control beliefs) on e-consumers’ purchase intentions.</td>
<td>Attitude toward online shopping is reinforced to the extent to which consumers think their relevant others support their online purchase behaviour.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Key Variables</td>
<td>Study</td>
<td>Main Findings</td>
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</tr>
<tr>
<td>Chin, Lin and Tang (2005)</td>
<td>Easy of Use (Interactivity), Attitude</td>
<td>Examines four key constructs that have indirect influences on online purchase intentions through the mediation of attitudes.</td>
<td>Consumer attitudes play a significant role in facilitating their purchase intentions. Also, the influences of perceived ease of purchasing on both attitudes and online purchase intentions are stronger for females than for males.</td>
</tr>
<tr>
<td>Wu (2005)</td>
<td>Web Interactivity, Attitude</td>
<td>Investigates the mediating role of interactivity on communication outcomes such as attitude toward the website.</td>
<td>The research has proven the mediating role of web interactivity in affecting the effect of web interactivity on attitude toward the website. Such an attitude will play an important role in making consumers’ final behaviour.</td>
</tr>
<tr>
<td>Fiore, Jin, and Kim (2005)</td>
<td>Interactivity, Satisfaction, Attitudes</td>
<td>Focuses on consumer characteristics that may influence the importance of hedonic value from a website design feature.</td>
<td>Their model reveals significant paths between emotional variables and attitudes. Their findings also show that interactivity has a direct impact on satisfaction, attitudes, and willingness to buy.</td>
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<tr>
<td>Hackman, Gundergan, Wang and Daniel (2006)</td>
<td>Satisfaction, Service Quality Service Value</td>
<td>Examine the relationships between behavioral intentions and its antecedent factors in online service settings.</td>
<td>Online buyers’ behavioral intentions are directly influenced by online service quality and satisfaction. In particular, the strongest direct effect on behavioral intentions comes from online service satisfaction.</td>
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<tr>
<td>Schlosser, White, and Lloyd (2006)</td>
<td>Perceived Risk, Trust</td>
<td>Investigate the impact of web site design investments on consumers’ trusting beliefs and online purchase intentions.</td>
<td>Effective investments signal the component of trusting beliefs that is most strongly related to online purchase intentions.</td>
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2.3 Information under e-environments

The starting point for analysis of online purchase behaviour is information. The Internet’s vast global network affords buyers and sellers unprecedented reach and access to people, products, services, and information (Coupey, 2001). Sellers, buyers, and consumers can communicate with one another directly. Shoppers compare notes, sellers supply product information, and the latest business and consumer trends can be tracked. This networked communication makes the e-marketplace unlike any other market.

With any online activity, consumers expose themselves to a flood of advertising information which directly or indirectly affects their purchase activities (Li et al., 2002a). In particular, Punj and Brookes (2002) emphasize the importance of “pre-information” in the type of pre-decisional constraints that are activated as a result of recognizing the problem, and significantly influencing the “route” that consumers follow throughout the rest of the online purchase. Unlike the traditional marketplace, online markets are relatively unfamiliar to customers and as such increase their perceived risk and uncertainty, since with e-commerce, consumers cannot employ their full range of senses.

Since there are no common approaches on dimensions of information on the Internet (Li et al., 2002a, 2002b), this study particularly focus on the impacts of customized information. Customized information plays a particularly important role in their decision-making: Gravin’s study (1988) supports the observation that consumers rely on reputation, relevant information, and similar perceptions of quality, particularly when they lack sufficient information about the attributes of goods or services.
2.4 Customized Information

The key element of the information component of the framework is customized information (Simonson, 2005). Customized information provides correct, relevant information for each existing customer (Srinivasan et al., 2002). In particular, customized information enhances customer perceptions of any particular brand or website. Marketing is a battle of perceptions, not of products (Trout, 2001), which only underscores the importance of customized information. To cite a relevant example at this point, the Pampers Parenting Institute’s website offers information about Pampers products and parenting advice in, “Ask the Expert.” The site also features a personalized monthly e-mail newsletter providing registered users with customized information by following their children’s growth and development from the third trimester of pregnancy to age two and a half. The benefits of positive customized information are twofold: consumers’ expectations can be increased, while at the same time they will be encouraged to enter into a relationship with the brand or online retailer.

Most consumers tend to pay attention to messages that relate directly to themselves. More specifically, Meyvis and Janiszewski (2002) reveal that irrelevant information weakens consumers’ trust in the product’s ability to deliver its benefits. Customized information and customer segmentation online offer individual customers optimized information (Wind and Rangaswamy, 2001), reducing their perceived risk of purchasing a specific Web brand (Häubl and Trifts, 2000). Ansari and Mela (2003, p. 131) demonstrate that “customized communications have the potential to reduce information overload and aid customer decisions.” Krishnamurthy (2001) has noted that consumers are far more interested in messages relevant to themselves than regular e-letters for registered members: That is, the customers see more value in relevant promotional messages. This factor is closely related to customization of information
offered to each customer, because if this information appears negative the customer will lose interest in the information or the firm. Such customized information is greatly facilitated by relationships between company and customer (Berry, 1995; Sheth and Parvatiyar, 1994).

From a consumer perspective, Sawhney and Kotler (2001) stressed that in the information-rich regime, marketers have to evolve further towards customer-configured offering, and are not dictated by marketers. The concept of customized information is further supported by Simonson (2005, p. 32) who states that “offers that are customized to individual customers’ preferences may provide superior value if customers have preferences that marketers can uncover and if customers can recognize offers that provide a superior fit to other preferences”.

After reviewing the vast literature on customized information in relation to online marketing (Ansari and Mela, 2003; Deighton, 1997; Simonson, 2005; Srinivasan et al., 2002), this study conceptually defines customized information as “personalized data, which have been organized or given structure to make subsequent purchases.” As discussed in this section, optimal personalized or self-relevance information encourages customers to make purchase recommendations that match their needs, and is more likely to be tailor-made for them. Based on the role of customized information, customers will be likely to trust that the website is customized to their needs. These trends are considered in the process of measurement.

Having defined a key element of the information construct, this study now turns to the second elements in the framework: web interactivity.
2.5 Marketing and Web Interactivity

Hoffman and Novak (1996) indicate that interactivity is the interaction between the site and a user of that site and goes to the core of a computer-mediated communication environment. Researchers argue that web interactivity offers benefits such as facilitated communication, customization of presented information, image manipulation, and entertainment for the customer (Flore, Kim, and Lee, 2005). A key feature of web interactivity is a series of repeated exchanges between parties known to each other: they evolve in response to these interactions and to fluctuations in the contextual environment. This study conceptualizes web interactivity as “the availability and effectiveness of customer support tools on a website, and the degree to which two-way communication with customers is facilitated” (Srinivasan et al., 2002, p. 42).

The term 'web interactivity' from a communicator’s perspective is usually taken to refer to design features of the website, e.g., the inclusion of polls, customization, a contact address, or the provision of a chat room (Coyle and Thorson, 2001). As outlined by Wu (2005a), the potential for web interactivity can be realized by the audience. Two-way communication is almost equivalent to the blended form of interpersonal and computer-mediated interpersonal communication (Rafaeli and Sudweeks, 1997).

Web interactivity allows for a search process to quickly locate a desired product or service (Alba et al., 1997). Websites must provide the search tool for facilitating Web interactivity that will result in building an interaction with customers. This study adapts measurement scales from Wu’s study (2005a) that Web interactivity should measure the dynamic nature of the engagement occurring between an e-retailer and its customers through its website. In order to better understand this, a good example is Amazon, with its build-up of customer information and suggestions for new purchases.

Several researchers have highlighted the significance of interactivity to online
customer loyalty (e.g., Deighton, 1996; Watson, Akselen, and Pitt, 1998). Lack of interactivity is a problem for a majority of websites (Srinivasan et al., 2002). Too often these websites are difficult to navigate, provide insufficient product information, and procrastinate to e-mail inquiries. According to Salvati (1999, p.6), online retailers will not be able to capture significant market share until they “muster the full measure of dedication needed to achieve and capitalize upon electronic interactivity.”

There are many reasons why customized information is expected to affect customers’ further activity. First and foremost, it increases the probability that customers will find something they want to buy. A survey by NetSmart Research (Lidsky, 1999) indicated that when Web surfers navigate sites, 83% of them become frustrated or confused. By personalizing its site, an online retailer can reduce this frustration. Customized information also creates the perception of increased choice by helping customers quickly focus on what they really want (Srinivasan et al., 2002). In addition, it can signal high quality and lead to better matches between customer and a given product or service (Srinivasan et al., 2002). Finally, individuals can complete their transactions more efficiently once the site is customized. If a company can accurately tailor or narrow choices for individual customers, it can also minimize the time they spend browsing through an entire product assortment to find precisely what they want. Customization’s advantages make it appealing, and induce customers to visit the site again in the future. In other words, Web interactivity may be reinforced by customer navigation based on valuable information. The role of web interactivity used here is critical input into that decision process and can be achieved in terms of the online purchase intention model.
2.6 Attitude toward Website

The third conceptual element of the framework is attitudes. In cognitive psychology, attitudes are recognized as one of the main factors that guide human behaviour (Bredahl, 2001). Social science research has been recently proposed for the purpose of elucidating and predicting consumer online behaviour (Simonson et al., 2001). Despite this move forward, Elliot and Fowell (2000) go even further by strongly recommending that further research is urgently required to explore the nature of Internet shopping behaviour and that it should be linked to the theoretical framework of online purchase behaviour. In order to make a linkage with the theoretical framework, more recent evidence suggests that those who use the Web for goal-directed rather than experiential purposes tend to characterize their online experience (Novak et al., 2003). Eagly and Chaiken (1993, p. 191) have demonstrated that “theories of behavior should consider how people conceptualize and then execute the set of actions required to engage in a consequential behavior.”

In order that online consumer behaviour can be more fully understood, the theory of reasoned action (TRA) regards a consumer’s behaviour as determined by the consumer’s behavioral intention, where behavioral intention is a function of ‘attitude toward the behaviour’ and ‘subjective norm’ (Fishbein and Ajzen, 1975; Chang, 1998). As an extension of TRA, the theory of planned behaviour (TPB) adds perceived behavioral control as a direct determinant of behavioral intention (Ajzen, 1985, 1988).

In other words, a key of TPB is perceived behavioral control and it involves the perceived ease or difficulty of performing the behaviour. Despite the importance of perceived behavioral control, however, attitude toward purchase via the online store is a

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3 It would be useful for the following selection criteria to create the final data sets: a study should have at least two of the TPB constructs such as users’ behavior, intention or attitude towards purchasing service on the Internet. As previously noted, this study partially adopts these theories into the proposed framework.
more crucial factor since consumers’ attitude is directly linked to their final actions (Kim and Park, 2005). Attitude-toward-the-behavior is “the belief that consumer behaviour leads to specific outcomes and his/her evaluation of these outcomes” (Hanna and Wozniak, 2001, p. 187).

The Technology Acceptance Model (Davis, 1989) also presented similar findings. The TAM asserts that IT behaviours are based largely on users’ perceptions of a system’s ease of use and usefulness. More specifically, TAM suggests that perceived usefulness and perceived ease of use are beliefs about a new technology that influence an individual’s attitude toward and use of that technology in the context of online consumer behaviour (Porter and Donthus, 2006). According to O’Cass and Fenech (2003) and Kim and Park (2005), perceived ease of Internet use positively influenced attitude toward Web retail and in turn, adoption of Internet shopping. Pavlou (2003) also found that intention to use the Internet for purchasing was determined by the same factor. Further, Heinze and Hu (2006) propose that corporate websites are expected to incorporate more web interactivity features to improve the perceived ease of use and perceived usefulness of the websites in order to achieve higher levels of user acceptance of the websites.

Adapting TAM to an e-commerce context implies that the more useful a website is, the more attitudes about purchasing at the website (Heijden et al., 2001). According to McFarland and Hamilton (2006), the majority of Internet shoppers reported that online shopping was simpler and more entertaining than the traditional marketplace and that they could easily control their actions. Thus the author believes that TAM relates to web interactivity.

Generally, attitude is defined as a psychological tendency that is expressed by

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4 According to the theory of innovation adoption (Rogers, 1995; Yoh et al., 2004), most online individuals will try out the innovation on a partial basis first; then, if they find a certain degree of relative advantage in using it, they will develop intention to actually adopt the innovation.
evaluating a particular entity with some degree of favor or disfavor (Eagly and Chaiken, 1993, p.1). Attitudes are considered as a summary of hypothetical constructs representing overall feelings towards or evaluative judgments about a person, object or issue (Zajonc and Markus, 1982). As previously noted in Chapter One, this study conceptualizes attitude toward website as “overall feelings towards a particular website with some degree of favor.”

Ajzen (1991) has suggested that attitude may have a direct impact on behaviour via the psychological route of increasing the effort that consumers devote to bringing a set of behaviours to a successful conclusion. This study has seen that positive attitude can play a significant and complex role in many kinds of strategic online consumer behaviours and judgments. In line with this observation, this study measures attitudes through the psychological route of ability to make a belief based purchase online. Attitudes as evaluative tendencies manifest themselves in three general classes of indicators: cognitive, affective, and behavioral (Eagly and Chaiken, 1993). In doing so, this study uses five items to measure attitudes (Simon and Peppas, 2005): cognitive (2 items); affective (1 item); behavioral (2 items) from good/bad, comfortable, and revisit as an enduring set of beliefs and relationship items respectively. In particular, two items from revisit and relationship were closely related to behavioral indicators since a behaviour must relate to the dimension of favorability toward the attitude object (Eagly and Chaiken, 1993; Teo, 2002; Teo et al., 2003).

The degree to which interactivity is fulfilled depends largely on the perceiver (Williams, Rice, and Rogers, 1988). The customers’ perceptions of Web interactivity are critical towards their decision process (Wu, 2005). Lim and Dubinsky (2004) reveal that attitudes toward online shopping are a function of the consumer’s beliefs about Web interactivity. Similarly, Fiore, Jin, and Kim (2005) show that adding an interactivity
feature to an apparel website enhances approach responses toward a particular website. Further evidence indicates that Web interactivity level is a potential variable influencing Web user’s evaluation of and attitude toward websites (Teo et al., 2003). Generally, attitudes are learned or acquired rather than inborn; they are formed as a result of personal experience, reasoning or information, the communicated experience of others (Lutz, 1991). Prior research has suggested that the interactivity level based on users’ experience would be critical in converting site visitors from interested contacts into interactive customers (Berthon et al., 1996; Teo et al., 2003). Research also suggests that interactivity level may influence user’s evaluation of and attitude towards websites (Teo et al., 2003). Based on this reasoning, the author expects that the decision process through Web interactivity will be closely related to attitudes since attitudes toward direct future action could be motivated by customers’ interactivity.

Figure 2.1 shows the developmental process of the online purchase intention model. The model is partially supported by the acceptance-yielding-impact model of persuasion (Fishbein and Ajzen, 1981) in the specific e-commerce context. More specifically, Eagly and Chaiken (1993, p. 239) point out that “a message can exert direct effects by producing acceptance of and yielding to the arguments it contains, but it can also exert indirect effects by its impact on primary beliefs that are not explicitly mentioned in the message.”

Figure 2.1 Model Development Process: One
The business view of web interactivity is a more transactional conceptualization, emphasizing the behavioral nature of interaction between consumer and web system (Sundar and Kim, 2005). Under this view, web interactivity is realized when information has a significant impact on perceptions. The transactional approach stresses the role of web interactivity as one of predicting online shopping behaviour. In particular, consumers’ perceptions of web interactivity are critical input into that decision process (Wu, 2005, 2005a). Wu argues that such perceptions of web interactivity will potentially influence the effects of actual behaviour on online shopping behaviour. Furthermore, the role of web interactivity has been reported by retailers to attract consumers, increase sales, and decrease returns (Waxer, 2001). Fifty-seven percent of participants in Li et al.’s (2001) qualitative study reported purchase intention decisions after examining products using web interactivity technology.

As previously outlined, attitudes (tendencies to evaluate an entity with some degree of favour) are ordinarily expressed in cognitive, affective, and behavioral responses. This perspective leads one to expect that people’s attitudes are positively correlated with the evaluative implications of their overt behaviors (Eagly and Chaiken, 1993). To take an example, consumers who hold positive attitudes should engage in behaviours that approach, or enhance the attitude object. In the context of online business, generating a positive attitude depends on the impacts of information (Sundar and Kim, 2005) and the high levels of web interactivity (Wu, 2005). Accordingly, these elements are also considered as antecedents of attitudes.
2.7 Customer Satisfaction

The fourth conceptual element of the framework is satisfaction. Extant research conceptualizes customer satisfaction as a cumulative construct that is affected both by service expectations and performance perceptions in the current time period, as well as in prior time periods (Johnson, Anderson and Fornell, 1995). Satisfaction plays a particularly important role in competitive environments such as e-commerce because of its impact on customer loyalty (Auh and Johnson, 1998; Shankar, Smith and Rangaswamy, 2003; Söderlund, 1998; Zeithaml, Berry and Parasuraman, 1996). Thus, it is not surprising that many practical and theoretical models of customer retention have considered satisfaction as a key determinant in customer decisions to continue/discontinue their relationship with a given product or service (Bolton 1998; Ha and Janda, 2008; Lemon, White and Winer, 2002; Rust and Zahorik, 1993). The shakeout in the E-commerce environment has seen a variety of established companies participating in the Web business environment. Considering such trends, it is particularly imperative for online marketers to understand and monitor customer satisfaction and response (Mittal, Katrichis and Kumar, 2001; Sultan and Henrichs, 2000).

Although the marketing literature recognizes the importance of satisfaction, there is no general agreement on how the concept should be defined (Rogers, Peyton and Berl, 1992). This viewpoint is also supported that satisfaction may not mean the same thing to everyone (Oliver, 1980, 1997). This study utilizes a recent perspective to define e-satisfaction as “the perceived degree of contentment with regard to a customer’s prior purchase experience with a given electronic commerce firm” (Anderson and Srinivasan, 2003). Its measure includes dimensions such as expectation,
feeling of satisfaction, and good decision.

Information is widely considered to influence customer satisfaction (Srinivasan et al., 2002). DeLone and McLean (1992) propose that information is an antecedent of the end-user satisfaction. Intuitively, information such as customized information should be directly linked to visitors’ knowledge, and be related to their informational satisfaction. Griffith (2005, p. 1392) demonstrates that “as a consumer is more engaged with online retailer’s information, resulting from the website structure, he/she is more likely to acquire information needed to form purchase intention as well potentially developing a more favorable attitude toward to the retailer”. Rodgers et al. (2005) empirically show that perceived information is positively related to online satisfaction. In line with this observation, Figure 2.2 shows the developmental process of the online purchase intention model through customer satisfaction.

![Figure 2.2 Model Development Process: Two](image)

Direct experiences enhance customers’ opportunities and abilities to process product or service-related information (Mooy and Robben, 2002). Creating a customer experience that becomes synonymous with a particular website is recognized as vital for web interactivity performance. In particular, the frequency of revisits to a particular website is closely related to visitors’ beliefs, regardless of their original purchase intention or other reasons for visiting the site.

Consumer satisfaction with a particular website is a desirable end state of patronization (Oliver, 1997) because satisfied consumers are more likely to revisit. Fiore
and Jin (2003) show that adding a web interactivity feature to an appeal website enhances approach responses toward an online store. The novelty of interactivity may result in emotional state because customers feel confident that they could find the information they need. Further, web interactivity is claimed to play an important role in customer satisfaction with their online experiences (Teo et al., 2003). Based on this reasoning, the author expects that online customers’ revisiting (e.g., the impacts of customized information or comparison with alternatives) might be closely linked to interactivity performance, and thus, their web interactivity should be related to satisfaction.

Dick and Basu (1994) introduce the notion of relative attitude as a mean to provide better theoretical framework to the behavioral construct. They argue that satisfaction is viewed as an antecedent of relative attitude because customer will not hold a favorable attitude toward a brand, without satisfaction. Their argument is evidenced by Sivadas and Baker-Prewitt (2000) who demonstrate that customer satisfaction plays a significant role in fostering a favorable attitude. In particular, a customer’s attitude towards an online service depends on his/her prior experience, mediated by his/her satisfaction with current service (Janda and Ybarra, 2005).

In terms of online shopping behaviour, Yoh and colleagues (2003) have revealed the relationship between beliefs and attitudes. According to Yoh et al. (2003), customers who had positive beliefs about their satisfied experience had more positive attitudes toward Internet apparel shopping. Based on their findings, it is argued that satisfied customers who had positive attitudes toward Internet shopping had greater intention to purchase travel services through the same websites.

In a repurchasing context, if an attitude is “an enduring set of beliefs about an object that predispose people to behave in particular way toward the object” (Weigel,
it can be argued that satisfied online buyers may be likely to engage in further activities. The specific conjecture that is widely believed in the psychology literature is that strongly held judgments are more likely to translate into subsequent behaviour (Gross, Holz, and Miller, 1995). Further evidence is supported by Jeong, Oh, and Gregoire (2001) and Kim, Ma, and Kim (2006) who have investigated that increasing customers’ satisfaction with website information through high quality product provisions has a significant positive influence on customers’ intention to make a reservation online or buy products or services.

2.8 Trust

The fifth conceptual element of the framework is trust. Researchers in different disciplines agree on the importance of trust in the conduct of human affairs, but there also appears to be equally widespread lack of agreement on a suitable definition of the concept (Hosmer, 1995; Husted, 1998; Grabner-Kräuter and Kaluscha, 2003). Social psychologists define trust as an expectation about the behaviour of others in transactions, focusing on the contextual factors that serve either to enhance or inhibit the development and maintenance of trust (Lewicki and Bunker, 1995). Within the compact e-commerce domain of research, trust has been defined as a willingness to believe, or an individual’s beliefs, regarding various attributes of the other party (McKnight and Chervany, 2002). Since conceptualization of trust may vary subtly in its focus or anchor, this study conceptualizes online trust as “the belief that the behaviour of an online vendor is dependable” (Chau et al., 2007).

In an online environment, the development and maintenance of consumer trust appears critically important, especially in the face of highly unpredictable markets with reduced product differentiation (Fournier and Yao, 1997). Issues surrounding website...
trustworthy, associated with the major dimensions of e-brands (or websites), have made the online audience skeptical of e-commerce or marketing websites, particularly unknown ones. To meet this challenge, the author points out that websites must add other dimensions such as honesty and competence when building online trust. The viewpoint is supported by Flavián, Guinalíu and Gurrea (2006) who demonstrate that honesty with a company or brand produces feelings of higher trust. Furthermore, Lee and Turban (2001) have shown that a high level of website commitment means that online companies are maintaining long-term relationships with their customers for the purpose of achieving website trust. Hence, a customer-web retailer relationship, on the basis of brand experience, may have a positive affect on the level of trust.

A good deal of trust research has recently been initiated, with the potential to produce significant understanding of various Internet phenomena (McKnight and Chervany, 2001). Wang and Emurian (2005) provide valuable insights on online trust. They address that consumer trust in online merchants generates two specific forms of action from the consumer (p. 112): “(1) making a purchase online from the merchant, including providing credit card and personal information in the transaction, and (2) window-shopping at the merchant’s web site.” Based on this reasoning, it can be argued that consumers must be confident that they have more to gain than to lose. It is directly linked to the main dimensions of trust measurement.

Researchers show that online trust plays a crucial role in forming satisfaction (Harris and Goode, 2004), whereas customer satisfaction is closely related to trust (Anderson and Srinivasan, 2003; Flavián et al., 2006). Trust is closely related to satisfaction with a series of service encounters, which implies that satisfaction affects trust (Leisen and Hyman, 2004). As a consequence, “the degree of trust is a consequence of the capacity of a business to satisfy the needs of its clients” (Flavián et
In e-commerce, the dissatisfaction of customers leads to negative word of mouth regarding the inability of the service provider to meet customer needs (Harrison-Walker, 2001). On the contrary, customer satisfaction is associated with positive information experience and it increases trust (Flavián et al., 2006; Leisen and Hyman, 2004; Wulf, Schillewaert, Muyle, and Rangarajan, 2006). Although satisfaction and trust may be considered as an affective variable, both are conceptually distinct concepts (Geyskens et al., 1999). Satisfaction antecedes trust (Zboja and Voorhees, 2006); “satisfaction develops in the initial stage of marketing relationship and trust develops in the intermediate stages” (Leisen and Hyman, 2004, p. 993). The degree of trust is a consequence of the capacity of a business to satisfy the needs of its customers (Flavián et al., 2006). Further, researchers report that satisfaction nurtures trust because it increases customers’ confidence, that they will be treated fairly and that the seller cares about their service (Ganesan, 1994; Ha and Perks, 2005; Harris and Goode, 2004). Such findings indicate that when customers experience high satisfaction, they decide to stay with the existing service provider and overrule their negative behavioral intentions.

Customer feelings regarding e-services must not be underestimated, inasmuch as they have implications for attitude and repeat purchase. This research expects that individuals vary in the degree to which they seek trustworthy and furthermore, that this individuality is relevant to buyers’ behaviour. The rationale for this stems from the following point: it has been established that individuals’ experience of trust online may differ in expressiveness, orientation, and intensity (e.g., Hirschman and Stern, 1999; Lee and Turban, 2001; Raman, Chattopadhyay, and Hoyer, 1995). Based on these differences, research has speculated that they may also differ in their need to seek out emotional stimuli (Harris and Moore, 1990; Larsen and Diener, 1987). However, the
difference may depend on satisfaction because generating e-trust needs satisfaction through web interactivity. In line with this theory, it can be argued that online trust will be heavily mediated by satisfaction. The thesis focuses on the mediating role of satisfaction when the author proposes alternative models (see Ch. 4 and Ch. 6).

2.9 Links between trust, attitudes and purchase intentions

The final conceptual element of the framework is purchase intention. In this study, purchase intention is finally defined as “a consumer’s willingness to buy products or services in a particular website.”

Purchase intention may be influenced by a consumer’s propensity to trust, which refers to his/her general willingness to trust websites (Gill, Boies, Finegan, and McNally, 2005; Yoh et al., 2003; Yoon, 2002). Corbitt et al. (2003) show that trust is considered as an important factor in e-commerce participation. Schlosser, White, and Lloyd (2006) have investigated the impact of website design investments on consumers’ trusting beliefs and online purchase intentions. According to the study, such investments signal the component of trusting beliefs that is most strongly related to online purchase intentions.

In the context of e-commerce, trust takes on a more critical role in online shopping, because online consumers have to deal with websites, not human beings (Mahmood, Bagchi, and Ford, 2004). To that effect, the author expects that trust may strongly influence future consumer purchase behaviour and as such may be considered as a confident action. Such a trust is an important determinant of human impression and behavior on the Internet. In particular, Babin and Babin (2001) suggest that confident experience plays a primary role in creating purchase intentions. Recent online marketing literature has accumulated abundant support for the positive effect of trust on
consumers’ behaviors and intentions (e.g., Li et al., 2006). Trust related to positive attitude, therefore, is likely to increase consumers’ actions, leading to increased purchase intentions. Based on this reasoning, Figure 2.3 also shows the developmental process of the online purchase intention model.

![Diagram of online purchase intention model]

**Figure 2.3 Model Development Process: Three**

### 2.10 Conclusion

Despite an increase in online industry, there are a number of unresolved issues. As outlined in this chapter, understanding online purchase behaviour is necessary to improve company’s profitability. To bridge the gap between consumer’s purchase motives and company’s strategies, this chapter provided a conceptual process of e-consumer purchase behaviour. This chapter particularly focused on online purchase intentions that are primarily determined by five variables: customized information; web interactivity; satisfaction; trust; and attitude toward website. One goal of this chapter was to show how relationships among these variables could be useful in understanding consumer responses to purchase intent. For example, hierarchical models based on alternative mechanisms (see chapter 6) are introduced. Finally, in the following chapter, the importance of understanding methodological approach used in the thesis is stressed, and its role in model assessments is explained.
Chapter 3

Research Methodology

3.1 Introduction

This chapter attempts to provide a full description of the item scales (e.g., customized information, web interactivity, satisfaction, trust, and attitude toward website) for measuring the models, and some of the evidence available regarding the reliability and validity of each scale item. The detailed development of the latter is essential in order to avoid flawed research findings.

The data was collected from Korea and the UK. While traditional forms of media in the world have experienced little or no growth over the last 5 years, Internet has experienced 87% growth from 2000-2005 (Honeywill and Byth, 2006). According to their report, online consumers are watching less TV, listening to less radio, and spending less time reading newspapers and magazines, since logging onto the net. In terms of research data, Honeywill and Byth (2006) report that more and more consumers are turning to the web as their preferred source of media information when planning and booking a holiday (e.g., Wotif.com, Experid.com, Travelocity.com, Lastminute.com, Hanatourist.co.kr and etc).

The focus on the travel industry reflects their status as one of the world’s leading growth area in online commerce (Austin, Ibeh, and Yee, 2006). These trends and as such were deemed more appropriate to form a design base for business strategy, as well as the research data.
3.2 Research Philosophy

The underlying research philosophy of this study is the concentration on niche fields and the investigation of such; it can be defined as a new pioneer capable of providing a significant theoretical framework in the e-niche environment. The author would like to emphasize that this study does not present a definitive solution or system on the phenomenon, but it does signal a way to overcome the phenomenon and open up a pathway in exploring developing online shopping trends by grasping the true nature of theoretical and methodological rigor with the managerial relevance that motivates the marketing theory.

In this study, to avoid confusion, a label other than positivism will be used to represent the philosophies against which humanists compare themselves. Generally, these non-humanist positions advocate the use of either experimental or statistical controls (Anderson, 1986). More specifically, the term scientific realism (Hunt, 2003) is adopted here. One major benefit of scientific realism addressed by Siegel (1997) is that when contrasted with many other philosophies (e.g., relativism and positivism), it produces an intelligible, coherent discourse about science. Also, scientific realism is a critical discipline, contending that science’s job is to use its methods to improve the perceptual (e.g., measurement) processes, separate illusions from reality, thereby generating the most accurate possible descriptions and understanding of the world (Dickson, 1995; Heath, 1992; Hunt, 2003). In line with this philosophy, the thesis’s practice of developing multiple measures of constructs and testing them in multiple contexts stems from this critical orientation (e.g., Cook and Campbell, 1986).

Most marketing research programs (for example cognitive theories in consumer behaviour: power and conflict theories in channels of distribution, and relationship marketing theories in strategy) are at least consistent with scientific realism (Hudson
and Ozanne, 1988; Ozanne and Hudson, 1989; Van Mannen, 1993). The research paradigm is closely aligned with their basic philosophy, which seeks new marketing issues on the Web.

With respect to collecting data, this research uses purposive sampling. To underline the data sampling’s theoretical background, conservative humanists have advocated the use of purposive sampling (Gaeth and Heath, 1987; Heath, 1992). To understand online consumer behaviour in the context of e-travel purchases, the current study is first required to collect appropriate data, and then use at least the data of current e-traveling consumers from two countries, Korea and UK. In the next section, more details are discussed.

Finally, to test the hypotheses and alternative models, this study applies both humanism and naturalism advocated by Hunt’s (1983, 2000). Through both philosophical and theoretical perspectives, particularly, this study adopts Hunt’s (1983, 2000, 2003) scientific realist method of empirical testing. The data and measures resulted from perceptions formed by the measurement theories.

### 3.3 International Significance

There are various definitions of culture from distinct taxonomies but not accepted agreed definition in the literature (Doney, Cannon and Mullen, 1998; Soars, Farhangmehr and Shoham, 2007). Culture has different meaning according to various writers: cultural inter-/national shared values and beliefs and ethnicity framework (Hofstede, 1980); cultural variation (Schwartz, 1999); and national culture as specific character of society (Doney, Cannon and Mullen, 1998). It can be argued that culture presents multifaceted dimensions. These dimensions affect various dimensions of consumer behaviour. Mattila (1999) reveals that culture influences motivation to
purchase in the context of cross-sectional study across nations. Liu, Marchewka and Ku (2004, p.34) point out that “more research is needed to understand more fully the effects of culture dimensions in a global marketplace.” The literature echoes the increasing growth and development of information and communication technologies which have resulted in a new culture: media culture (Ishii and Wu, 2006). The media culture can be regarded as the internet usage elements which are under researched.

Since there are differences between individualist and collectivist societies, a further consideration of the current study is an investigation of the extent to which the empirical results are robust and generalizable across Asian-Western European borders, particularly in Korea and UK. Social scientists assume that Western culture focuses on individualism that is more salient and reasonable when Western people shop (e.g., Hofstede’s individualism/collectivism dimension, 1991).

This thesis conducted a cross-cultural study from South Korea and the UK because they represent nearly opposite positions on four important cultural dimensions proposed by Hofstede (1980). According to Hofstede’s cultural dimensions (2003), both Korea and UK are significantly different from four cultural dimensions: Power Distance Index (Korea 60 vs. UK 38); Individualism Index (Korea 18 vs. UK 83); Masculinity (Korea 39 vs. UK 61); and Uncertainty Avoidance (Korea 85 vs. UK 39). The literature has shown that culture affects a consumer’s decision making process, particularly in the context of online information process (Fong & Burton, 2007). Collectivist societies have been shown to display differences from individualist societies in information seeking behavior. For example, Korean online consumers were more likely than Western people to search for, and depend on, service information quality (Park and Kim, 2003), while Western people did less directed search and depended more on their internal knowledge and personal experience with products or services (Doran, 2002). These differences
indicate that there are significant differences between Korean and UK consumers when researchers develop an overall repurchasing model in a Korean-UK context.

One meaningful way to frame a study is in terms of the international impacts of culture, which allow researchers to understand cultural differences on online consumer purchasing behavior in a Korean-UK context. Although most researchers have focused on differences between individualist and collectivist societies, the author feels that this thesis provides an appropriate venue for addressing the central issue of cultural differences on online consumer behavior because there is a lack of systematic research between the two societies (e.g., Davis et al., 2008) and no agreement about culture’s influence on Internet shopping behavior (Cole and O’Keefe, 2000; Johnston and Johal, 1999). For example, Johnstone and Johal (1999) propose that the Internet is beyond cultural influence and, therefore, not identifiable with cultural classification schemes. Thus, this cross-cultural comparison that the possible impact of culture investigates is especially important as online shopping is a major shopping pattern in an Asian-Western context.

3.4 Item Scales for Measuring the Model

In order to put the hypotheses and competing models, this research has adapted scale items from published studies. In particular, in using, evaluating, and developing multi-item scales, a number of guidelines and procedures are recommended to ensure that the measure is as psychometrically sound as possible (Bearden and Netemeyer, 1999; Churchill, 1979; Clark and Watson, 1995; Nunnally and Bernstein, 1994; Peter, 1979). Consistent with Bearden and Netemeyer (1999), thus, this thesis urges consultation with

---

6 Bergkvist and Rossiter (2007, p.175) point out that the use of multiple-item measures is encouraged by the growing popularity of structural equation modeling (e.g., LISREL and AMOS), a class of statistic techniques for which multiple-item measures are the norm what type of construct is being measured.
the relevant literature when considering measurement development or evaluation.

All measures represent a combination and synthesis of past formulation as follows: *customized information* adopted from Srinivasan et al. (2002); *Web interactivity* adopted from Wu (2005); *trust* adopted from Flavián et al. (2006); *purchase intention* adopted from Taylor and Hunter (2002); *positive attitude* adopted from Simon and Peppas (2005); and *satisfaction* adopted from Anderson and Srinivasan (2003). Scale items are all scored on a five-point basis. Finally, the general criteria for inclusion are as follows (Bearden and Netemeyer, 1999, p.1):

- The measure has a reasonable theoretical base and/or conceptual definition;
- The measure is composed of several (i.e., at least three) items or questions; and
- Estimates of reliability and/or validity exist\(^7\) (see Table 3.1).

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Korea</td>
</tr>
<tr>
<td>Customized Information</td>
<td>.78</td>
</tr>
<tr>
<td>Web Interactivity</td>
<td>.74</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>.87</td>
</tr>
<tr>
<td>Trust</td>
<td>.86</td>
</tr>
<tr>
<td>Attitude toward website</td>
<td>.82</td>
</tr>
<tr>
<td>(re)Purchase Intent</td>
<td>.79</td>
</tr>
</tbody>
</table>

**Table 3.1** Estimates of Reliability

As the widely-accepted social science cut-off is that alpha should be .70 or higher for a set of items to be considered a scale, the cut-off value for all constructs used in this study is acceptable.

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\(^7\) In terms of validity of measurement, more details are discussed in Ch. 4 to 6.
3.4.1 Customized Information

As outlined by Ansari and Mela (2003), the use of customized information on the Internet renders a reduction in information overload and aids customers in their decision making: the highly relevant products or services resulting from customization can then form the cornerstone of enduring customer relationships. Indeed, customized design (serving different variants of content to different users at different points in time) represents one key feature that differentiates the web from more “traditional” media (Ansari and Mela, 2003; Ha, 2002; Simonson, 2005). With respect to measuring scales, customized information should be tied closely to customer relevance, since most customers have been seen to display an interest in reading relevant information regarding their own lifestyle or business (Ha, 2002). Thus, the information must consist of a set of information based on customer value. Accordingly, this study adapted three full items from Sirinivasan et al. (2002) because they applied the construct from a customer-based perspective. The items used are consistent with the concept addressed above: “The website makes purchase recommendations that match my needs,” “The website lets me order products or services tailor-made for me,” and “I believe this website is customized to my needs.”

3.4.2 Web Interactivity

As previously discussed in Chapter 2, web interactivity is defined as the availability and effectiveness of customer support tools on a website and the degree to which two-way communication with customers is facilitated, as such it is understood to have a major impact on customer loyalty, for a variety of reasons. According to Alba et al. (1997), interactivity allows a search process to quickly locate a desired product or service, thereby replacing the customer’s dependence on detailed memory. By doing so, an e-
tailor may be able to increase the perceived value that customers place on the e-business transaction. Furthermore, interactivity dramatically increases the amount of information that can be presented to a customer (Deighton, 1996; Watson et al., 1998). Finally, the navigational process facilitated by interactivity dramatically increases the freedom of choice and the level of control that the customer experiences (Hoffman and Novak, 1996).

In terms of quantitative information, a more accepted approach is that of Bierman and Bonini (1991) who suggest that the quantitative scales can deal effectively with the measurable aspects of the decision problem: this argument is directly related to the measurement of web interactivity. Researchers must find an appropriate balance between the quantitative and qualitative factors. Keller and Staelin (1987) have gone some distance to address this need with the theoretical construct, and quality of information, which refers to the usefulness of the available attribute information in aiding a decision maker to evaluate his/her true utility associated with an alternative. They also pointed out that one measure of this construct might be the cumulative importance of the attribute information, i.e., the total relevance of the information available. In this research, qualitative information controlled by websites dealt with the measures of customized information.

After a full consideration of these characteristics of interactivity on the Web, this study selected five original items in order to measure the construct adapted from Wu (2005a), because these items dealt with the Internet’s interactive attributes. In particular, Wu focused on a special mechanism between websites and customers. Although the exact procedures used to develop the initial set of items were not described in Wu (2005a), in this study a number of separate analyses were conducted to evaluate the items (see, Ch. 5 and 6).
3.4.3 Satisfaction

Satisfaction has been conceptualized as either distinctive categories of emotional experience and expression (such as joy, anger, and fear) or as a limited number of structural dimensions underlying emotional categories (pleasantness/unpleasantness, satisfaction/dissatisfaction, relaxation/action, or calmness/excitement). Within the categorical approach (Izard, 1977; Plutchik, 1980), as well as in the dimensional analyses of the tradition of satisfaction (Oliver, 1980), several schemes or frameworks have been proposed for customer satisfaction. Most frequently, traditional measures developed by satisfaction theories are used (Oliver, 1980, 1997).

Although a number of items have been developed to measure satisfaction, this study was not able to use all scales in the study. Since many items of them have very similar meanings, this research adopted those commonly used from Anderson and Srinivasan (2003). They collected and refined the many existing satisfaction scales in the context of online industry. Their concept is closely related to the nature of the research.

3.4.4 Trust

There are two basic approaches to measuring online trust. First is honesty. “Honesty is the belief that another person will keep his/her word, fulfil promises and be sincere” (Flavián et al., 2006, p. 3). Second is competence. Competence is directly linked to an analysis of online consumer behaviour (Pavlou, 2003). Little competence can adversely affect the process (Flavián et al., 2006). As previously outlined by Flavián and colleagues (2006), trust in this study is considered as a construct made up of two dimensions: honesty and competence.

Based on these basic suggestions, this study used a multidimensional measure
of online trust developed in Flavián et al. (2006), because the scales deal with important attributes of trust towards online purchasing. Thus, trust was measured in terms of perceived website honesty (including beliefs), and competence.

3.4.5 Attitude toward Website

Ajzen (1991) has suggested that attitude may have a direct impact on behaviour via the psychological route of increasing the effect that consumers devote to bringing a set of behaviours to a successful conclusion. In line with this observation, the study measured attitudes with the psychological route of ability to make a purchase online and online revisit with motivational beliefs. This study used five items to measure positive attitude (Simon and Peppas, 2005): cognitive (2 items); affective (1 item); behavioral (2 items) from good/bad, comfortable, and revisit as an enduring set of beliefs and relationship items respectively.

3.5 Classification and Assessment for Error

In measurement, Churchill (1999, p. 452) points out that “the ideal is to generate a score reflecting true differences in the characteristic one is attempting to measure, and nothing else.” In generating a score, it is essential to systematically sample all content area of the construct. In doing so, areas that have potential for error can be monitored.

To better gain successful measurement, this study should tap the composite reliability of the construct and exhibit convergent validity. Similarly, Churchill (1999, p. 453) points out that “the relationship between measured score and true score is never established unequivocally but is always inferred.” As outlined by Churchill (1999), the bases for the inference are: (1) direct assessment employing validity; and (2) indirect assessment via reliability.
The study based the author’s decision to examine the internal consistency and convergent validity after taking the above considerations into account. Internal consistency was examined using composite reliability. A more stringent test of internal stability involves assessing the amount variance captured by a construct’s measure in relation to the amount of variance due to measure error (Churchill, 1979). Accordingly, an advocated rule of thumb is that the variance extracted by the construct’s measure is greater than .05 (Fornell and Larcker, 1981). By using a combination of the criteria above, the study checked scales in an efficient manner without sacrificing internal consistency.

3.6 Study Design and Final Data Collection

The current study recognizes that each construct requires further empirical analysis to provide extra validity for the proposed theoretical framework in the context of online consumer purchasing. In order to investigate these hypotheses and alternative models, the study selected the e-travel industry. Having rapidly increased in popularity over a markedly short period of time, most university students and individuals have had the opportunity and experience of purchasing from such websites, so respondents with the appropriate background to be surveyed were not difficult to find (Ha, 2004). In addition, both sellers and e-buyers are given specific feedback ratings (Ha, 2005), which must relate to specific titles and be designated as positive, neutral, or negative. Furthermore, e-travel agency sites are relevant to test for brand trust, being broadly used by many users and because agencies on the Web are competing globally for loyal customers.

To collect the final data, a self-completed survey was developed based upon literature since the substantive issues under investigation focused on online behaviour. When the author developed the questionnaire, the multiple-item method was also used.
3.6.1 Issue of Questionnaire Translation

The original questionnaire was first written in English. Then, the accuracy of the questionnaire was assessed with the aid of a Korean marketing professor who is also well versed in both languages. Using a back-translation technique, the questionnaire was translated into the Korean version. These scholars resolved translation discrepancies in a face-to-face meeting with university students who participated in several courses (e.g., business, social science, and engineering science). Overall, there was an acceptable good fit between the back-translated versions and the original version, indicating that the Korean version had a high level of translation quality (Douglas and Craig, 1983).

3.6.2 Criteria for Defining the Sample

It might be expected that student buying behaviour would vary by country, but a previous research studying Australian, English, and American students showed that “only a relatively small number of attitudes and opinions regarding e-commerce result in differences between purchasers and non-purchasers (Teach and Schwartz, 2003, p. 134).” Based on this evidence, the main criteria for selecting participants for the sample in this study was a minimum of six months experiences shopping on the Internet with at least one travel-related purchase within that period. Respondents who share similar experiences in the same business category were considered appropriate to answer the questionnaire matching the research aims.

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8 One inherent difficulty in conducting cross-cultural research is to show evidence of measurement equivalence. The author discusses more details in Chapter 6.
9 Professor Sang-Kyu Park who of Kangwon National University in Korea gave a great assistance for this research.


3.6.3 Issue of using University Student Data

The data were collected in the Korea and the UK, two countries that differ on cultural dimension, with former being more individualistic than the latter. To reduce this gap, student samples were used in the study because they were actual users and/or consumers of at least online service categories, particularly in the travel services. As outlined by Wang and Waller (2006, p. 674), “the decision of use university students as a subject population was motivated by considerations of ease of recruitment and administration, as well as the desire to maximize the equivalence of the sample across the cultures.” Although there may be different social cultures, students are relatively homogeneous in terms of such socioeconomic and demographic characteristics as age, income, education, and social status (Peterson, 2001; Wang and Waller, 2006). Given that the main objective of the study was to examine the nature of different online consumer purchasing behaviours within a theoretical framework, homogeneous samples were desirable (Calder, Phillips and Tybout, 1981). Further, the younger generation like university students has a strong tendency to engage in such online activities.

3.6.4 Confidentiality, Privacy and Anonymity

Information sheets shown to participants in questionnaire survey highlighted the respect to respondents’ autonomy to join or withdraw from the study and their privacy. Anonymity and confidentiality of data collected were also emphasized in this document and verbally during the survey. Information obtained through survey was only used and analyzed as aggregate data for academic research purpose only. Non-essential and personal data were not collected.

The third party\textsuperscript{10} fully understood the current ethics issue and any response

\textsuperscript{10} Professor Sang-Kyu Park, Kangwon National University, South Korea; Dr. Raphaël K. Akamavi, University of Hull, UK
from individuals was confidentially managed. Further, there were no benefits for the third party academics. When the academics assisting with the administration of the questionnaires at their respective universities completed their collection and collation, they immediately forwarded the package out to the main investigator. As such, the two academics would not at all have any knowledge of the contents of the questionnaire or details of the participants. This would ensure that the confidentiality of the survey was adhered to.

3.6.5 Survey Administration

Self-completed surveys from the Korea and UK were developed. Participants were recruited via verbal invitation controlled by researchers at three large universities. They were from a variety of courses (e.g., social science, business, and science) and volunteered in the study. Participants were asked to complete a retrospective “Online Travel Shopping” on the basis of their most recent shopping experiences. Participants were urged to take few minutes to think about the travel website before completing the survey.

As it was a convenience sampling, subjects were selected in class (e.g., social science, business, and science). Questionnaire was distributed to a total of 568 subjects by two researchers in Korea (n=348) and the UK (n=220). It took four weeks during May and June of 2007 for data collection. The study obtained responses from 539 respondents (334 in Korea and 205 in the UK). Due to missing information, a total of 448 usable questionnaires were obtained (284 in the Korean sample and 164 in the UK sample). The groups exhibited similar profiles.
3.6.6 Non-Response Bias

One important factor that can affect the reliability of survey results is non-response bias, which is introduced into the data when a person selected for a survey either cannot be contacted or refuses to participate (Churchill, 1999; Thompson, 2004). Unlike sampling error (which can be calculated), Grossnickle and Raskin (2001, p.108) point out that “non-response bias typically has an unknown effect on data reliability, because one cannot tell whether the reason behind the non-response is random or systematic in nature.”

3.6.7 Checks for Respondent Bias

The examined non-response bias between the two periods (early response vs. late response) using the method proposed by Armstrong and Overton (1977). One viable check for non-response bias is to split the sample into early ($n= 212$ for the Korean sample and $n= 89$ for the UK sample) and late respondents ($n=72$ for the Korean sample and $n= 75$ for the UK sample). When this study collected research data from two countries, the time difference between early and late respondents to research survey was three weeks. No significant differences among the two samples were found on any of the study variables.

To test for response bias, more specifically, this study compared the first set of respondents ($n = 212$ for Korea and 89 for UK) with those who responded later ($n = 72$ for Korea and $n = 75$ for UK). As shown in Table 3.2, the research team then compared the Korean sample of 72 respondents with the first and second samples, making these comparisons on the basis of demographics and the purchase intention and satisfaction scales that were used in the study. Both comparisons showed that the members’ demographic profiles were similar, and that on the purchase intention and satisfaction
scales, ratings were statistically the same. Thus, the results can be reasonably assured that the data set used in this study is not biased.

<table>
<thead>
<tr>
<th>Demographic Profiles</th>
<th>Early Responders (n = 212)</th>
<th>Later Responders (n = 72)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>133 (62.7%)</td>
<td>46 (63.8%)</td>
</tr>
<tr>
<td>Female</td>
<td>79 (37.3%)</td>
<td>26 (46.2%)</td>
</tr>
<tr>
<td><strong>Age:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-20</td>
<td>77 (36.3%)</td>
<td>28 (38.8%)</td>
</tr>
<tr>
<td>21-23</td>
<td>133 (62.6%)</td>
<td>43 (59.7%)</td>
</tr>
<tr>
<td>23-25</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>over 26</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

| Purchase Intention   |                             |                          |
| Mean                 | 2.56                        | 2.64                     |
| Standard Deviation   | .865                        | .848                     |

| Satisfaction         |                             |                          |
| Mean                 | 2.57                        | 2.68                     |
| Standard Deviation   | .849                        | .857                     |

**Table 3.2** Checks for respondent bias: Korea

As shown in Table 3.3, the author then compared the UK sample of 75 respondents with the first and second samples, making these comparisons on the basis of demographics and the purchase intention and satisfaction scales that were used in the study. Both comparisons showed that the members’ demographic profiles were similar, and that on the purchase intention and satisfaction scales, ratings were statistically the same. Thus, the findings can be reasonably assured that the data set used in this study is not biased.
Early Responders
\( (n = 89) \)  
Later Responders  
\( (n = 75) \)

**Demographic Profiles**

<table>
<thead>
<tr>
<th></th>
<th>Early Responders</th>
<th>Later Responders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex:</strong></td>
<td>Male</td>
<td>51 (57.3%)</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>38 (42.7%)</td>
</tr>
<tr>
<td><strong>Age:</strong></td>
<td>18-20</td>
<td>34 (38.2%)</td>
</tr>
<tr>
<td></td>
<td>21-23</td>
<td>37 (41.6%)</td>
</tr>
<tr>
<td></td>
<td>23-25</td>
<td>13 (14.6%)</td>
</tr>
<tr>
<td></td>
<td>over 26</td>
<td>5 (5.6%)</td>
</tr>
</tbody>
</table>

**Purchase Intention**

<table>
<thead>
<tr>
<th></th>
<th>Early Responders</th>
<th>Later Responders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean</strong></td>
<td>2.188</td>
<td>2.173</td>
</tr>
<tr>
<td><strong>Standard Deviation</strong></td>
<td>.789</td>
<td>.778</td>
</tr>
</tbody>
</table>

**Satisfaction**

<table>
<thead>
<tr>
<th></th>
<th>Early Responders</th>
<th>Later Responders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean</strong></td>
<td>2.316</td>
<td>2.201</td>
</tr>
<tr>
<td><strong>Standard Deviation</strong></td>
<td>.813</td>
<td>.796</td>
</tr>
</tbody>
</table>

Table 3.3 Checks for respondent bias: UK

### 3.7 Statistical Methods for Hypotheses and Competing Models

To test research hypotheses and competing models, this research used structural equation modeling (SEM), a modeling technique that can handle a large number of endogenous and exogenous variables, as well as latent (unobserved) variables specified as linear combinations (weighted averages) of the observed variables. Golob and Regan (2002, p.6) point out that “regression, simultaneous equation (with and without error-term correlations), path analysis, and variations of factor analysis and canonical correlation analysis are all special cases of SEM.”

As outlined by Kline (1998), the main advantages of SEM compared to multiple regression include: (1) more flexible assumption (particularly allowing interpretation even in the face of multicollinearity); (2) use of confirmatory factor analysis to reduce measurement error by having multiple indicators per latent variable; (3) the attraction of SEM’s graphical modeling interface; (4) the desirability of testing
models overall rather than coefficients individually; (5) the ability to test models with multiple dependents; (6) the ability to model mediating variables; (7) the ability to model error terms; (8) the ability to test coefficients across multiple between subjects groups; and (9) ability to handle difficult data. In this research, the purpose of SEM is twofold. First, it aims to obtain estimates of the parameters of the model. The second purpose is to assess the fit of the model, i.e. to assess whether the model itself provides a good fit to the data (Hox and Bechger, 1998).

Path analysis using AMOS 6 is unique from other equation models (Arbuckle, 1999). Pathways in path models represent hypotheses of researchers like the proposed models in this study. SEM also deals with measured and latent variables (Kline, 1998). Thus, this study adopts structural equation modeling using AMOS 6 in order to test the hypotheses and alternative models because SEM is a combination of multiple regression and factor analysis.

However, the major disadvantage of SEM is that parameter estimates and chi-square tests of fit are very sensitive to sample size (Thompson, 2004). SEM, then, like factor analysis, is a large-sample technique. In many cases, a sample size of about 150-200 is adequate for small to medium models (Arbuckle, 1999; Thompson, 2004). Based on the recommendation, the sample sizes were acceptable (n=284, Korea and n=164, UK).

3.8 Estimation Methods

This section deals with the measurement scaling of variable: how to handle missing data; and how to compute means, standard deviations, variances, and covariances among sets of observed variables. In structural equation modeling programs, sets of measured (observed) variables form a variance-covariance matrix that is then used to
test a theoretical model (Kim, 2001). With the AMOS 6.0 program, a preprocessor program proposed by Arbuckle (1999) was used to condition such matrices and produce an asymptotic variance-covariance matrix for input.

Missing data are not only a problem in all areas of statistical analysis, but also in structural equation modeling. According to Churchill (1999, p. 36), “researchers often confront the problem of how to treat missing data, which is absent or unavailable, on one or more measured (observed) variables for one or more cases (subjects or individuals).” As outlined by Churchill (2001), much of the general statistical literature is devoted to estimating problems in the presence of missing data in linear models, for example, in analysis of variance and regression models.

These missing-data approaches all involve assumptions about whatever mechanism caused the missing data (Allison, 2002; Choi, 1994). When data are missing at random, Jöreskog and Sörbom (1996) demonstrated how to estimate a correlation coefficient. However, many of these approaches to treating missing data are now available in SEM software such as AMOS, LISREL, and EQS.

### 3.9 Conclusion

This chapter comprised a detailed description of both philosophy and research methodology in order to establish a solid research platform prior to conducting a full-scale study. This is crucial if trial and error are to be reduced in the final stage and the final data are to be fully understood. Thus it was deemed appropriate to conduct the current study, using a cross-cultural study.

This chapter was also designed to highlight the importance of the methodological considerations that determine the appropriate statistical procedure. Such a procedure is important when estimating and testing the structural relationships. Thus,
the considerations that underlie a choice of analysis method were demonstrated.

The next three chapters (4-6) then deal with research questions (1-4) that were proposed in Chapter 1. Each chapter focuses on both hypothesized models and alternative models with the specific analytical procedures to be used. To test research hypotheses (Ch. 5) and alternative models (Ch. 4 and 6), the following three chapters use some kind of test of statistical significance.
Chapter 4

Assessing the Effects of Customized Information, Satisfaction, Trust, and Attitude on Purchase Intentions in e-Service Environments: Comparison of Korean and UK Consumers using Competing Models

4.1 Introduction

It has been argued that the key factors to predict online purchasing behavior are the development of satisfaction with a website (Anderson & Srinivasan, 2003; Srinivasan, Anderson, & Ponnavolu, 2002) and the establishment of trust (Grabner-Kräuter & Kaluscha, 2003; Pavlou, 2003). Researchers have attempted to include antecedents and mediator variables between satisfaction, trust, and purchase intentions such as commitment (Eastlick, Lotz, & Warrington, 2006), preference (Hwang, Jung, & Salvendy, 2006), and consumer characteristics (Lubbe, 2007). They have argued that these constructs are also key to understanding online consumer behavior, particularly as it relates to purchase behavior.

From a theoretical perspective, numerous studies in the e-commerce context have endeavored to model these links between satisfaction, trust and purchase intentions, particularly into the specification of the “antecedent, mediating, and consequent” relationships (Anderson and Srinivasan, 2003; Fiore et al., 2005; Hwang et al., 2006; Pizam et al., 2000; Yoh et al., 2003; Yoon, 2002). However, there are no known competing models that link relationships among customized information, satisfaction, trust, attitude, and purchase intentions. In this study, Armstrong’s et al. (2001) notion is adopted to show that the role of the scientist is changed from advocating a single hypothesis to evaluating which, from a number of competing models, is more appropriate. The current research attempts to test competing mechanisms how each of
the variables affects the purchase intention and is worthy of consideration.

This study proposes four alternative models with customized information having a promoting role in the formation of purchase intentions at the customer level (see Figure 4.1). Utilization of hierarchical structural model analysis possesses considerable potential for investigating models representing a large number of different structures, which can be obtained by slightly modified model specifications (Schweizer, Moosbrugger, & Schermeller-Engel, 2003). In order to establish objectivity, evidence from two or more competing models of the role of customized information, satisfaction, trust and attitude in the development of the online purchase behavior model is examined. By structuring such alternative models, McKenzie (1998) argues that researchers may be better able to judge how the evidence relates to each alternative view.

This study extends previous research in two ways. First, to the author’s knowledge, this is the first empirical research to consider the combined effects of customized information and web interactivity, on satisfaction with website, attitude toward website, and purchase intent using competing mechanisms. Second, the current research investigates these effects in two different cultures responding to a call by Vishwanath (2003). Since cultural differences undoubtedly influence an organization’s ability to manage customized information (Zahay & Griffin, 2004), a complete understanding of how customized information impacts online repurchasing behavior could help marketers when they penetrate different markets around the world.
4.1.1 Potential Cultural Differences of Korea and UK

The author conducted the study in South Korea and the UK because they represent nearly opposite positions on four important cultural dimensions proposed by Hofstede (1980). According to Hofstede’s cultural dimensions (2003), both Korea and UK are significantly different from four cultural dimensions: Power Distance Index (Korea 60 vs. UK 38); Individualism Index (Korea 18 vs. UK 83); Masculinity (Korea 39 vs. UK 61); and Uncertainty Avoidance (Korea 85 vs. UK 39). The literature has shown that culture affects a consumer’s decision making process, particularly in the context of online information process (Fong & Burton, 2008). Collectivist societies have been shown to display differences from individualist societies in information seeking behavior. For example, Korean online consumers were more likely than Western people to search for, and depend on, service information quality (Park & Kim, 2003), while Western people did less directed search and depended more on their internal knowledge and personal experience with products or services (Doran, 2002). These differences indicate that there are significant differences between Korean and UK consumers when researchers develop an overall repurchasing model in a Korean-UK context.

4.2 Definitions and Primary Links of Model Factors

4.2.1 Customized Information

Mass customization (Pine, 1993) emerged as an extreme approach to differentiation. Indeed, Wind and Rangaswamy (2001) define customization as the ultimate form of differentiation. From a customer perspective, Sawhney and Kotler (2001) stressed that in the information-rich regime, companies had to move towards customer-configured offerings. Offers that are customized to individual customers’ preferences may provide superior value if customers have preferences that marketers can uncover, and if
customers can recognize offers that provide a superior fit to their preferences (Simonson, 2005). In this interaction, customers may behave strategically to provide only certain kinds of information, and may even electively distort information to benefit themselves (Murthi & Sarkar, 2003).

In the context of online purchasing behavior, Ha (2002) defines customized information as "personalized data that have been organized or given structure to make subsequent purchases.” Because there is an explosion in the number of choices that are available to customers on the Internet, firms can add value by providing appropriate information to simplify the customer’s decision process (Murthi & Sarkar, 2003). After reviewing the vast literature on customized information in relation to online marketing (Ansari & Mela, 2003; Ha, 2002; Simonson, 2005; Srinivasan et al., 2002), in this study customized information is conceptually defined as “personalized data, which have been organized or given structure to make subsequent purchases.” In providing individually relevant information (Srinivasan et al., 2002), customized information enhances customer perceptions of any particular website. Since most customers tend to pay attention to messages that relate directly to themselves, customized communications have the potential to reduce information overload and better aid customer decisions (Ansari & Mela, 2003).

4.2.2 Satisfaction

Although the marketing literature recognizes the importance of satisfaction, there is no general agreement on how the concept should be defined (Rogers, Peyton, & Berl, 1992). For example, scholars define satisfaction to be a function of the difference between actual performance and expected performance in the traditional marketplace (Bolton, 1998; Ziemthaml, Berry, & Parasuraman, 1996), while Giese and Cote (2000,
p.15) demonstrate that the wide variation in defining the factor of satisfaction is best reconciled in their definition of satisfaction as “a summary affective response of varying intensity with a time-specific point of determination and limited duration directed toward focal points of product acquisition and consumption.” This lack of consensus implies that satisfaction may not mean the same thing to everyone (Oliver, 1980). Thus, this study uses Anderson and Srinivasan’s definition of e-satisfaction (2003) as the perceived degree of contentment with regard to a customer’s prior purchase experience with a given electronic commerce firm.

Generally, the relationship between e-satisfaction and purchase intentions is assumed to be positive (Hackman et al., 2006). Studies that have tested the relationship between satisfaction and actual buying behavior in the traditional markets have found some low relationships (Mittal & Kamakura, 2001; Szymanski and Henard, 2001). These studies have focused on the moderating effect between satisfaction and purchase intentions linking to a low relationship. Some studies have examined mediating effects of the relationship in an online shopping context (Yoon, 2002). Although researchers considered commitment or involvement as a mediator between satisfaction and behavioral intentions (Johnson et al., 2001; Olsen, 2007), an important finding from the Yoon study (2002) is that other factors (e.g., attitudes) may serve as a powerful mediator.

### 4.2.3 Trust

Researchers in different disciplines agree on the importance of trust in the conduct of human affairs, but there also appears to be an equally widespread lack of agreement on a suitable definition of the concept (Hosmer, 1995; Grabner-Kräuter & Kaluscha, 2003). Social psychologists define trust as an expectation about the behavior of others in transactions, focusing on the contextual factors that serve either to enhance or inhibit the
development and maintenance of trust (Lewicki & Bunker, 1995). Within the compact e-commerce domain of research, trust has been defined as a willingness to believe, or an individual’s beliefs, regarding various attributes of the other party (McKnight & Chervany, 2002). Since the conceptualization of trust may vary subtly in its focus or anchor, this study conceptualizes online trust as the belief that the behavior of an online vendor is dependable (Chau et al., 2007).

Some researchers have shown that online trust plays a crucial role in forming satisfaction (Harris and Goode, 2004). Satisfaction in a series of service encounters directly affects trust (Leisen & Hyman, 2004). Lack of trust is one of the most frequently cited reasons for consumers not purchasing from Internet vendors (Grabner-Kräuter & Kaluscha, 2003). But the majority of research has focused on the importance of initiating, building, and maintaining trust between buyers and sellers as key facilitators of successful e-commerce (Luo, 2002; McKnight & Chervany, 2002). Meanwhile, a number of empirical studies have investigated the role of trust in the specific context of e-commerce, focusing on different aspects of this multi-dimensional factor (Pavlou, 2003; Flavián et al., 2006). Although previous literature provides valuable insights for a better understanding of trust in the e-purchasing context, this research expects that other factors may serve as a complete mediator to bridge a low relationship between trust and purchase intentions (e.g., Hwang et al., 2006).

### 4.2.4 Attitude toward Website

Generally, attitude is defined as a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor (Eagly & Chaiken, 1993). Attitudes are considered as a summary of hypothetical factors representing overall feelings towards or evaluative judgments about, a person, object or issue
(Zajonc & Markus, 1982). This study conceptualizes positive attitude as overall feelings towards a particular website with some degree of favor.

Both satisfaction and trust effects on purchase intentions may be affected by a particular mediator in the specific e-commerce context. The psychology literature addresses a major reason why attitude is considered an important factor; it has been shown to moderate the level of A-B consistency (Fazio, 1990; Smith & Swinyard, 1983). In the e-purchasing context, not only is the moderating effect of attitudes possible, but the mediating effect of attitudes may also be considerable. Evidence is supported by Yoh et al. (2003) who found that the relationship between trust and purchase intentions is mediated by consumer attitudes. Based on this reasoning, this study focuses on the mediating effect of attitudes toward website between satisfaction, trust and purchase intentions.

4.2.5 Purchase Intentions

Purchase intention is defined as a consumer’s willingness to buy products or services in a particular website. Purchase intention may be influenced by a consumer’s propensity to trust, which could translate to his/her general willingness to trust websites (Yoh et al., 2003; Yoon, 2002). While trust is considered as an important factor in e-commerce participation (Corbitt et al. 2003), satisfaction also has a significant impact on purchase intentions (Fiore, Jin, & Kim, 2005). Generally, the direct relationship between satisfaction, trust, and purchase intentions is assumed to be positive; but the indirect effect through positive attitudes may be also valuable for a better understanding of online purchasing behavior.
4.3 Four Competing Models on Online Purchase Intentions

4.3.1 Direct Effects Model (DEM)
To provide a base comparison, this model begins with the direct linkage of information, satisfaction, trust, and attitude on purchase intentions (see Figure 4.1). Whatever the relative importance of each, these variables have been shown to have some relevant effect on purchase intent. Cronin, Brady, and Hult (2000) demonstrated that the model structure appears highly dependent on the nature of the study. Thus, the first model allows one-way indirect effect for the independent factors on the dependent factor (purchase intention), and is called the direct effects model. These direct links are supported in the literature: information-purchase intentions (Vermeir, Kenhove, & Hendrickx, 2002); satisfaction-purchase intentions (Leisen & Hyman, 2004; Yoh et al., 2003; Yoon, 2002); trust-purchase intentions (Doney & Cannon, 1997; Leisen & Hyman, 2004; Yoon, 2002); and attitude-purchase intentions (George, 2004; Hansen, Jensen, & Solgaarg, 2004; Lim & Dubinsky, 2005; Yoh et al., 2003).
Figure 4.1. Competing Models on Purchase Intentions

**Direct Effects Model (DEM)**

IN → SA → PU

IN → AT → PU

IN → TR → PU

IN → SA

**Simple Mediation Model (SMM)**

SA → IN → AT → PU

IN → AT → PU

TR → AT → PU

IN → SA

**Independent Mediators Model (IMM)**

TR → AT → PU

IN → SA

**Proposed Research Model (PRM)**

IN → SA → AT → PU

IN → TR → AT → PU

IN → SA

Note: IN=Customized Information; SA=Satisfaction; TR=Trust; AT=Positive Attitude; PU=Purchase Intentions
4.3.2 Simple Mediation Model (SMM)

When outcome measures (e.g., behavioral loyalty) are added to the models (e.g., Brady et al., 2005; Cronin et al., 2000), there is less consensus in how customers evaluate their experience. While it is limited, evidence supports direct effects on purchasing intentions, when direct as well as indirect links through positive attitude are specified. As outlined by Brady et al. (2005), it is much more common that one factor is presented as the locus of service evaluation models, which serves as the central mediator. The “simple mediation model” specifies the effects of three factors on purchase intentions through the mediating effect of positive attitude. The direct relationship between satisfaction, trust, and positive attitude on purchase intentions has been well articulated. The indirect effects between satisfaction and purchase intentions through attitude are also supported by Oliver’s satisfaction theory (1997). Theoretical justification for the link can be attributed to Jonas, Diehl and Brömer (1997), i.e. [information→ attitude→ intention]. Their study demonstrates that the initial evaluation of information leads to consumers’ judgments that, in turn, form attitudes which lead to drive behavioral intentions. Both linkages, i.e. [satisfaction→ attitude→ purchase intention] and [trust → attitude→ purchase intention], are supported by Oliver (1980, 1997) and Yoh et al. (2003), respectively.

4.3.3 Independent Mediators Model (IMM)

Past research has largely supported the hypotheses of the prior SMM model in that a direct positive relationship between attitude and its determinants has been observed. Therefore, the SMM must be regarded as a plausible structure for the mediating role of attitudes. As depicted in Figure 4.1, however, there are other plausible structural specifications that have received little research attention.
Since studies have shown both direct and indirect effects of customized information on purchase intentions, this study proposes to test a model that allowed the indirect effects of information on purchase intentions through satisfaction. While the link of [trust→ positive attitude→ purchase intentions] is the same as with SMM, the indirect effect in IMM between information and purchase intentions does not appear in SMM. In the IMM model, two different factors such as attitude and satisfaction serve as a mediator. Because there are two mediating factors to predict online purchase behavior, attention is then focused on the evolution of satisfaction in the literature and the theoretical justification associated with its broader use. The theoretical justification for the link of [information→ satisfaction→ purchase intention] is also supported by the literature (Melone, 1990; Spreng, MacKenzie, & Olshavsky, 1996).

4.3.4 Proposed Research Model (PRM)

Cronin and colleagues (2000) have suggested that “in order for a more pragmatic picture of the underlying relationships that exist among these variables to emerge, an investigation of a more collective model is needed in a comparison of competing models.” The Proposed Research Model (PRM) specifies an additional mediation and a direct effect and is the most plausible model on conceptual grounds. It proposes a mediating role of trust for the effect of information on purchase intentions, and a direct effect between satisfaction and trust. In situations where a detailed analysis using sophisticated techniques is unnecessary, some research suggests that customers may form attitudes simply because they have judgments and beliefs about information quality in a firm’s offerings.

The PRM may have more merit in less ambiguous information circumstances. When customized information provides appropriate information to simply the
consumer’s decision process, the model has customized information as a predictor of satisfaction, which leads to a direct effect on trust and purchase intention. Based on this assumption, the PRM is expected to be the best in terms of predicting online purchase behavior because consumers are more likely to evaluate the quality of the information first, followed by the development of a satisfaction judgment (e.g., Brady & Robetson, 2001).

The PRM addresses the point that a full understanding of attitudes is essential. This is because they are a powerful predictor of online consumer behavior and play a partial mediating role in making a linkage between satisfaction, trust, and purchase intentions. The fundamental construct is from the perspective of attitude formation to future shopping activity (Melone, 1990). For the theoretical justification, both the [information→ trust→ purchase intentions] (Frewer, Howard, & Shepherd, 1998; Heijden, Verhagen, & Creemers, 2003) and [satisfaction→ trust] (Flavián et al., 2006; Ganesan, 1994; Leisen & Hyman, 2004) links are also supported by the literature.

4.4 Methodology

4.4.1 Sample Selection

The author selected the travel industry for the study in cross-cultural perspective, since travel-related services have emerged as a leading product category to be promoted and distributed through the Internet (Wang et al., 2007). In order to guard against possible sample selection bias in cross-cultural research the author ensured comparable samples which involve drawing matched samples from identifiable subgroups of the population (Madden, Hewett, & Roth, 2000). Based on this reasoning, the study used student samples from Korea and the UK of actual users of online travel services.

Since language and meanings are generally context specific and culture bound,
well-written translation is critical in cross-cultural research. The original questionnaire was first written in English. A back translation method was used to develop the Korean version. The original questionnaire was translated into the Korean language by two academic scholars bilingual in Korean and English. After initial drafts were developed, these scholars resolved translation discrepancies in a face-to-face meeting with university students in business, social science, and engineering science courses. Participants were recruited via verbal invitation controlled by researchers at two large universities. These students were asked to complete a retrospective “Online Travel Shopping” on the basis of their most recent shopping experiences (e.g., air tickets, travel packages, lent cars, hotels, and etc). Respondents were urged to take few minutes to think about the travel website before completing the survey.

Questionnaire was distributed to 568 subjects by three researchers in Korea (n=348) and the UK (n=220). It took four weeks during May and June of 2007 for the data collection. The study obtained responses from 539 respondents (334 in Korea and 205 in the UK). Due to missing information, a total of 448 usable questionnaires were obtained (284 in the Korean sample and 164 in the UK sample). The groups had similar profiles except for one difference: the Korean group has almost 3 more years of higher education relative to the UK group.

As outlined by Wang and Waller (2006), the decision to use university students as a subject population was motivated by considerations of ease of recruitment and administration, as well as the desire to maximize the equivalence of the sample across the cultures. Although there may be different social cultures, students are relatively homogeneous in terms of such socioeconomic and demographic characteristics as age, income, education, and social status (Peterson, 2001; Wang & Waller, 2006). Given that the main objective of the study was to examine the nature of different online consumer
repurchase behaviors within a theoretical framework, homogeneous samples were desirable. Finally, because most students are familiar with the online travel service, their use would not appear to compromise the validity of the study (Ueltschy et al., 2004).

4.4.2 Measures

The five constructs were measured by nineteen questions using a five-point Likert scale (1 = strongly agree and 5 = strongly disagree) adapted from published scales (see Table 4.1). The four antecedent facets of purchase intentions measured were the following: customized information, with three items adapted from Srinivasan et al. (2002); satisfaction, with four items adapted from Anderson and Srinivasan (2003); trust, with five items adapted from Flavián et al. (2006); and, attitude toward website, with five items adapted from Simon and Peppas (2005). Finally, purchase intentions were measured by two items adapted from Taylor and Hunter (2002).
Table 4.1. Results of the CFA Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Korea (loadings)</th>
<th>UK (loadings)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customized Information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The website makes purchase recommendations that match my needs.</td>
<td>.757</td>
<td>.531</td>
</tr>
<tr>
<td>The website enables me to order products or services that are tailor-made for me.</td>
<td>.761</td>
<td>.845</td>
</tr>
<tr>
<td>I believe that this website is customized to my needs.</td>
<td>.696</td>
<td>.752</td>
</tr>
<tr>
<td>Composite reliability</td>
<td>.82</td>
<td>.87</td>
</tr>
<tr>
<td>Average variance extracted</td>
<td>.52</td>
<td>.62</td>
</tr>
<tr>
<td><strong>Satisfaction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am satisfied with this website.</td>
<td>.780</td>
<td>.784</td>
</tr>
<tr>
<td>This website offers what I expect from a good website.</td>
<td>.812</td>
<td>.843</td>
</tr>
<tr>
<td>This website gives me a feeling of satisfaction.</td>
<td>.785</td>
<td>.776</td>
</tr>
<tr>
<td>I think that I made the correct decision to use this website.</td>
<td></td>
<td>.789</td>
</tr>
<tr>
<td>Composite reliability</td>
<td>.91</td>
<td>.94</td>
</tr>
<tr>
<td>Average variance extracted</td>
<td>.65</td>
<td>.74</td>
</tr>
<tr>
<td><strong>Trust</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I think that this website usually fulfils the commitments it assumes.</td>
<td>.567</td>
<td>.705</td>
</tr>
<tr>
<td>This website does not make false statements.</td>
<td>.645</td>
<td>.709</td>
</tr>
<tr>
<td>I think that this website has sufficient experience in the marketing of the products and services that it offers.</td>
<td>.539</td>
<td>.665</td>
</tr>
<tr>
<td>Most of what this website says about its products or services is true.</td>
<td>.766</td>
<td>.749</td>
</tr>
<tr>
<td>I think that information offered by this site is sincere and honest.</td>
<td>.757</td>
<td>.861</td>
</tr>
<tr>
<td>Composite reliability</td>
<td>.85</td>
<td>.87</td>
</tr>
<tr>
<td>Average variance extracted</td>
<td>.53</td>
<td>.61</td>
</tr>
<tr>
<td><strong>Attitude toward Website</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This website makes it easy for me to build a relationship with this company.</td>
<td>.653</td>
<td>.562</td>
</tr>
<tr>
<td>I feel comfortable in surfing this website.</td>
<td>.646</td>
<td>.775</td>
</tr>
<tr>
<td>I feel surfing this website is a good way for me to spend time.</td>
<td>.710</td>
<td>.533</td>
</tr>
</tbody>
</table>
I would like to visit this website again in the future. 
Compared with other websites, I would rate this one as (one of the best-one of the worst).
  Composite reliability 
  Average variance extracted 
**Purchase Intentions**
I will purchase other products or services at this website.
I would like to buy new service products at the site.
  Composite reliability 
  Average variance extracted

---

Note: Korean Sample: $X^2=236.716; df=142; IFI=.962; CFI=.962; TLI=.954; RMSEA=.049$
UK Sample: $X^2=195.628; df=142; IFI=.931; CFI=.929; TLI=.914; RMSEA=.066$
4.4.3 Criteria for Defining the Sample

It might be expected that student buying behavior would vary by country, but a previous research studying Australian, English, and American students concludes that “only a relatively small number of attitudes and opinions regarding e-commerce result in differences between purchasers and non-purchasers (Teach & Schwartz, 2003, p. 134).” Based on this evidence, the main criteria for selecting participants for the sample in this study was that they should have had a minimum of six months experiences shopping on the Internet with at least one travel-related purchase within that period.

4.4.4 Response Bias

The author examined response bias between the two periods (early response vs. late response) using the method proposed by Armstrong and Overton (1977). One viable check for response bias is to split the sample into early (n= 212 for the Korean sample and n= 89 for the UK sample) and late respondents (n=72 for the Korean sample and n= 75 for the UK sample). No significant differences between the two samples were found on any of the study variables.

4.4.5 Statistical Analysis

Three separate approaches were required to examine the research questions. The first goal was to check validity of each construct. To do so, a confirmatory factor analysis with use of AMOS 6.0 was conducted. The second stage of the analysis used structural equation modeling to test the proposed and rival structural models by maximum likelihood estimation in AMOS 6.0.

At the final stage, the appropriateness of each model was examined using several fit indices. The overall fit of a measurement model to the data has most
commonly been tested using the chi-square test statistic and the ratio of chi-square to its
degree of freedom (Jackson et al., 1993). A large value of chi-square indicates that the
model does not adequately fit the data, whereas a chi-square ratio of 5 is taken as a
useful rule of thumb for accepting a model. Unfortunately, neither index is entirely
satisfactory because their magnitudes, and therefore, statistical significances, vary
according to sample size. In response to this issue, Bentler and Bonett (1980) proposed
a nonnormed fit index (NNFI; $\rho$) that compares the fit of a model with that of a null
model, taking into account the number of degrees of freedom used in moving from one
model to the other. The appropriate null model in this case is the model with zero
covariances between items. Marsh, Balla and McDonald (1988) have shown that NNFI
is the only index that is relatively independent of sample size. In comparing two models
that are nested, both a substantial reduction in chi-square and a large increase in rho are
required to accept a model with a great number of parameters.

### 4.4.6 Confirmatory Factor Analysis

As shown in Table 4.1, the CFA model provided good fit to the data. While the chi-
square statistics were significant ($p<.01$), it is known to be highly sensitive to sample
sizes, such as the ones used here (Jöreskog, 1993). Relative to the other indices, the TLI
(the Tucker-Lewis index) performs the best followed by RMSEA (the root-mean-
square-error-of-approximation) (Sharma et al., 2005). Sharma et al. (2005) recommend
that TLI should be used to evaluate model fit because TLI performs the best as long as
the size of factor loadings is .5 or greater. The TLI estimates were .954 for the Korean
sample and .914 for the UK sample, and the RMSEA estimates were .049 and 0.066,
respectively.

Composite reliability was calculated using the procedures outlined by Fornell
and Larcker (1981). The parameter estimates and the average variance extracted for each construct were obtained (Anderson & Gerbing, 1988). The composite reliabilities for the five constructs ranged from .83 to .90 in the Korean sample and from .87 to .94 in the UK sample. The factor loadings ranged from .56 to .86 (Korean sample, $p<.01$) and .53 to .87 (UK sample, $p<.01$). The average variance extracted ranged from .52 to .78 in the Korean sample and .58 to .82 in the UK sample.

On the basis of the validation sample, the author assessed discriminant validity with Fornell and Larcker’s (1981) criterion. Table 4.2 shows that the smallest AVE exceeds the squared correlation between each pair of the relationship value dimensions. This indicates a satisfactory level of discriminant validity.
### Table 4.2 Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Korea Sample</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. CI</td>
<td>2.54</td>
<td>.898</td>
<td>.52</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.78</td>
</tr>
<tr>
<td>2. SA</td>
<td>2.64</td>
<td>.850</td>
<td>.33</td>
<td>.65</td>
<td></td>
<td></td>
<td></td>
<td>.87</td>
</tr>
<tr>
<td>3. TR</td>
<td>2.77</td>
<td>.845</td>
<td>.27</td>
<td>.34</td>
<td>.53</td>
<td></td>
<td></td>
<td>.79</td>
</tr>
<tr>
<td>4. AT</td>
<td>2.68</td>
<td>.831</td>
<td>.30</td>
<td>.37</td>
<td>.31</td>
<td>.58</td>
<td></td>
<td>.82</td>
</tr>
<tr>
<td>5. PI</td>
<td>2.60</td>
<td>.856</td>
<td>.40</td>
<td>.50</td>
<td>.41</td>
<td>.45</td>
<td>.78</td>
<td>.79</td>
</tr>
<tr>
<td><strong>UK Sample</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. CI</td>
<td>2.43</td>
<td>.912</td>
<td>.63</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.72</td>
</tr>
<tr>
<td>2. SA</td>
<td>2.29</td>
<td>.805</td>
<td>.46</td>
<td>.74</td>
<td></td>
<td></td>
<td></td>
<td>.88</td>
</tr>
<tr>
<td>3. TR</td>
<td>2.36</td>
<td>.862</td>
<td>.38</td>
<td>.45</td>
<td>.61</td>
<td></td>
<td></td>
<td>.85</td>
</tr>
<tr>
<td>4. AT</td>
<td>2.44</td>
<td>.702</td>
<td>.36</td>
<td>.43</td>
<td>.35</td>
<td>.58</td>
<td></td>
<td>.81</td>
</tr>
<tr>
<td>5. PI</td>
<td>2.18</td>
<td>.785</td>
<td>.51</td>
<td>.60</td>
<td>.50</td>
<td>.47</td>
<td>.82</td>
<td>.79</td>
</tr>
</tbody>
</table>

Note: Bold numbers on the diagonal show the AVE. α is Cronbach’s Alpha.

CI=Customized Information; SA=Satisfaction; TR=Trust; AT=Attitude toward Website;
PI=Purchase Intention
4.5 Results

4.5.1 Comparison of Competing Models

The fit indices for the alternative models within each sample are summarized in Table 4.3. The direct effects model (DEM) provides a poor fit in both samples: Korean Sample \( \chi^2(148, N = 284) = 715.568, \rho = .73 \); UK Sample \( \chi^2(148, N = 164) = 299.437, \rho = .77 \).

Table 4.3. Model Fit Indexes for Each Sample

<table>
<thead>
<tr>
<th>Competing Models</th>
<th>( X^2 )</th>
<th>df</th>
<th>( \rho )</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Korean Sample (N = 284)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Null Model</td>
<td>2644.214</td>
<td>171</td>
<td>N/S</td>
</tr>
<tr>
<td>2. Direct Effects Model</td>
<td>715.568</td>
<td>148</td>
<td>.73</td>
</tr>
<tr>
<td>3. Simple Mediation Model</td>
<td>493.121</td>
<td>146</td>
<td>.83</td>
</tr>
<tr>
<td>4. Independent Mediators Model</td>
<td>465.152</td>
<td>147</td>
<td>.85</td>
</tr>
<tr>
<td>5. Full Mediation Model</td>
<td>237.788</td>
<td>144</td>
<td>.95</td>
</tr>
<tr>
<td><strong>UK Sample (N = 164)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Null Model</td>
<td>923.160</td>
<td>171</td>
<td>N/S</td>
</tr>
<tr>
<td>2. Direct Effects Model</td>
<td>299.437</td>
<td>148</td>
<td>.77</td>
</tr>
<tr>
<td>3. Simple Mediation Model</td>
<td>266.363</td>
<td>146</td>
<td>.81</td>
</tr>
<tr>
<td>4. Independent Mediators Model</td>
<td>254.644</td>
<td>147</td>
<td>.83</td>
</tr>
<tr>
<td>5. Full Mediation Model</td>
<td>197.135</td>
<td>144</td>
<td>.91</td>
</tr>
</tbody>
</table>

Given that the degree of freedom is the same with DEM, the simple mediation model (SMM) also provides a poor fit in both samples: Korean Sample \( \chi^2(146, N = 284) = 493.121, \rho = .83 \); UK Sample \( \chi^2(146, N = 164) = 266.363, \rho = .81 \). Thus, both DEM and SMM were unsatisfactory in representing the underlying online purchase process. This conclusion is further supported by the much improved fit given by the independent mediators model (IMM) as shown by the decrease in chi-square: Korean
Sample $\Delta X^2(1, N = 284) = 27.969$ vs. SMM; UK Sample $\Delta X^2(1, N = 164) = 33.074$ vs. SMM; $ps < .005$.

Further support for the proposed research model (PRM) comes from comparisons between the IMM and the PRM. The importance of mediation is further confirmed by the improved fit going from IMM to PRM is: Korean Sample $\Delta X^2(3, N = 284) = 227.364$; and UK Sample $\Delta X^2(3, N = 164) = 57.509$, $ps < .005$. For example, the critical value of a chi-square difference for 3 degree of freedom at $p = 0.005$ is 12.84. In addition, the rho values for PRM were .95 in the Korean Sample and .90 in the UK Sample, indicating an adequate level of fit. Further other fit indexes such as CFI, TLI, and RMSEA were .962, .955, and .048 for the Korean data and .929, .916, and .067 for the UK data, respectively. In both samples, therefore, the proposed research model (PRM) provided a substantially better fit than either of the other (SMM and IMM) mediation models. In addition, as shown in Table 4.4, there are significant differences and similarities in both data, indicating that these characteristics should be carefully considered when researchers plan to investigate a theoretical framework in a cross-cultural study.

The evaluation of the proposed research model employs a measurement of the predictive power of the dependent latent variables. The amount of variance in the construct explained the model ($R^2$), which ought to be greater than or equal 0.1. The model ($R^2$) accounted for 53.7 percent of the variance in satisfaction, 52.5 percent of the variance in trust, 73.7 percent of the variance in attitude toward website, and 54.9 percent of the variance in purchase intent from the Korean sample. The model ($R^2$) accounted for 35.7 percent of the variance in satisfaction, 58.8 percent of the variance in trust, 41.2 percent of the variance in attitude toward website, and 58.4 percent of the variance in brand loyalty from the UK sample.
As shown in Table 4.4, the author also checked alternative model fits to select the best model. Because alternative models are not nested within the PRM, the Akaike’s Information Criterion (AIC) is appropriate for model comparison (Tabachnick & Fidell, 1999). As smaller values of AIC indicate a better fit of the model, the proposed research model (PRM) in both countries has been shown to be a better criterion than other three models.
Table 4.4. Structural Estimates: Korean and UK Data

<table>
<thead>
<tr>
<th>DEM</th>
<th>Paths Estimates</th>
<th>SMM</th>
<th>Paths Estimates</th>
<th>IMM</th>
<th>Paths Estimates</th>
<th>PRM</th>
<th>Paths Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Korean estimates</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>IN→PU</td>
<td>.054 (ns)</td>
<td>IN→AT</td>
<td>.211</td>
<td>TR→AT</td>
<td>.727</td>
<td>IN→SA</td>
<td>.733</td>
</tr>
<tr>
<td>SA→PU</td>
<td>.429</td>
<td>SA→AT</td>
<td>.637</td>
<td>AT→PU</td>
<td>.437</td>
<td>IN→TR</td>
<td>.213*</td>
</tr>
<tr>
<td>TR→PU</td>
<td>.124*</td>
<td>TR→AT</td>
<td>.385</td>
<td>TR→PU</td>
<td>.042 (ns)</td>
<td>SA→TR</td>
<td>.542</td>
</tr>
<tr>
<td>AT→PU</td>
<td>.410</td>
<td>SA→PU</td>
<td>.352</td>
<td>IN→SA</td>
<td>.724</td>
<td>SA→AT</td>
<td>.603</td>
</tr>
<tr>
<td></td>
<td>TR→PU</td>
<td>.075 (ns)</td>
<td>SA→PU</td>
<td>.442</td>
<td>TR→AT</td>
<td>.311</td>
<td></td>
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<tr>
<td></td>
<td>AT→PU</td>
<td>.371</td>
<td></td>
<td></td>
<td>SA→PU</td>
<td>.359**</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>TR→PU</td>
<td>.062 (ns)</td>
<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>AT→PU</td>
<td>.378**</td>
<td></td>
</tr>
<tr>
<td>IFI=.773, TLI=.735</td>
<td>IFI=.861, TLI=.836</td>
<td>IFI=.873, TLI=.850</td>
<td>IFI=.962, TLI=.955</td>
<td></td>
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<tr>
<td>CFI=.771, RMSEA=.116</td>
<td>CFI=.860, RMSEA=.092</td>
<td>CFI=.871, RMSEA=.087</td>
<td>CFI=.962, RMSEA=.048</td>
<td></td>
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</tr>
<tr>
<td>AIC=780.56</td>
<td>AIC=559.15</td>
<td>AIC=537.13</td>
<td>AIC=309.572</td>
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<tr>
<td><strong>UK estimates</strong></td>
<td></td>
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</tr>
<tr>
<td>IN→PU</td>
<td>.123 (ns)</td>
<td>IN→AT</td>
<td>.211 (ns)</td>
<td>TR→AT</td>
<td>.575</td>
<td>IN→SA</td>
<td>.599</td>
</tr>
<tr>
<td>SA→PU</td>
<td>.316**</td>
<td>SA→AT</td>
<td>.399</td>
<td>AT→PU</td>
<td>.433**</td>
<td>IN→TR</td>
<td>.104</td>
</tr>
<tr>
<td>TR→PU</td>
<td>.289</td>
<td>TR→AT</td>
<td>.291*</td>
<td>TR→PU</td>
<td>.246 (ns)</td>
<td>SA→TR</td>
<td>.693</td>
</tr>
<tr>
<td>AT→PU</td>
<td>.461</td>
<td>SA→PU</td>
<td>.297</td>
<td>IN→SA</td>
<td>.594</td>
<td>SA→AT</td>
<td>.416**</td>
</tr>
<tr>
<td>Path</td>
<td>Estimate</td>
<td>Path</td>
<td>Estimate</td>
<td>Path</td>
<td>Estimate</td>
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</tr>
<tr>
<td>TR→PU</td>
<td>.261*</td>
<td>SA→PU</td>
<td>.337**</td>
<td>TR→AT</td>
<td>.271*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AT→PU</td>
<td>.405</td>
<td>SA→PU</td>
<td>.267 (ns)</td>
<td>TR→PU</td>
<td>.228 (ns)</td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>AT→PU</td>
<td>.380**</td>
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</tbody>
</table>

IFI=.805, TLI=.768  
IFI=.845, TLI=.813  
IFI=.861, TLI=.834  
IFI=.932, TLI=.916

CFI=.840, RMSEA=.112  
CFI=.840, RMSEA=.081  
CFI=.857, RMSEA=.095  
CFI=.929, RMSEA=.06

AIC=383.50  
AIC=355.21  
AIC=341.61  
AIC=290.19

Apart from (*, $p < .05$; **, $p < .01$), all estimates are significant ($p < .001$)
4.5.2 Best Model Selection among Competing Models

The proposed research model is superior to the competing models most clearly with all data sets as the competing models DEM, SMM, and IMM do not provide a better fit. It is arguable that the current data sets provide strong supporting evidence because despite having more parameters of interest estimated, the proposed model does significantly fit the data better than other competing model. However, the improved fit of the proposed model occurred because the extra parameters enabled the proposed model to absorb random error in the data (e.g., Pitt, Myung, and Zhang 2002). To get around this problem, the chi-square difference among competing models is useful for the model selection (Jackson et al. 1993; Punj and Hillyer, 2004). Accordingly, chi-square difference tests were employed to determine whether one of these structures performed better than the other (Bagozzi and Yi 1988). In this study the chi-square differences between the proposed research model and other three competing models from two different countries are also statistically supported at \( p < .05 \). The proposed research model, therefore, is at least the accurate model in two different data, Korea and UK.

4.6 Findings and Conclusions

The current research’s contribution is in testing competing mechanisms of how each of the variables affects the purchase intention and is worthy of consideration. Overall, there is strong empirical evidence in support of the proposed research model. The proposed research model (PRM) provides several important findings that emerge from the model tests:

1) Direct effects of customized information on its outcomes;

2) Direct effects between satisfaction and purchase intentions in the Korean data;

3) Direct effects on purchase intentions through attitude toward website in the UK
4) Mediating role of attitude toward website between its antecedents and purchase intent

The current study contributes to a theoretical framework on both the direct and indirect effects of customized information. It offers a better understanding of online purchase behavior by identifying relationships between customized information and its outcomes from a cross-cultural perspective. The study showed that customized information has direct influences upon satisfaction and trust, except for the link of customized information to trust in the UK data. These findings suggest that customized information can be translated into consumer responses motivating the consumer’s further activity. As a result, the direct effect of customized information plays a vital role in predicting further activities, indicating that customers are likely to engage in shopping behavior in the future.

The direct link between satisfaction and purchase intentions might enlighten a practitioner as to alternative methods for appealing to young online customers. The linkage in the Korean sample is well supported statistically and theoretically. But the direct link between satisfaction and purchase intentions is not significant in the UK sample, indicating that there is a significant difference between the two countries. One possible explanation is that Korean customers seem to be higher levels of satisfaction, while UK customers seem more concerned that satisfaction is not sufficient for facilitating further behavioral intent. However, the difference can be addressed by the mediating role of positive attitude because the link between attitude and purchase intentions is supported in the Korean and UK data and context. Therefore, one study conclusion is that satisfaction has an impact on purchase intentions indirectly through its ability to influence positive attitudes.
Another conclusion might be on the role of trust in the e-commerce context. Since the literature has emphasized the importance of trust online, trust is an indicator of future purchasing behavior. However, the relationship between trust and purchase intentions is insignificant in both the Korean and UK samples. Grabner-Kräuter and Kaluscha (2003) pointed out that “a reason why it is so difficult to summarize and compare the results of different studies is that most of the studies focus on selected aspects of the relationship between online consumer and the Internet merchant, relying on limited models and ignoring some important factors that are relevant for trust-related behaviors to emerge.”

Finally, one of the key drivers of the online purchase model is to capture customers’ final behavioral attitudes. To better understand the online shopping process, the role of attitude toward website is significant for mediating the relationships between customer satisfaction, online trust, and purchase intent. This is mainly due to the impact of behavior via the psychological route of increasing the effort that e-consumers devote to their final procurement decision. Therefore, the PRM specifies two roles for the factor of attitude toward website; a direct effect on purchase intention, and an indirect effect on purchase intention through other variables.

4.6.1 Managerial Implications

The distinction between the three competing models and the PRM appears clear and has important implications. Although satisfaction and trust partially serve as mediating variables, customized information is certainly a key variable in determining online purchase intentions (Simonson, 2005), due to consumers’ perceptions of a firm’s communication efforts. In particular, the relationship between customized information and satisfaction in both countries suggests that emotional judgments through
customized information are the preferred option. Previous literature supports that this relationship is one of the most important issues in providing customized information services to meet users’ requirements in an electronic commerce environment (Chen and Tai, 2003). Given the mechanism of young consumers’ emotional reactions, marketing strategies that reinforce satisfaction may be an appropriate approach of generating favorable online purchase intentions.

A more focused development of positive attitude is crucial for a complete understanding of different evaluations on the mediating effects of positive attitude in different service categories. Evidence is also supported by Yoh and colleagues (2003) who highlight the importance of the mediating effects of shopping attitudes when consumers visit websites to purchase. Thus, marketers require a better understanding of the role of positive attitude in any project where a consumer purchase process should be expected to have a pay off. For example, if practitioners believe that their firm’s performance is not satisfied, then they should change the direction of the e-purchasing process with a different angle toward attitude. The PRM provides a means of identifying the underlying dispositions associated with the mediating variable.

4.6.2 Limitations and Further Research

It is essential to acknowledge some of the limitations of this study. First, further research must take a look at the double jeopardy literature that nuances the link between trust and purchase intentions (Heijden et al., 2003). Second, further research can investigate the issue to be generalizable to other types of e-B2C services. Studies on other service classes, such as online bookstore and online banking services, might reveal findings that extend the current approach. Third, this study investigated how attitude toward website affects the relationships, while it would be interesting to study
whether the negative attitude has a different effect or a stronger effect than attitude toward website. Finally, it would be useful to test the robustness of this model across other cultures.
Chapter 5
The Effects of Customized Information on Repurchase Intentions: A Comparison Study of Korean and UK Consumers

5.1 Introduction

When web interactivity offers customized information that is viewed as relevant and valuable to individual needs, customers are more likely to remain loyal to a website (Simonson 2005, Chen and Dubinsky 2003). Because web users are able to discriminate between different levels of customized information (Kalyanaraman & Sunder, 2006), there is a need for additional research to understand whether and how managing customized information in a particular repurchasing context provides a sustainable competitive advantage. Previous research has focused on identifying and addressing the effects of customized information in an initial purchasing context (Pine, Peppers, & Rogers, 1995; Srinivasan, Anderson, & Ponnavolu, 2002). However, practitioners might be challenged by the nature of online one-to-one marketing to shift from focusing on browsers or non-purchase users to making critical business performance of individually customized information in a repurchasing context. Scholars have called for research to enhance understanding of customized information in individual (one-to-one) marketing (e.g., Miceli, Ricotta, & Costabile, 2007; Simonson, 2005). A complete understanding of customized information as a strategic online marketing tool is becoming critical.

While previous studies have addressed the role of information in a consumer browsing context or in a first-time purchasing context (e.g., Häubl and Trifts, 2000; Johnson et al., 2004; Kim and Kim, 2004; Park and Fader, 2004; Shim et al., 2001; Weathers et al., 2007), there is little research that has dealt with customized information
effects in a repurchasing context. This study examines the direct and indirect effects of website interactivity and customized information on repurchase intentions with online service providers.

Table 5.1 sums up key studies related to online information effects on consumer purchasing behavior. While these studies have addressed the role of information in a consumer browsing context or a first-time purchasing context, the author would find no research that has dealt with customized information effects in a repurchasing context. This distinction is important because establishing a direct link between customized information and repurchase behavior has not been easy for most firms. It indicates that an indirect link between the two constructs is required. This study, therefore, contributes to the marketing literature that adds indirect effects of customized information on repurchase behavior.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Key Variables</th>
<th>Study</th>
<th>Main Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bellman, Lohse, and Johnson (1999)</td>
<td>Product information, Customization</td>
<td>Investigates the important role of product information when consumers engage in their online shopping.</td>
<td>Looking for product information on the Internet is the most important predictor of online buying behavior.</td>
</tr>
<tr>
<td>Häubl and Trifts (2000)</td>
<td>Interactive information aids</td>
<td>Focuses on how use of the RA (recommendation agent) and CM (comparison matrix) affects consumers’ search for product information and quality of their consideration sets, and the quality of their purchase decisions in an online shopping environment.</td>
<td>Both interactive decision aids have a substantial impact on consumer decision making. These interactive aids have the potential to drastically transform the way in which consumers search for product information and make purchase decisions.</td>
</tr>
<tr>
<td>Degeratu, Rangaswamy, and Wu (2000)</td>
<td>Brand, Price, Information</td>
<td>Examines a general conceptual framework to articulate how various factors influence online and offline choices.</td>
<td>Sensory search attributes, particularly visual cues about the product (e.g., paper towel design), have lower impact on choices online, and factual information (i.e., information-based contents) have higher impact on choices online.</td>
</tr>
<tr>
<td>Koufaris, Kambil and LaBarbera (2001)</td>
<td>Attitude, Involvement, Information</td>
<td>Investigates the impact of consumer experience and attitudes on intention to return and purchase on-line.</td>
<td>Positive attitudes can increase the intention of web customers to purchase. Also, information can have a significant impact on their online experience which will result in online purchase.</td>
</tr>
<tr>
<td>Authors</td>
<td>Categories</td>
<td>Summary</td>
<td>Intention to use the Internet to search for information is not only the strongest predictor of online purchase intention but also mediates relationships between purchasing intention and other predictors (i.e., attitude toward online shopping and previous online purchase experience).</td>
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<td>-------------------------</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Shim, Eastlick, Lots and Warrington (2001)</td>
<td>Attitude, Information Search</td>
<td>Determines whether intent to search the Internet for product information is a key element for marketing researchers to employ in predicting consumers’ Internet purchasing intentions.</td>
<td></td>
</tr>
<tr>
<td>Park and Kim (2003)</td>
<td>Information Quality, Information Satisfaction, Site Awareness</td>
<td>Investigates the relationship between various characteristics of online shopping and consumer purchase behavior.</td>
<td>Information quality affects information satisfaction, that, in turn, is significantly related to actual purchase behavior.</td>
</tr>
<tr>
<td>Johnson et al. (2004)</td>
<td>Information Search</td>
<td>Characterizes search behavior at the individual level in terms of (1) depth of search, (2) dynamics of search, and (3) activity of search.</td>
<td>The amount of online search is actually quite limited. More active online shoppers tend to search information across more sites to shop.</td>
</tr>
<tr>
<td>Park and Fader (2004)</td>
<td>Information, Visiting Time, Expectations</td>
<td>Develop a stochastic timing model of cross-site visit behavior to understand how to leverage information from one site to help explain customer behavior at another.</td>
<td>Summary information (i.e., frequency) from past visit patterns at a competing site can make accurate predictions about the future behavior (i.e., previous non-visitors to a given site).</td>
</tr>
<tr>
<td>Kim and Kim (2004)</td>
<td>Information, Interactivity, Site Design</td>
<td>Identifies the dimensions of online shopping attributes and predictors of the intention to purchase.</td>
<td>Consumers’ intentions to purchase clothes and jewelry are predicted by two online shopping attribute factors (transaction cost and incentive program).</td>
</tr>
<tr>
<td>Authors</td>
<td>Methodology</td>
<td>Findings</td>
<td></td>
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<td>-------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Kim, Ma, and Kim (2006)</td>
<td>Information, Satisfaction</td>
<td>Identifies the determinants affecting Chinese hotel customers’ online reservation intentions and to assess their satisfaction with online hotel reservation. Chinese hotel customers are less likely to rely on hotel branding and price benefits and more likely to rely on client information needs.</td>
<td></td>
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<tr>
<td>Li, Browne, and Wetherbe (2006)</td>
<td>Information, Satisfaction, Trust</td>
<td>Proposes that users stick with a website through a process of developing a relationship with it. Both information quality and satisfaction are important to stick to a website through trust. Information quality between website users and the vendor significantly affect trust.</td>
<td></td>
</tr>
<tr>
<td>Weathers, Sharma, and Wood (2007)</td>
<td>Information, Performance Uncertainty</td>
<td>Assesses the influence of online retailer communication practices to offer a plethora of product-related information. Retailer practices materially affect consumer perceptions of product information uncertainty, indicating that it enhances the effectiveness of e-retailers’ communications.</td>
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</table>
This study extends previous research in several ways. First, to the author’s knowledge, this is the first empirical research to consider the combined effects of customized information and web interactivity, on satisfaction with website, attitude toward website, and repurchase intent. Second, this study contributes to the understanding of website interactivity and customer perceptions of customized information. Third, this study investigates these effects in two different cultures responding to a call by Vishwanath’ (2003). Since cultural differences undoubtedly influence an organization’s ability to manage customized information (Zahay & Griffin, 2004), a complete understanding of how customized information impacts online repurchasing behavior could help marketers when they penetrate different markets around the world.

### 5.1.1 Potential Cultural Differences of Korea and UK

The author conducted the study in South Korea and the UK because they represent nearly opposite positions on four important cultural dimensions proposed by Hofstede (1980). According to Hofstede’s cultural dimensions (2003), both Korea and UK are significantly different from four cultural dimensions: Power Distance Index (Korea 60 vs. UK 38); Individualism Index (Korea 18 vs. UK 83); Masculinity (Korea 39 vs. UK 61); and Uncertainty Avoidance (Korea 85 vs. UK 39). The literature has shown that culture affects a consumer’s decision making process, particularly in the context of online information process (Fong & Burton, 2007). Collectivist societies have been shown to display differences from individualist societies in information seeking behavior. For example, Korean online consumers were more likely than Western people to search for, and depend on, service information quality (Park & Kim, 2003), while Western people did less directed search and depended more on their internal knowledge
and personal experience with products or services (Doran, 2002). These differences indicate that there are significant differences between Korean and UK consumers when researchers develop an overall repurchasing model in a Korean-UK context.

5.2 Theoretical Approach of the Research

5.2.1 The Role of Customized Information

The Internet’s vast global network affords buyers and sellers unprecedented reach and access to people, products, services, and information. The information-rich nature of the online environment can easily become a trap for information overload to occur, as more and more consumers become part of the Internet population and websites emerge as the key carrier of information for business transactions and marketing communication (Miceli et al., 2007; Moe, 2003). Thus, online providers and consumers can communicate with one another directly. Shoppers compare notes, sellers supply product information, and the latest business and consumer trends can be tracked. This networked communication makes the e-marketplace unlike any other market.

Researchers have focused on the importance of information in e-commerce with an emphasis on pre-purchase information search activities. The current focus is on the impact of customized information on whether consumers evaluate websites or services in a favorable manner, particularly in a repurchasing context.

In the context of online purchasing behavior, Ha (2002) defines customized information as “optimal self-relevance information for each segmented customer based on experiences of existing or membership customers.” Based on literature on customized information in online marketing (e.g., Ansari & Mela, 2003; Deighton, 1997; Ha, 2002; Simonson, 2005; Srinivasan et al., 2002), in this study customized information is conceptually defined as “personalized data, which have been organized
or given structure to make subsequent purchases.” For example, most well-established e-tailors have developed a client-side user relevance feedback system. Consumer response is then analyzed to formulate a modified query which represents the consumer’s interests in a more focused way (Singh & Dey, 2005).

5.2.2 Web Interactivity and Customized Information

The consumer-experience domain is not limited to a specific product or service category, but is also relevant in goal-oriented interactivity contexts (Rodgers, Negash, & Suk, 2005). Hoffman and Novak (1996) indicate that web interactivity is the interaction between the site and a user of that site and goes to the core of a computer-mediated communication environment. Researchers argue that web interactivity offers benefits such as facilitated communication, customization of presented information, image manipulation, and entertainment for the customer (Flore, Kim, & Lee, 2005). A key feature of web interactivity is a series of repeated exchanges between parties known to each other: they evolve in response to these interactions and to fluctuations in the contextual environment. This study conceptualizes web interactivity as the availability and effectiveness of customer support tools on a website, and the degree to which two-way communication with customers is facilitated (Srinivasan et al., 2002).

Berthon, Pitt, and Watson (1996) indicate that the web interactivity level of a website could be critical in converting website visitors from interested contacts into interactive customers. Web interactivity allows the consumer to select the information and organize that information in such a way that facilitates the process (Sicilia, Ruiz, & Munuera, 2005). Each individual user is able to receive their own unique combination of online messages and experiences via interactivity. Online interactivity is becoming a valuable way of improving the communication quality of service provider websites.
The concept of interactivity is a likely candidate to help in explaining why individuals return to an online service provider for repurchases (Rafaeli & Sudweeks, 1997). It could be argued that web interactivity leads to customized information because in order for online customers to perceive any degree of customized information, the system has to be interactive. That is, they must be able to enter information request/specification and receive a customized response, forming a process of two-way dialogue that is defined as interactivity. Thus, interactivity can be considered as a driver of customized information. This allows us to arrive at the first hypothesis of this study:

H1a: Web interactivity (WI) favorably impacts perceptions of customized information (CI).

Satisfaction plays a particularly important role in competitive environments such as e-commerce because of its impact on customer loyalty (Auh & Johnson, 1998; Söderlund, 1998; Zeithaml, Berry, & Parasuraman, 1996). Extant research conceptualizes customer satisfaction as a cumulative construct that is affected both by service expectations and performance perceptions in the current time period, as well as in prior time periods (Johnson, Anderson, & Fornell, 1995). Although the marketing literature recognizes the importance of satisfaction, there is no general agreement on how the concept should be defined (Rogers, Peyton, & Berl, 1992). This lack of consensus implies that satisfaction may not mean the same thing to everyone (Oliver, 1980). This study utilizes a perspective to define e-satisfaction as the perceived degree of contentment with regard to a customer’s prior purchase experience with a given electronic commerce firm (Anderson & Srinivasan, 2003).
The business view of website interactivity is a more transactional conceptualization, emphasizing the behavioral nature of interaction between customer and web system (Sundar & Kim, 2005). Under this view, website interactivity is realized when customized information has a significant impact on perceptions. The transactional approach stresses the role of website interactivity as one of predicting online shopping behavior.

Fiore, Jin, and Kim (2005) show that adding a web interactivity feature to an appealing website enhances approach responses toward an online store. For example, if a customer chooses a service after going through an intermediary such as a travel website, he/she is likely to have different expectations about that service than if he/she chooses without that intermediary for that online service encounter (Shankar, Smith & Rangaswamy, 2003). This example is useful for a better understanding of the effects of website interactivity at the initial purchasing stage, while the different expectations may likely lead to a different judgment of satisfaction when he/she revisits to shop. In line with this observation, the following hypothesis is proposed:

H1b: Website interactivity (WI) favorably impacts satisfaction with website (SW).

Generally, “attitude” in this context is defined as a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor (Eagly & Chaiken, 1993, p.1). Attitudes are considered as a summary of hypothetical constructs representing overall feelings towards, or evaluative judgments about, a person, object or issue (Zajonc & Markus, 1982). This study conceptualizes attitudes as overall feelings towards a particular website with some degree of favor.

The degree to which interactivity is fulfilling depends largely on the perceiver
(Williams, Rice, & Rogers, 1988). Consumers’ perceptions of web interactivity are critical towards their decision process (Wu, 2005). Lim and Dubinsky (2004) reveal that attitudes toward online shopping are a function of the consumer’s beliefs about web interactivity. Similarly, Fiore, Jin, and Kim (2005) show that adding an interactivity feature to an apparel website enhances approach responses toward a particular website. Further evidence indicates that web interactivity level is a potential variable influencing web user’s evaluation of and attitude toward websites (Teo et al., 2003).

Generally, attitudes are learned or acquired rather than inborn; they are formed as a result of personal experience, reasoning or information, the communicated experience of others (Lutz, 1991). Prior research has suggested that the interactivity level based on users’ experience would be critical in converting site visitors from interested contacts into interactive customers (Berthon et al., 1996; Teo et al., 2003). Research also suggests that interactivity level may influence user’s evaluation of and attitude towards websites (Teo et al., 2003), indicating that consumer attitudes through interactivity may be more sophisticated when he/she participates in repurchasing activity. Based on this reasoning, the author expects that the decision process through web interactivity will be closely related to attitudes since attitudes toward direct future action could be motivated by consumers’ interactivity. Thus, the following hypothesis is formally stated:

H1c: Website interactivity (WI) favorably impacts attitude toward website (AW).
5.2.3 Direct Outcomes of Customized Information

Customization is widely considered to influence customer satisfaction (Srinivasan et al., 2002), while the relationship between customized information and satisfaction is still limited in the literature. Intuitively, customized information should be directly linked to existing customers’ knowledge, and be related to their informational satisfaction. Rodgers et al. (2005) empirically show that perceived value of information is positively related to online satisfaction. Information that is customized to individual customers’ relevance may prove superior if customers can recognize the information that provides a superior fit to their relevance on the basis of past shopping experience (Simonson, 2005). At the initial purchasing stage, it plays a significant role in improving informational satisfaction, and consumers may critically evaluate the adequacy of services through customized information when they revisit the web to repurchase. This study expects that if consumers recognize a superior fit with their own specifications and desires and the adequacy of their expected value in a repurchasing context, customized information is positively related to satisfaction. This allows us to arrive at the following hypothesis:

H2a: Customized information (CI) favorably impacts satisfaction with website (SW).

Online practitioners have been challenged by proponents of individual one-to-one marketing to shift from focusing on market segments to making individually customized offers (Simonson, 2005). Effective customized information is related to a consumer’s overall belief about a particular website. For example, in some cases a consumer is aware that customized information was derived from his/her profile, while in other situations, consumers are unaware that a practitioner informs them that special
information is delivered. The degree of consistency between his/her overall evaluation on customized information as an attitude object and the evaluative content of his/her beliefs about customized information is an important structural property of attitudes (e.g., Eagly & Chaiken, 1993). Whenever consumers make a decision, one’s attitudes toward a particular website may be influenced by levels of perceived value of customized information. In a repurchasing context, it is also arguable that favorable attitudes towards a particular website should be reinforced by personalized informational offerings that take into account the consumer’s specifications and desires. Thus, the following hypothesis is formally stated:

H2b: Customized information (CI) favorably impacts attitude toward website (AW).

5.2.4 Indirect Outcomes of Customized Information

Dick and Basu (1994) introduce the notion of relative attitude as a mean to provide better theoretical framework to the behavioral construct. They argue that satisfaction is viewed as an antecedent of relative attitude because the customer will not hold a favorable attitude toward a brand (or website), without satisfaction. Their argument is supported by Oliver (1980) and Sivadas and Baker-Prewitt (2000). Sivadas and Baker-Prewitt (2000) point out that customer satisfaction plays a significant role in fostering a favorable attitude. In particular, a customer’s attitude about an online service depends on his/her prior experience, mediated by his/her satisfaction with current service (Bolton & Drew, 1991).

In terms of online shopping behavior, Yoh and colleagues (2003) found that customers who had positive beliefs about their satisfied experience had more positive attitudes toward Internet apparel shopping. Further, satisfied customers who have
positive attitudes toward Internet shopping will have greater intention to repurchase apparel on the Internet. If an attitude is an enduring set of beliefs about an object that predispose people to behave in particular way toward the object (Eagly & Chaiken, 1993), the author expects that satisfied online buyers may be likely to engage in further activities. The specific conjecture that is widely believed in the psychology literature is that strongly held judgments are more likely to translate into subsequent behavior (Gross, Holz, & Miller, 1995). Further evidence is provided by Kim, Ma, and Kim (2006) who have investigated that increasing customers’ satisfaction with website information through high quality product provisions has a significant positive influence on customers’ intention to make a reservation online or buy products or services. This allows us to arrive at the fourth and fifth hypotheses:

H3: Satisfaction with website (SW) favorably impacts attitude toward website (AW).
H4: Satisfaction with website (SW) favorably impacts repurchase intent (RI).

Intuitively, the greater the positive motivational attitude, the stronger an individual’s intention to perform the behavior under consideration will be. Thus, attitudes affect behavior in two ways: 1) it influences the intention to perform the behavior; and 2) it may also have a direct impact on the behavior (Eagly & Chaiken, 1993). This approach is supported by the Theory of Reasoned Action (Ajzen & Fishbein, 1980; Yoh et al., 2003).

To date a number of researchers have focused on the relationship between attitudes towards Internet shopping and purchase intentions (Yoh et al., 2003), whereby they emphasized that customer attitudes play a critical role in motivating browsers or non-repurchase users. From a theoretical perspective, researchers have shown that
people tend to reconstruct their past behavior as relatively consistent with their current attitudes (Eagly & Chaiken, 1993). It can be argued that if existing customers have a favorable attitude toward the website from previous shopping, their attitudes are likely to be consistent with their behavioral intentions. Based on this reasoning, this study expects that customers who have positive attitudes toward online travel websites, for example, will have greater intention to repurchase travel services. This allows us to arrive at the following hypothesis:

H5. Attitude toward website (AW) impacts repurchase intent (RI).

5.3 Methodology

5.3.1 Data Collection

In order to guard against possible sample selection bias, cross-cultural research usually requires comparable samples which involve drawing matched samples from identifiable subgroups of the population (Madden, Hewett, & Roth, 2000). Based on this reasoning, this study used student samples from Korea and the UK of actual users of online travel services.

As generally prescribed, the author employed the back-translation procedure to ensure conceptual equivalency in the questionnaire (c.f., Douglas and Craig, 1983). Participants were recruited via verbal invitation controlled by researchers at two large universities. Respondents were asked to think about the website from which they purchased their most recent travel item (e.g., flight, hotel, rent car, etc.). The travel websites used to respond to the questions varied across respondents/countries-samples. Korean respondents who purchased just one time from an e-commerce website were 162 (UK=98) and respondents who purchased several times from an e-commerce
website were 122 (UK=66).

Questionnaire was distributed to 568 subjects by three researchers in Korea (n=348) and the UK (n=220). The study obtained responses from 539 respondents (334 in Korea and 205 in the UK). Due to missing information and inadequate response, a total of 448 usable questionnaires were obtained (284 in the Korean sample and 164 in the UK sample). The groups had similar profiles except for one difference: the Korean group has almost 3 more years of higher education relative to the UK group.

As outlined by Wang and Waller (2006), the decision to use university students as a subject population was motivated by considerations of ease of recruitment and administration, as well as the desire to maximize the equivalence of the sample across the cultures. Although there may be different social cultures, students are relatively homogeneous in terms of such socioeconomic and demographic characteristics as age, income, education, and social status (Peterson, 2001; Wang & Waller, 2006). Given that the main objective of the study was to examine the nature of different online consumer repurchase behaviors within a theoretical framework, homogeneous samples were desirable. Finally, because most students are familiar with the online travel service, their use would not appear to compromise the validity of the study (Alford and Sherrell, 1996; Ueltschy et al., 2004).

5.3.2 Measures
The five constructs were measured by nineteen questions using a five-point Likert scale (1= strongly agree and 5= strongly disagree) adapted from published scales (see Table 5.2). The four antecedent facets of purchase intentions measured were the following: customized information, with three items adapted from Srinivasan et al. (2002); web interactivity, with four items adapted from Wu (2005a); satisfaction, with four items
adapted from Anderson and Srinivasan (2003); and, positive attitude, with five items adapted from Simon and Peppas (2005). Finally, repurchase intentions were measured by two items adapted from Taylor and Hunter (2002).

5.3.3 Criteria for Defining the Sample

It might be expected that student buying behavior would vary by country, but a previous research studying Australian, English, and American students concludes that “only a relatively small number of attitudes and opinions regarding e-commerce result in differences between purchasers and non-purchasers (Teach and Schwartz, 2003, p. 134).” Based on this evidence, the main criteria for selecting participants for the sample in this study was that they should have had a minimum of six months experience shopping on the Internet with at least one travel-related purchase within that period. To avoid confusion, respondents were asked to carefully consider a particular website where they had purchased travel-related purchase.
Table 5.2 Operational Measures

<table>
<thead>
<tr>
<th>Variables</th>
<th>Korea</th>
<th>UK</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>SD</td>
</tr>
<tr>
<td><strong>Customized Information</strong></td>
<td></td>
<td></td>
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<tr>
<td>The website makes purchase recommendations that match my needs.</td>
<td>2.45</td>
<td>.75</td>
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<tr>
<td>The website enables me to order products or services that are tailor-made for me.</td>
<td>2.49</td>
<td>.87</td>
</tr>
<tr>
<td>I believe that this website is customized to my needs.</td>
<td>2.69</td>
<td>.83</td>
</tr>
<tr>
<td><strong>Web Interactivity</strong></td>
<td></td>
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</tr>
<tr>
<td>I could communicate with the company directly for further questions about the company or its products.</td>
<td>2.73</td>
<td>.91</td>
</tr>
<tr>
<td>The site had the ability to respond to my specific questions quickly and efficiently.</td>
<td>2.82</td>
<td>.86</td>
</tr>
<tr>
<td>I was in control of my navigation through this website.</td>
<td>2.71</td>
<td>.88</td>
</tr>
<tr>
<td>I feel that this is a very engaging website.</td>
<td>2.77</td>
<td>.78</td>
</tr>
<tr>
<td><strong>Satisfaction</strong></td>
<td></td>
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<tr>
<td>I am satisfied with this website.</td>
<td>2.57</td>
<td>.87</td>
</tr>
<tr>
<td>This website offers what I expect from a good website.</td>
<td>2.68</td>
<td>.80</td>
</tr>
<tr>
<td>This website gives me a feeling of satisfaction.</td>
<td>2.69</td>
<td>.82</td>
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<tr>
<td>I think that I made the correct decision to use this website.</td>
<td>2.62</td>
<td>.90</td>
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<tr>
<td><strong>Attitudes</strong></td>
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<tr>
<td>This website makes it easy for me to build a relationship with this company.</td>
<td>2.66</td>
<td>.81</td>
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<tr>
<td>I would like to visit this website again in the future.</td>
<td>2.59</td>
<td>.82</td>
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<tr>
<td>I feel comfortable in surfing this website.</td>
<td>2.81</td>
<td>.85</td>
</tr>
<tr>
<td>I feel surfing this website is a good way for me to spend time.</td>
<td>2.68</td>
<td>.86</td>
</tr>
<tr>
<td>Compared with other websites, I would rate this one as one of the best.</td>
<td>2.66</td>
<td>.80</td>
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<tr>
<td><strong>Repurchase Intentions</strong></td>
<td></td>
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<tr>
<td>I will repurchase other services at this website.</td>
<td>2.56</td>
<td>.86</td>
</tr>
<tr>
<td>I would like to buy new service products at the site.</td>
<td>2.64</td>
<td>.84</td>
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</table>
5.3.4 Response Bias

The author examined response bias between the two periods (early response vs. late response) using the method proposed by Armstrong and Overton (1977). One viable check for response bias is to split the sample into early (n= 212 for the Korean sample and n= 89 for the UK sample) and late respondents (n=72 for the Korean sample and n=75 for the UK sample). No significant differences between the two samples were found on any of the study variables.

5.4 Results

5.4.1 Measurement Model Testing and Results

The two step procedure proposed by Anderson and Gerbing (1998) was used. First, confirmatory factor analysis (CFA) evaluated construct validity, and then hypotheses were tested. All models used the covariance matrix as input to AMOS 6.

As shown in Table 5.3, the CFA model provided good fit to the data. While the chi-square statistics were significant ($p<.01$), it is known to be highly sensitive to sample sizes, such as the ones used here (Jöreskog, 1993). Relative to the other indices, the TLI (the Tucker-Lewis index) performs the best followed by RMSEA (the root-mean-square-error-of-approximation) (Sharma et al., 2005). Sharma et al. (2005) recommend that TLI should be used to evaluate model fit because TLI performs the best as long as the size of factor loadings is .5 or greater. In a cross-cultural study, the use of fit indexes such as CFI (comparative fit index), TLI, and RMSEA is also recommended (Jong, Steenkamp, & Fox, 2007). The CFI and TLI estimates were .964 and .955 for the Korean sample and .946 and .934 for the UK sample. The RMSEA estimates were .037 and 0.034, respectively.

Composite reliability was calculated using the procedures outlined by Fornell
and Larcker (1981). The parameter estimates and the average variance extracted for each construct were carried out (Anderson and Gerbing, 1988). The composite reliabilities for the five constructs ranged from .82 to .91 in the Korean sample and from .83 to .92 in the UK sample. The factor loadings ranged from .63 to .85 (Korean sample, $p<.01$) and .52 to .85 (UK sample, $p<.01$). The average variance extracted (AVE) ranged from .57 to .82 in the Korean sample and .56 to .82 in the UK sample.

On the basis of the validation sample, the author assessed discriminant validity with Fornell and Larcker’s (1981) criterion. Table 5.4 shows that the smallest AVE exceeds the squared correlation between each pair of the relationship value dimensions. This indicates a satisfactory level of discriminant validity.
Table 5.3 Convergent validity

<table>
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<th>Korea Composite Reliability</th>
<th>UK Loading</th>
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<th>UK AVE</th>
<th>Korea α</th>
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Note: Korean Sample: \( \chi^2=210.848; \) df=125; CFI=.964; TLI=.955; RMSEA=.037
UK Sample: \( \chi^2=158.910; \) df=125; CFI=.946; TLI=.934; RMSEA=.034
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<td>.72</td>
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<td>.58</td>
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<td>.48</td>
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<td>.79</td>
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<tr>
<td>1. Customized Information</td>
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<tr>
<td>3. Satisfaction</td>
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<td>.74</td>
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<td>.43</td>
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<td>.48</td>
<td>.83</td>
<td>.79</td>
</tr>
</tbody>
</table>

Note: Bold numbers on the diagonal show the AVE. α is Cronbach’s Alpha.
5.4.2 Casual Equation Model Results

For the Korean data, results of structural equation modeling obtained the proposed model revealed a $X^2$ of 229.034 ($df$ 127; $p < 0.01$), CFI of 0.952, TLI of 0.943, and RMSEA of 0.048. All relationships proposed by the model were significant, except for the path from information to attitudes. Overall fit was excellent. The squared multiple correlations for the structural equations were as follows: customized information, 0.357; satisfaction, 0.663; attitudes, 0.739; and repurchase intentions, 0.555. Thus, a substantial proportion of variance in each of these constructs is explained.

For the UK data, results of structural equation modeling obtained the proposed model revealed a $X^2$ of 169.450 ($df$ 127; $p < 0.01$), CFI of 0.948, TLI of 0.938, and RMSEA of 0.055. Most relationships proposed by the model were significant, except for two paths from information to attitudes and from satisfaction to purchase intentions. Overall fit was also excellent. The squared multiple correlations for the structural equations were as follows: customized information, 0.244; satisfaction, 0.464; attitudes, 0.525; and repurchase intentions, 0.596, indicating that online repurchasing behavior was also explained by the model. Figure 5.1 presents the model and structural path coefficients for each relationship.
FIGURE 5.1

A: Test results of the hypothesized model: Korean Consumers

Note: * <.05; ** <.01; *** <.001.

B: Test results of the hypothesized model: UK Consumers

Note: * <.05; ** <.01; *** <.001.
Hypothesis 1a, predicting a positive relationship between web interactivity and customized information was supported in both data. Results revealed that the path between these two constructs was indeed positive ($\beta = .598$, Korea; $\beta = .494$, UK) and significant at $p < .05$. Hypothesis 1b, predicting a positive relationship between website interactivity and satisfaction, was significantly supported in both data ($\beta = .468$, Korea; $\beta = .385$, UK). The proposed relationship (H1c) between website interactivity and attitude was also significant in both data. Hypothesis 2a, predicting a positive relationship between customized information and satisfaction, was supported in both data. Interestingly, the proposed relationship (H2b) between customized information and attitudes was not significant in both data.

The proposed relationship (H3) between satisfaction and attitude toward Internet travel website was only supported in the Korean data ($\beta = .474$, $p < .001$). Hypothesis 4, predicting a positive relationship between satisfaction and repurchase intent was supported in both data. Hypothesis 5, predicting a positive relationship between attitude toward website and repurchase intent was significant in both data ($\beta = .443$, Korea; $\beta = .479$, UK) at $p < .01$.

5.5 Discussion

From contemporary e-commerce literature, online practitioners connect with customers directly or indirectly through the development of customized information. Previous research (Simonson, 2005) suggests that by proactively creating customized information for customer purchase intent, practitioners manage customized information in ways that facilitate online repurchase intent. The current research confirms that the impacts of customized information contribute in significant ways to online repurchase behaviors with relationships between its antecedent and outcomes, particularly from a cross-
cultural perspective.

This study expands marketing theory by elucidating the construct of customized information and conceptualizing it as personalized data, which have been organized or given structure to make subsequent purchases. The definition of customized information joins in with the literature predicting that personalized information is useful in an information-rich environment of virtual shopping (Huang, 2000). The usefulness of customized information will increase and subsequent purchases will be dependent on the functionality of personalized data offered by a firm.

The study shows that customized information is influenced by web interactivity and influences repurchase intent through satisfaction with websites in both countries. This indicates that web interactivity serves as a key driver of customized information, which plays a mediating role in the relationship between web interactivity and satisfaction. The impact of this ability is beginning to be realized because web interactivity works to increase the importance of customized information.

This study highlights the empirical demonstration of the relationship between customized information and attitude toward websites. Although Wang et al. (2007) pointed out that online information induces a better attitude towards a specific travel service, on the contrary, the current findings reveal that the linkage between customized information and attitudes toward website is not supported in both samples. This illustrates that customized information is significantly limited in its effects on attitudes, at least in a Korean-UK context. From a theoretical perspective, attitudes are formed and modified as people receive and interpret new information (Anderson, 1981). Divergent to expectations, a plausible explanation for no significant relationship between the two constructs is that customers in a repurchasing context are more likely to expect high levels of customized information than their prior purchasing context.
The link of satisfaction with website to attitude toward website is limited in the UK data, indicating that there is a significant difference between Korean and UK consumers. Based on these findings, viewing satisfaction as anticipated favorable attitudes toward website may be an insubstantiality that has not appeared in the empirical satisfaction literature to date. This may explain why the attitude component of the post-satisfaction model does not appear with greater regularity. Thus, the cycle of satisfaction model by Oliver (1997) who proposes that repurchase intention is only influenced by satisfaction and attitude, may not be widely generalized to the many types of online B2C purchasing behaviors. This is because cross-cultural data are significantly limited to support the link of satisfaction to attitude toward website.

5.5.1 Limitations and Further Research

The results are subject to limitations. First, although the analysis offers generalizability across Asian-Western European borders, this investigation refers only to one service sector. Consequently, further research would be useful to extend the results to different service sectors. Second, customized information data correspond to base one-to-one information and do not consider any differential information offered by different online providers. A lack of alternative sources may depend on a number of factors not considered in this study. Final limitation of the current study is of its cross-cultural nature. It would be useful to explore whether satisfaction to attitude toward the website actually enhances repurchase intentions, an issue that would be particularly relevant for different consumer characteristics and global users.
Chapter 6

Alternative Explanations of Online Purchasing Behavior: A Comparison Study of Korean and UK Young Customers

6.1 Introduction

The Asia-Pacific region is home to a slew of retail e-commerce markets that are attractive to Western firms (Huang 2007; Thatcher, Foster, and Zhu 2006). Nevertheless, an October 2006 survey by the publication Internet Retailer found that only a tiny percentage of US Internet retailers generate a majority of their foreign sales from this region (E-marketer 2007). Thus, a complete understanding of how firms impact online purchasing behavior could help marketers when they penetrate any market. This approach would be beneficial when researchers take opportunities for comparisons of online shopping behavior between Asia-Pacific consumers and Western consumers.

In this current study, the author proposes a model on Online Repurchase Intention, which investigates the predictors of intention to purchase offerings (e.g., services, products). As shown in Table 6.1, the author has distinguished three main constructs such as satisfaction, attitude, and repurchase intent. In particular, both satisfaction and repurchase intent refer to a customer’s evaluation of a specific transaction as outcomes of marketing variables (Agustin and Singh 2005; Oliver 1999; Rust and Oliver 2000). In contrast, a consumer’s attitude corresponds to a global evaluation of the product or service, rather than to an evaluation of a specific transaction (Holbrook and Corfman 1985; Schlosser 2003). Scholars have begun to gain an understanding of e-marketing strategies in order to attract buyers to websites (e.g., Hoffman, Novak, and Yiu-Fat 2000; Park and Fader 2004; Schlosser, White, and Lloyd...
2006; Shim, Eastlick, Lotz, and Warrington 2001). However, these strategic approaches are linked to the abovementioned relationships, which are rarely highlighted in online consumer research (Schlosser 2003; Urban, Sultan, and Qualla 2000). In their most cited *Marketing Science* article titled “Consumer Decision Making in Online Shopping Environments: A Structural Modeling Approach” Hoffman and colleagues (2000) suggest that investigating the relationship between customer experience and online marketing outcome variables may be productive. Table 6.1 sums up key studies related to online consumer behavior.

Consequently, the development of an integrated model between three main constructs and two online-based constructs (customized information and web interactivity) is vital to better comprehend online purchase behavior. Both customized information and web interactivity might be beneficial if they are incorporated into the online repurchasing mechanism (e.g., Alba et al., 1997; Schlosser, 2003). Customized information has become important in Internet based applications for the following reason. Because there is an explosion in the number of choices that are available to customers on the Internet, firms can add value by providing appropriate information to simplify the customer’s decision process (Murthi and Sarkar, 2003). Similarly, a unique characteristic of online shopping environments is that they allow for the implementation of high degrees of interactivity (Häubl and Trifts, 2000). Häubl and Trifts (2000) particularly point out that consumer behavior in an online shopping environment is determined largely by the degree and type of interactivity that is implemented in such a setting. Thus, the combination of these two constructs provides a basis for substantial understanding of e-purchasing behavior.

In order to justify the model, this study compares four alternative models for predicting e-purchase behavior. These alternative models are an accepted way of
understanding relationships among the proposed constructs (Ferrer and McArdle 2003). By structuring such alternative models, McKenzie (1998) argues that researchers may be better able to judge how the evidence relates to each alternative view. The availability of competing models involving the constructs of interest in this study allows us to interpret alternative explanations of consumer purchase behavior and select an appropriate model among alternative models. Therefore, the aim of this study is to develop and test alternative models, which can be viewed as a significant early step on the path toward a comprehensive understanding of young consumer behaviors in new information communication technology (e.g. Internet).

As outlined by Cronin, Brady, and Hult (2000), a significant point is apparently based on alternative models identified. Although it is evident that few studies have investigated multiple direct links among information, interactivity, satisfaction, and attitudes, there is no reported investigation of whether any or all of these variables directly influence repurchase intentions when the effects of all four are simultaneously considered. This study therefore expects that four alternative explanations could address their true relationships for selecting best model when researchers consider the development of the online repurchase intention model.

The remainder of this thesis is as follows. The first two sections provide the underpinning theoretical background for four alternative models to examine the effect of key antecedents on purchasing intentions. The third section describes the methodological approach and provides the justification to authenticate the proposed conceptual model. Results from a cross-sectional survey are presented, followed by an exploratory and discussion of empirical findings which lead to managerial and academic implications. Finally, limitations for this study and area for future research are drawn.
**Table 6.1 Summary of Research Relevant to Online Consumer Behavior**

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Key Variables</th>
<th>Study</th>
<th>Main Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hoffman and Novak (2000)</td>
<td>Interactivity, Flow, Skills, Challenges</td>
<td>Focuses on the marketing implications of commercializing hypermedia computer mediated environments, of which the world wide web on the Internet is the first and current networked global implementation.</td>
<td>Consumers who experience the flow state in a hypermedia CME exhibit exploratory behaviors (e.g., shopping behavior) than those who do not.</td>
</tr>
<tr>
<td>Lee and Turban (2001)</td>
<td>Trust</td>
<td>Describes a theoretical model for investigating the four main antecedent influences on consumer trust in Internet shopping.</td>
<td>The findings indicate that merchant integrity is a major positive determinant of consumer trust in Internet shopping, and that its effect is moderated by the individual consumer’s trust propensity.</td>
</tr>
<tr>
<td>Koufaris, Kambil and LaBarbera (2001)</td>
<td>Attitude, Involvement, Information</td>
<td>Investigates the impact of consumer experience and attitudes on intention to return and purchase on-line.</td>
<td>Positive attitudes can increase the intention of web customers to purchase. Also, information can have a significant impact on their online experience which will result in future online purchase.</td>
</tr>
<tr>
<td>Shim, Eastlick, Lots and Warrington (2001)</td>
<td>Attitude, Information Search</td>
<td>Determines whether intent to search the Internet for product information is a key element for marketing researchers to employ in predicting consumers’ Internet purchasing intentions.</td>
<td>Intention to use the Internet to search for information is not only the strongest predictor of online purchase intention but also mediates relationships between purchasing intention and other predictors (i.e., attitude toward online shopping and previous online purchase experience).</td>
</tr>
<tr>
<td>Authors</td>
<td>Variables</td>
<td>Study Outline</td>
<td>Summary</td>
</tr>
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<tr>
<td>Heijden, Verhagen, and Creemers (2003)</td>
<td>Web interactivity, Trust, Reputation, Attitude</td>
<td>Investigate the antecedents of online purchase intention for B2C websites with two competing models.</td>
<td>Online purchase intention at the website is strongly determined by attitude toward online shopping at the website. In particular, trust-antecedent interactivity directly influenced the attitude towards purchasing online.</td>
</tr>
<tr>
<td>Park and Kim (2003)</td>
<td>Information, Satisfaction, Commitment</td>
<td>Investigates the relationship between various characteristics of online shopping and consumer purchase behavior.</td>
<td>Information affects information satisfaction and relational benefit that, in turn, are significantly related to each consumer’s site commitment and actual purchase behavior.</td>
</tr>
<tr>
<td>Park and Fader (2004)</td>
<td>Information, Visiting Time, Expectations</td>
<td>Develop a stochastic timing model of cross-site visit behavior to understand how to leverage information from one site to help explain customer behavior at another.</td>
<td>Summary information (i.e., frequency) from past visit patterns at a competing site can make accurate statements about the future behavior (i.e., previous nonvisitors to a given site).</td>
</tr>
<tr>
<td>Lim and Dubinsky (2005)</td>
<td>Consumer Attitude</td>
<td>Examines the impact of three key components of TPB (i.e., attitude, subject norm, control beliefs) on e-consumers’ purchase intentions.</td>
<td>Attitude toward online shopping is reinforced to the extent to which consumers think their relevant others support their online purchase behavior.</td>
</tr>
<tr>
<td>Chiu, Lin and Tang (2005)</td>
<td>Easy of Use (Interactivity), Attitude</td>
<td>Examines four key constructs that have indirect influences on online purchase intentions through the mediation of attitudes.</td>
<td>Consumer attitudes play a significant role in facilitating their purchase intentions. Also, the influences of perceived ease of purchasing on both attitudes and online purchase intentions are stronger for females than for males.</td>
</tr>
<tr>
<td>Wu (2005)</td>
<td>Web Interactivity, Attitude</td>
<td>Investigates the mediating role of interactivity on communication outcomes such as attitude toward</td>
<td>The research has proven the mediating role of web interactivity in affecting the effect of web</td>
</tr>
</tbody>
</table>
The website. Interactivity on attitude toward the website. Such an attitude will play an important role in making consumers’ final behavior.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Interactivity, Satisfaction, Attitudes</th>
<th>Focuses on consumer characteristics that may influence the importance of hedonic value from a website design feature.</th>
<th>Their model reveals significant paths between emotional variables and attitudes. Their findings also show that interactivity has a direct impact on satisfaction, attitudes, and willingness to buy.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiore, Jin, and Kim (2005)</td>
<td>Interactivity, Satisfaction, Attitudes</td>
<td>Focuses on consumer characteristics that may influence the importance of hedonic value from a website design feature.</td>
<td>Their model reveals significant paths between emotional variables and attitudes. Their findings also show that interactivity has a direct impact on satisfaction, attitudes, and willingness to buy.</td>
</tr>
<tr>
<td>Hackman, Gundergan, Wang and Daniel (2006)</td>
<td>Satisfaction, Service Quality Service Value</td>
<td>Examine the relationships between behavioral intentions and its antecedent factors in online service settings.</td>
<td>Online buyers’ behavioral intentions are directly influenced by online service quality and satisfaction. In particular, the strongest direct effect on behavioral intentions comes from online service satisfaction.</td>
</tr>
<tr>
<td>Schlosser, White, and Lloyd (2006)</td>
<td>Perceived Risk, Trust</td>
<td>Investigate the impact of web site design investments on consumers’ trusting beliefs and online purchase intentions.</td>
<td>Effective investments signal the component of trusting beliefs that is most strongly related to online purchase intentions.</td>
</tr>
</tbody>
</table>
6.1.1 Potential Cultural Differences of Korea and UK

The author conducted this study in South Korea and the UK because they represent nearly opposite positions on four important cultural dimensions proposed by Hofstede (1980). According to Hofstede’s cultural dimensions (2003), both Korea and UK are significantly different from four cultural dimensions: Power Distance Index (Korea 60 vs. UK 38); Individualism Index (Korea 18 vs. UK 83); Masculinity (Korea 39 vs. UK 61); and Uncertainty Avoidance (Korea 85 vs. UK 39). The literature has shown that culture affects a consumer’s decision making process, particularly in the context of online information process (Fong and Burton, 2007). Collectivist societies have been shown to display differences from individualist societies in information seeking behavior. For example, Korean online consumers were more likely than Western people to search for, and depend on, service information quality (Park & Kim, 2003), while Western people did less directed search and depended more on their internal knowledge and personal experience with products or services (Doran, 2002). These differences indicate that there are significant differences between Korean and UK consumers when researchers develop an overall repurchasing model in a Korean-UK context.

6.2 Definitions and Primary Links of Constructs

6.2.1 Customized Information

The starting point for analysis of online purchase behavior is information. The Internet’s vast global network affords buyers and sellers unprecedented reach and access to consumers, products, services, and information (Vahidov and Ji, 2005; Helander and Khalid; 2000; Chiang and Dholakia, 2003; Manvi and Venkataram, 2005). The information-rich nature of the online environment can easily become a trap for information load to occur, as more and more consumers become part of the Internet
population and websites emerge as the key carrier of information for business transactions and marketing communication (Coupey, 2001; Poel and Buckinx, 2005). Thus, online providers and consumers can communicate with one another directly. Shoppers compare notes, sellers supply product information, and the latest business and consumer trends can be tracked. This networked communication makes the e-marketplace unlike any other market.

In the context of online purchasing behavior, Ha (2002) defines customized information as "optimal self-relevance information for each segmented customer based on experiences of existing or membership customers." After reviewing the vast literature on customized information in relation to online marketing (Ansari and Mela, 2003; Ha, 2002; Simonson, 2005; Srinivasan et al., 2002), in this study customized information is conceptually defined as “personalized data, which have been organized or given structure to make subsequent purchases.” The conceptual approach is appropriate because researchers investigating consumer behavior from an information-processing perspective claim that the attentional step in message processing controls a substantial portion of the variability in consumer decisions (Bettman, 1974, 1979; Lee, Park and Han, 2007; Gursoy and McCleary; 2004).

6.2.2 Web Interactivity

The term 'web interactivity' from a communicator’s perspective is usually taken to refer to design features of the website, e.g., the inclusion of polls, customization, a contact address, or the provision of a chat room (Coyle and Thorson, 2001; Sillence, Briggs, Harris and Fishwick, 2006). As outlined by Wu (2005), the potential for web interactivity can be realized by the audience. Two-way communication is almost equivalent to the blended form of interpersonal and computer-mediated interpersonal
communication (Rafaeli and Sudweeks, 1997; Sillence, 2006; Hassanein and Head, 2006).

Hoffman and Novak (2000) indicate that interactivity is the interaction between the site and a user of that site and goes to the core of a computer-mediated communication environment. Researchers describe that web interactivity offers benefits such as facilitated communication, customization of presented information, image manipulation, and entertainment for the customer (Flore, Jin and Kim, 2005; Hong, Thong and Tam, 2004; Chang, Cheung and Lai, 2005; Dholakia, Bagozzi and Pearo, 2004). The leading role of web interactivity is a series of repeated exchanges between parties known to each other: they evolve in response to these interactions and to fluctuations in the contextual environment. In this study web interactivity is conceptualized as the availability and effectiveness of customer support tools on a website, and the degree to which two-way communication with customers is facilitated (Srinivasan et al., 2002; Ratnasingam, 2005; Gefen and Straub, 2004).

### 6.2.3 Satisfaction

Over the years, numerous definitions of satisfaction have been used by marketing scholars (Giese and Cote, 2000). Although the marketing literature recognizes the importance of satisfaction, there is no general agreement on how the concept should be defined (Rogers, Peyton, and Berl, 1992). This lack of consensus implies that satisfaction may not mean the same thing to everyone (Oliver, 1980). Based on this reasoning, in this study satisfaction is conceptualized as the perceived degree of contentment with regard to a customer’s prior purchase experience with a given electronic commerce firm (Anderson and Srinivasan, 2003; Kim and Stoel, 2004; Boyer and Hult, 2006).
Generally, the relationship between e-satisfaction and purchase intentions is assumed to be positive (Hackman et al., 2006). Few empirical studies have tested between satisfaction and actual buying behavior in the traditional markets, but low relationship has been found (Mittal and Kamakura, 2001; Szymanski and Henard, 2001). These studies have been focused on the moderating effect to be linked to low relationship between satisfaction and purchase intentions, whereas a few published studies have examined the mediating effect of the relationship in an online shopping context (Yoon, 2002). Although researchers considered commitment or involvement as a mediator between satisfaction and behavioral intentions (Johnson et al., 2001; Olsen, 2007), an important finding from Yoon study (2002) is that other constructs (e.g., attitudes) may serve as a complete mediator.

### 6.2.4 Attitude toward website

Generally, attitude is defined as “a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor” (Eagly and Chaiken, 1993, p.1). Attitudes are considered as a summary of hypothetical constructs representing overall feelings towards or evaluative judgments about a person, object or issue (Zajonc and Markus, 1982; Liao, Palvia and Lin, 2006). This study conceptualizes positive attitude as overall feelings towards a particular website with some degree of favor.

Consumer beliefs are directly related to confidence (Krishnan and Smith, 1998), and the link may be important for a better understanding of online consumer purchasing behavior. As noted earlier, both satisfaction and trust on purchase intentions may be mediated by a particular mediator from an e-commerce context. The psychology literature addresses a major reason why attitude confidence is considered an important
construct is because it has been shown to moderate the level of A-B consistency (Smith and Swinyard, 1983). It is agreed that attitudes are less likely to direct behavior when there is low confidence (Smith and Swinyard, 1983). In the e-purchasing context, the moderating effect of attitudes would be desirable, but the mediating effect of attitudes may also be considered. Evidence is supported by Yoh et al. (2003) who found that the relationship between trust and purchase intentions is mediated by consumer attitudes. Based on this reasoning this study focuses on the mediating effect of positive attitudes between satisfaction, trust and purchase intentions.

6.2.5 Repurchase Intentions

The final conceptual element of the framework is repurchase intention. In this study, repurchase intention is finally defined as a consumer’s willingness to repurchase offerings in a particular website. Generally, the direct relationship between satisfaction and repurchase intentions is assumed to be positive, but the indirect effect through attitude toward website may be also valuable for a better understanding of online repurchasing behavior.

6.3 Four Alternative Models of Online Purchase Behavior

Marketers who investigate the marketing literature as a means of business performance are likely to look to the literature with different angles. Such approaches may not be fully supported by the literature. In so doing, this study undertakes to develop an appropriate theoretical model to predict e-shopping intent; the process of selection involves a full study of alternative models in order to select the one providing the best fits. Thompson (2004, p.115) states that “the fit of a single tested model may always be an artifact of having tested too few models.” As shown in Figure 6.1, alternative
explanations are utilized amongst information, web interactivity, satisfaction, trust, positive attitude and purchase intentions.

Figure 6.1 shows four possible specifications of the causal role of attitudes, each based on prior theoretical (and in some cases empirical) work. All of the competing explanations are couched within a general hierarchy-of-effects framework: for example, in all four explanations, information is seen as determining attitudes, and two marketing variables stimulated by a company are posited as causal antecedents of attitudes. The latter relationship has been documented repeatedly in both the multiattribute attitude (Mitchell and Olson, 1981) and behavioral response (Schlosser, 2003). In addition, Sundar and Kim (2005) observed a positive linear relationship between information and web interactivity.

In the case of competing models shown in Figure 6.1, competition is represented within the design frame in three stages: the role of web interactivity, the role of three marketing variables on purchase intentions, and the mediating role of attitudes via the indirect effect. Taking the direct attitude model as the essential hypotheses of this research, the implication is that constructs focus on the function of attitudes in predicting e-shopping behavior.
FIGURE 6.1
Four Competing Models of Online Purchasing Intentions

- Direct Attitude Model (DAM)
  - SA → AT → PU
  - CI → WI

- Real Mediation Model (RMM)
  - SA → AT → PU
  - CI → WI

- Information Effects Model (IEM)
  - SA → AT → PU
  - CI → WI

- Proposed Research Model (PRM)
  - SA → AT → PU
  - CI → WI

**Note:** CI = Customized Information; WI = Web Interactivity; SA = Satisfaction; AT = Attitudes; PU = Repurchase Intentions
6.3.1 Direct Attitude Model (DAM)

To provide a base comparison, this study posits a direct causal relationship from attitude toward website to repurchase intention. Each of these variables has been shown to have a relevant linkage on attitude toward website. As a primary framework, considerable evidence in support of the linkage of satisfaction $\rightarrow$ attitude $\rightarrow$ repurchase intent has been accumulated under the customer satisfaction theory. After the consumer makes the first purchase, the primary framework assumes that this consumer’s reaction follow the basic judgment, whereby satisfaction is a function of prior purchase experience (Oliver, 1980, 1997). Similarly, the model derived from Dick and Basu (1994) also suggests that attitude mediates the effects of satisfaction on purchase intention. Consistent with the cycle of satisfaction proposed by Oliver (1997), the framework suggests further that the resulting level of satisfaction is a major influence on the consumer’s updated attitude toward website, which also affects repurchase intent.

The first model also allows one-way indirect effect for the independent constructs on the dependent construct – attitude toward website, and is called the direct attitude model (DAM). In light of the conceptual and empirical evidence in support of the web interactivity $\rightarrow$ attitude toward website (Lim and Dubinsky, 2004; Teo et al. 2003) and customized information $\rightarrow$ attitude toward website (Eroglu, Machleit and Davis, 2003; Simonson, 2005) linkages, they are all incorporated into each of the competing specification of the role of attitude toward website.

6.3.2 Real Mediation Model (RMM)

The sequences start with experience (customized information $\rightarrow$ web interactivity) and progress to attitude toward website and then to intention. Interactivity bridges the relationships between customized information, attitude toward website, and intention. A
marketing mix process is also represented in the diagram (customized information → web interactivity → repurchase intent), guided by the position of many practical theorists who state strategic factors are necessary and sufficient determinants of purchase intention (e.g., Ramani and Kumar, 2008; Srinivasan et al., 2002). For the model, customized information is linked to outcome, and the reaction becomes further differentiated as more effective design is incorporated into the process.

The role of web interactivity as a mediator has also been shown in studies (Merrilees and Fry 2002). The “real mediation model” is the second model that allows the effect of customized information on repurchase intentions through the mediating effect of web interactivity. When consumers are interested in customized information, interactivity is the condition of communication in which simultaneous and continuous exchanges occur (Rafaeli, 1988). Given that consumers involve interactivity, fully interactive communication requires that later messages in any sequence take into account not just messages that preceded them, but also the manner in which previous messages were reactive (Rafaeli and Sudweeks, 1997). It is theorized that propensity to interactivity may be possible when customized information meets their demands in the basis of previous messages, particularly in a repurchasing context (Ramani and Kumar, 2008). In this model the author incorporates these indirect links into the online purchasing model.

Further theoretical justification for the link can be attributed to Wu (2005) information → web interactivity → attitudes. From the literature based on the “uses-and-gratifications theory,” an individual's needs, desires, and motives may determine in part his/her patterns of media usage and attitude (Katz, Blumler, and Gurevitch 1973). The theory is linked to the level of interactivity. Sohn and Lee (2005) and Wu (2005) demonstrate that the initial evaluation of information affects the level of perceived
responsiveness that, in turn, engages in web interactivity which leads to form attitudes.

6.3.3 Information Effects Model (IEM)
Since studies have shown both direct and indirect effects of information on repurchase intentions, this study decides to also test a model that allows the direct effects of customized information on satisfaction. In situations where the customer is able to conduct a detailed analysis, research identifies the importance of customized information as a vehicle for human motivation because there are motives about information quality in the firm’s offerings (e.g., Murthi and Sarkar, 2003; Simonson, 2005). Expanding this theoretical point, Cook and Coupey (1998) theorize that high levels of information quality on the web have the potential to result in more knowledgeable consumers, who are then able to make better quality decisions, who will then experience greater satisfaction with any purchases they make.

Customized information is the key for understanding current firm’s strategy which will reinforce repurchase intent at the final stage of online shopping. It indicates that the model allows the additional effect of customized information on satisfaction. Thus, this third model “information effects model” with three direct effects of customized information on repurchase intentions through other variables is developed.

6.3.4 Proposed Research Model (PRM)
Past research has largely supported the hypotheses of the IEM in that a direct positive relationship between information and satisfaction variables has been observed. Therefore, the IEM must be regarded as a plausible structure for the mediating role of attitudes.

The final model, the most plausible one on conceptual grounds, specifies an
additional mediation, and is called the proposed research model. The model focuses on the direct relationship between satisfaction and repurchase intentions. The conceptualization on the link of the satisfaction → repurchase intentions is similar to models that position satisfaction as the key determinant of behavioral intentions (e.g., Brady et al. 2005; Kim, Ma, and Kim 2006; Oliver 1997). Since the linkage of satisfaction-repurchase intent has been well documented, the linkage of customized information-satisfaction-repurchase intent might be critical for a better understanding of online purchasing process. Because satisfaction may be merely a judgment with cognitive and affective dimensions (Mittal, Ross, and Baldasare, 1998), performance on a certain attribute of customized information may become crucial for repurchase intentions through satisfaction.

In environments where consumers evaluate amount of information, the elaboration likelihood model offers an extended view of persuasion as it specifies the conditions under which persuasion should be mediated by message-related thinking (Eagly and Chaiken, 1993; Petty and Cacioppo, 1981). In this case, the elaboration likelihood model could incorporate this viewpoint by positing a certain attribute of customized information to persuasion. Customized information is an example of central cues that directly relate to central issues of Internet shopping. For the central route, it is argued that the quality of customized information may affect consumer satisfaction when a firm’s demonstrability is clear (e.g., Yang et al., 2006). As ELM claims, the extent and nature of people’s processing of persuasive argument depends upon motivation and ability (Petty and Cacioppo, 1986). Motives about customized information in the firm’s offerings should be linked to message-related thinking. For example, if the probability that recipients follow the specific attribute of customized information is high, they are satisfied from the message source or argument, illustrating
that they are more likely to engage in their purchasing activity.

It can be seen in this final model that the theoretical framework indicates that the theoretical competition should be relatively accurate or consistent with the previous models. The important feature of the PRM is that it provides an experience-oriented view of attitude formation, which is formed from an ongoing experience and marketing stimuli that are adjusted on the basis of currently available information. Under that specification, perceptions of the web navigation are seen as leading to an attitude toward the e-shopping intent, which in turn governs cognitive and affective reactions to the behavioral actions.

### 6.4 Method

#### 6.4.1 Sample Selection

In order to prevent possible sample selection bias, cross-cultural research usually requires comparable samples which involve drawing matched samples from identifiable subgroups of the population such as housewives and students (Madden, Hewett, and Roth, 2000). Based on this reasoning, student samples were collected from Korea and UK of actual users of online travel services. The main criteria for selecting participants for the sample in this study was that they should have had a minimum of six months experience shopping on the Internet with at least one travel-related purchase within that period.

Self-completed surveys from the Korea and UK were developed based upon literature since the substantive issues under investigation focused on online behavior. Participants were recruited via verbal invitation controlled by researchers at two large universities. They were from a variety of courses (e.g., social science, business, and science) and volunteered in the study. These students were asked to complete a
retrospective “Online Travel Shopping” on the basis of their most recent shopping experiences (e.g., air tickets, travel packages, lent cars, hotels, and etc). Respondents were urged to take few minutes to think about the travel website before completing the survey.

Questionnaire was distributed to 568 subjects by two researchers in Korea (n=348) and the UK (n=220). It took four weeks during May and June of 2007 for data collection. The author obtained responses from 539 respondents (334 in Korea and 205 in the UK). Due to missing information, a total of 448 usable questionnaires were obtained (284 in the Korean sample and 164 in the UK sample). The groups exhibit similar profiles except for a distinction: The Korean group has almost 3 more years of higher education relative to the UK group.

As outlined by Wang and Waller (2006, p.674), “the decision of use university students as a subject population was motivated by considerations of ease of recruitment and administration, as well as the desire to maximize the equivalence of the sample across the cultures.” Although there may be different social cultures, students are relatively homogeneous in terms of such socioeconomic and demographic characteristics as age, income, education, and social status (Peterson 2001; Wang and Waller 2006). Given that the main objective of the study was to examine the nature of different online consumer purchase behaviors within a theoretical framework, homogeneous samples were desirable. Finally, because most students are familiar with the online travel service, their use would not appear to compromise the validity of the study (Ueltschy et al. 2004).
6.4.2 Assessment of the Measurement

One inherent difficulty in conducting cross-cultural research is showing evidence of measurement equivalence (Brady and Robertson, 2001). In a cross-cultural research design strategy, data collection instrument design is intricate by additional phases of translation (Lee, More and Cotiw-an, 1999). Since UK respondents were natives in English, measurement equivalence pertains to whether the variables and items used in the questionnaire are comparable for the Korean data. Steenkamp and Ter Hofstede (2002) identify three related areas: 1) translation; 2) calibration; and 3) metric equivalence.

Since language and meanings are generally context-specific and culture-bound, well-written translation is the key to any cross-cultural research. As the original questionnaire was first written in English, a back translation method was used to develop the Korean version. The original questionnaire was translated into the Korean language by two persons bilingual in Korean and English. After initial drafts were developed, these scholars resolved translation discrepancies in a face-to-face meeting with university students who participated in several courses. The method was useful for finding problems of comprehension or meaning that were not identified previously. Issues identified were referred back to the researchers to be incorporated into the final version of the questionnaire (e.g., Douglas and Craig, 2007). Overall, there was an acceptable good fit between the back-translated versions and the original version, indicating that the Korean version had a high level of translation quality (e.g., Douglas and Craig, 1983).

Calibration equivalence insures that the units of measurement are comparable across populations. This is achieved by using identical units of measurement or accurate conversion of different scales of measurement. The Korean questionnaire was composed
of the Web-usage-related items, online shopping items, and demographics. Some of
demographic questions (e.g. educational issues) involved posed a problem since they
are classified in a different way (Brengman et al., 2005). Therefore these questions were
rescaled to broad categories. The education measure, for example, was revised to
correspond to the norms of the two countries, where diploma for both university
students means that it indicates a higher degree than secondary school. Furthermore,
Richins and Dawson (1992) used a five-point Likert scale to collect their original data
to insure calibration equivalence. In the current study, the same care was given to
translation of the scale point labels as to the questionnaire items because university
students in each country have familiar with Likert response scales (Maurer and Pierce,
1998). The author assessed the significance of the translation as a source of errors /
inaccuracies in the data collection instrument. The translation was confirmed via various
methods to identify, quantify, and rectify errors of accurate translation, omissions and
mistakes (e.g., Jowell et al., 2007).

Metric equivalence was examined after the data have been collected. Metric
equivalence is best assessed through confirmatory factor analysis (Steekamp and
as measurement invariance and identified six forms of measurement invariance: 1)
configural invariance; 2) metric invariance; 3) scalar invariance; 4) factor covariance
invariance; 5) factor variance invariance; and 6) error variance invariance. While the
first three forms of measurement invariance tests represent nested models in the sense
that each test is nested in the one that precedes it, the order of the last three forms of
measurement invariance tests is arbitrary and depends on the research objectives (Wang
and Waller, 2006).
6.4.3 Measures

The five constructs were measured by twenty-three questions using a five-point Likert scale (1= strongly agree and 5= strongly disagree) adapted from published scales (see Table 6.2). The four antecedent facets of repurchase intentions measured were the following: customized information, with three items adapted from Srinivasan, Anderson, and Ponnavolu (2002); web interactivity, with five items adapted from Wu (2005); satisfaction, with four items adapted from Anderson and Srinivasan (2003); and, positive attitude, with five items adapted from Simon and Peppas (2005). Finally, repurchase intentions were measured by two items adapted from Taylor and Hunter (2002).
Table 6.2 Measurement Items and Reliability (N=284, Korea and N=164, UK)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Items</th>
<th>Scale Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customized</td>
<td>The website makes purchase recommendations that match my needs.</td>
<td>.761 (Korea)</td>
</tr>
<tr>
<td></td>
<td>The website enables me to order products or services that are tailor-made for me.</td>
<td>.722 (UK)</td>
</tr>
<tr>
<td></td>
<td>I believe that this website is customized to my needs.</td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>This website makes it easy for me to build a relationship with this company.</td>
<td>.822 (Korea)</td>
</tr>
<tr>
<td>Attitudes</td>
<td>I would like to visit this website again in the future.</td>
<td>.814 (UK)</td>
</tr>
<tr>
<td></td>
<td>I feel comfortable in surfing this website.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I feel surfing this website is a good way for me to spend time.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Compared with other websites, I would rate this one as (one of the best-one of the worst).</td>
<td></td>
</tr>
<tr>
<td>Web</td>
<td>I could communicate with the company directly for further questions about the company or its products.</td>
<td>743 (Korea)</td>
</tr>
<tr>
<td>Interactivity</td>
<td>This website does not have a tool that makes product comparisons easy.</td>
<td>.802 (UK)</td>
</tr>
<tr>
<td></td>
<td>The site had the ability to respond to my specific questions quickly and efficiently.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I was in control of my navigation through this website.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I feel that this is a very engaging website.</td>
<td></td>
</tr>
<tr>
<td>Satisfaction</td>
<td>I am satisfied with this website.</td>
<td>.870 (Korea)</td>
</tr>
<tr>
<td></td>
<td>This website offers what I expect from a good website.</td>
<td>.882 (UK)</td>
</tr>
<tr>
<td></td>
<td>This website gives me a feeling of satisfaction.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I think that I made the correct decision to use this website.</td>
<td></td>
</tr>
<tr>
<td>Repurchase</td>
<td>I will repurchase other products/services at this website.</td>
<td>.793 (Korea)</td>
</tr>
<tr>
<td>Intention</td>
<td>I would like to buy new service products at the site.</td>
<td>.793 (UK)</td>
</tr>
</tbody>
</table>
6.4.4 Response Bias

The author examined response bias between the two periods (early response vs. late response) using the method proposed by Armstrong and Overton (1977). One viable check for response bias is to split the sample into early ($n=212$ for the Korean sample and $n=89$ for the UK sample) and late respondents ($n=72$ for the Korean sample and $n=75$ for the UK sample). No significant differences among the two samples were found on any of the study variables.

6.4.5 Statistical Analysis

Three separate approaches were required to examine the research questions. The first goal was to check validity of each construct. To do so, a confirmatory factor analysis with use of AMOS 6.0 was conducted. The second stage of the analysis used structural equation modeling to test the proposed and rival structural models by maximum likelihood estimation in AMOS 6.0.

At the final stage, the appropriateness of each model was examined using several fit indices. The appropriate test for nested models is to test whether any reduction in the overall chi-square by estimating additional parameter is significant (Punj and Hillyer, 2004). Further statistical significances vary according to sample size. In response to this issue, Bentler and Bonett (1980) proposed a nonnormed fit index (NNFI; $\rho$) that compares the fit of a model with that of a null model, taking into account the number of degrees of freedom used in moving from one model to the other. In comparing two models that are nested, both a substantial reduction in chi-square and a large increase in rho are required to accept a model with a great number of parameters.
6.4.6 Confirmatory Factor Analysis

As shown in Table 6.3, the CFA model provided good fits to the data. The $X^2$ of the measurement models was 254.149 for the Korean sample and 174.905 for the UK sample with 142 degree of freedom. While the chi-square statistics were significant ($p<.05$), it is known to be highly sensitive to sample sizes, such as the ones used here (Thompson 2004). Relative to the other indices, the TLI (the Tucker-Lewis index) performs the best followed by RMSEA (the root-mean-square-error-of-approximation) (Sharma et al. 2005). Sharma et al. (2005) recommend that TLI should be used to evaluate model fit because TLI performs the best as long as the size of factor loadings is .5. The TLI estimates were .944 for the Korean sample and .941 for the UK sample, and the RMSEA estimates were .053 and .052, respectively.
<table>
<thead>
<tr>
<th>Factor Items</th>
<th>Korea</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customized Information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 1</td>
<td>.754</td>
<td>.626</td>
</tr>
<tr>
<td>Item 2</td>
<td>.763</td>
<td>.843</td>
</tr>
<tr>
<td>Item 3</td>
<td>.694</td>
<td>.757</td>
</tr>
<tr>
<td>Composite Reliability</td>
<td>.83</td>
<td>.87</td>
</tr>
<tr>
<td>AVE</td>
<td>.53</td>
<td>.62</td>
</tr>
<tr>
<td><strong>Web Interactivity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 1</td>
<td>.674</td>
<td>.652</td>
</tr>
<tr>
<td>Item 2</td>
<td>.633</td>
<td>.690</td>
</tr>
<tr>
<td>Item 3</td>
<td>.543</td>
<td>.715</td>
</tr>
<tr>
<td>Item 4</td>
<td>.673</td>
<td>.735</td>
</tr>
<tr>
<td>Item 5</td>
<td>.674</td>
<td>.845</td>
</tr>
<tr>
<td>Composite Reliability</td>
<td>.83</td>
<td>.81</td>
</tr>
<tr>
<td>AVE</td>
<td>.54</td>
<td>.56</td>
</tr>
<tr>
<td><strong>Satisfaction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 1</td>
<td>.778</td>
<td>.784</td>
</tr>
<tr>
<td>Item 2</td>
<td>.815</td>
<td>.842</td>
</tr>
<tr>
<td>Item 3</td>
<td>.785</td>
<td>.778</td>
</tr>
<tr>
<td>Item 4</td>
<td>.789</td>
<td>.827</td>
</tr>
<tr>
<td>Composite Reliability</td>
<td>.91</td>
<td>.94</td>
</tr>
<tr>
<td>AVE</td>
<td>.70</td>
<td>.71</td>
</tr>
<tr>
<td><strong>Attitude toward website</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 1</td>
<td>.654</td>
<td>.674</td>
</tr>
<tr>
<td>Item 2</td>
<td>.757</td>
<td>.859</td>
</tr>
<tr>
<td>Item 3</td>
<td>.652</td>
<td>.768</td>
</tr>
<tr>
<td>Item 4</td>
<td>.712</td>
<td>.645</td>
</tr>
<tr>
<td>Item 5</td>
<td>.692</td>
<td>.691</td>
</tr>
<tr>
<td>Composite Reliability</td>
<td>.88</td>
<td>.87</td>
</tr>
<tr>
<td>AVE</td>
<td>.58</td>
<td>.58</td>
</tr>
<tr>
<td><strong>Repurchase Intentions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 1</td>
<td>.855</td>
<td>.781</td>
</tr>
<tr>
<td>Item 2</td>
<td>.769</td>
<td>.843</td>
</tr>
<tr>
<td>Composite Reliability</td>
<td>.90</td>
<td>.91</td>
</tr>
<tr>
<td>AVE</td>
<td>.75</td>
<td>.77</td>
</tr>
</tbody>
</table>
Composite reliability was calculated using the procedures outlined by Fornell and Larcker (1981). The parameter estimates and the average variance extracted for each construct were carried out (Anderson and Gerbing 1988). The composite reliabilities for the five constructs ranged from .83 to .91 in the Korean sample and from .81 to .94 in the UK sample. The factor loadings ranged from .54 to .85 (Korean sample, \( p<.01 \)) and .62 to .86 (UK sample, \( p<.01 \)). The average variance extracted (AVE) ranged from .53 to .75 in the Korean sample and .56 to .77 in the UK sample.

On the basis of the validation sample, the author assessed discriminant validity with Fornell and Larcker’s (1981) criterion. Table 6.4 shows that the smallest AVE exceeds the squared correlation between each pair of the relationship value dimensions. This indicates a satisfactory level of discriminant validity.
### TABLE 6.4
Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Korea</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Customized information</td>
<td>2.58</td>
<td>.910</td>
<td>.53</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Web interactivity</td>
<td>2.71</td>
<td>.839</td>
<td>.28</td>
<td>.54</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Satisfaction</td>
<td>2.64</td>
<td>.850</td>
<td>.38</td>
<td>.39</td>
<td>.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Attitude toward website</td>
<td>2.68</td>
<td>.831</td>
<td>.30</td>
<td>.31</td>
<td>.41</td>
<td>.58</td>
<td></td>
</tr>
<tr>
<td>5. Repurchase intent</td>
<td>2.60</td>
<td>.856</td>
<td>.39</td>
<td>.40</td>
<td>.52</td>
<td>.43</td>
<td>.75</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Customized information</td>
<td>2.43</td>
<td>.912</td>
<td>.62</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Web interactivity</td>
<td>2.47</td>
<td>.840</td>
<td>.34</td>
<td>.56</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Satisfaction</td>
<td>2.29</td>
<td>.805</td>
<td>.44</td>
<td>.39</td>
<td>.71</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Attitude toward website</td>
<td>2.44</td>
<td>.702</td>
<td>.36</td>
<td>.32</td>
<td>.41</td>
<td>.58</td>
<td></td>
</tr>
<tr>
<td>5. Repurchase intent</td>
<td>2.18</td>
<td>.785</td>
<td>.47</td>
<td>.43</td>
<td>.54</td>
<td>.44</td>
<td>.77</td>
</tr>
</tbody>
</table>

Note: Bold numbers on the diagonal show the AVE.
6.5 Results

6.5.1 Comparison of Alternative Models

The fit indices for the alternative models within each sample are summarized in Table 6.5. The direct effects model (DAM) provides a poor fit in both samples: for the Korean sample $X^2(148, N = 284) = 520.242, \rho = .82$; and for the UK sample $X^2(148, N = 164) = 234.806, \rho = .85$. The results are further supported by the much improved fit given by the real mediation model as shown by the decrease in chi-square.

<table>
<thead>
<tr>
<th></th>
<th>Korea Sample</th>
<th>UK Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DAM</td>
<td>DAM</td>
</tr>
<tr>
<td>Chi-square</td>
<td>520.242</td>
<td>234.806</td>
</tr>
<tr>
<td>DF</td>
<td>148</td>
<td>148</td>
</tr>
<tr>
<td>$\chi^2$/df</td>
<td>3.516</td>
<td>1.587</td>
</tr>
<tr>
<td>IFI</td>
<td>.847</td>
<td>.876</td>
</tr>
<tr>
<td>TLI</td>
<td>.822</td>
<td>.852</td>
</tr>
<tr>
<td>CFI</td>
<td>.846</td>
<td>.872</td>
</tr>
<tr>
<td>RMSEA</td>
<td>.094</td>
<td>.085</td>
</tr>
</tbody>
</table>

Comparisons between the direct attitude model (DAM) and the real mediation model (RMM) show a further substantial drop in chi-square in two samples: for the Korean sample, $\Delta \chi^2 (2, N=284) = 70.066$; and for the UK sample, $\Delta \chi^2 (2, N=164) = 20.208$. A reasonable explanation for this is that the model has a number of potential...
paths. Comparisons between RMM and IEM are further supported by the much improved fit given by the model solution with an additional path as shown by the decrease in chi-square: for the Korean sample, $\Delta \chi^2 (1, N=284) = 156.471; ps < .001$; and for the UK sample, $\Delta \chi^2 (1, N=164) = 27.209; ps < .001$. This figure indicates that the real mediation model is acceptable.

Further support for the proposed research model with an additional path comes from comparison between IEM and PRM: for the Korean sample, $\Delta \chi^2 (1, N=284) = 6.302; ps < .025, \rho = .93$; and for the UK sample, $\Delta \chi^2 (1, N=164) = 4.832; ps < .05, \rho = .93$. For example, the critical value of a chi-square difference for 1 degree of freedom at $p = 0.05$ is 3.841.

The chi-square difference between these models is significant, indicating that the proposed research model fits the data significantly better than the IEM, RMM, and DAM. Therefore, it is concluded that the proposed research model is the best of all the competing models in representing the role of customized information, web interactivity, satisfaction, trust, and attitudes in the development of the online consumer purchase model.

### 6.5.2 Best Model Selection among Alternative Models

The proposed research model is superior to the competing models most clearly with all data sets as the competing models DAM, RMM, and IEM do not provide a better fit. It is arguable that the current data sets provide strong supporting evidence because despite having more parameters of interest estimated, the proposed model does significantly fit the data better than other competing model. However, the improved fit of the proposed model occurred because the extra parameters enabled the proposed model to absorb random error in the data (e.g., Pitt, Myung, and Zhang 2002). To get around this
problem, the chi-square difference among competing explanations is useful for the model selection (Jackson et al. 1993; Punj and Hillyer, 2004). Accordingly, chi-square difference tests were employed to determine whether one of these structures performed better than the other (Bagozzi and Yi 1988). In this study, the chi-square differences between the proposed model and competing models from two different countries are also statistically supported at $p < .05$. The proposed research model, therefore, is at least the accurate model in two different data, Korea and the UK.
### TABLE 6.6
Standardized Estimates of Path Coefficients for Measuring the Structural Equation Modeling

<table>
<thead>
<tr>
<th>From to</th>
<th>DAM</th>
<th>RMM</th>
<th>IEM</th>
<th>PRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA→AT</td>
<td>0.661***</td>
<td>0.644***</td>
<td>0.595***</td>
<td>0.560***</td>
</tr>
<tr>
<td>AT→PU</td>
<td>0.683***</td>
<td>0.553***</td>
<td>0.553***</td>
<td>0.280*</td>
</tr>
<tr>
<td>CI→AT</td>
<td>0.211***</td>
<td>0.138 (ns)</td>
<td>0.011 (ns)</td>
<td>0.022 (ns)</td>
</tr>
<tr>
<td>WI→AT</td>
<td>0.441***</td>
<td>0.405***</td>
<td>0.365***</td>
<td>0.382***</td>
</tr>
<tr>
<td>CI→WI</td>
<td>0.587***</td>
<td>0.498*</td>
<td>0.695***</td>
<td>0.688***</td>
</tr>
<tr>
<td>WI→PU</td>
<td>0.223**</td>
<td>0.385**</td>
<td>0.243*</td>
<td>0.257**</td>
</tr>
<tr>
<td>CI→SA</td>
<td></td>
<td></td>
<td>0.796***</td>
<td>0.792***</td>
</tr>
<tr>
<td>SA→PU</td>
<td></td>
<td></td>
<td>0.299**</td>
<td>0.316**</td>
</tr>
</tbody>
</table>

**Model Fit**

<table>
<thead>
<tr>
<th></th>
<th>Korea</th>
<th>UK</th>
<th>Korea</th>
<th>UK</th>
<th>Korea</th>
<th>UK</th>
<th>Korea</th>
<th>UK</th>
<th>Korea</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square</td>
<td>520.242</td>
<td>234.806</td>
<td>450.176</td>
<td>214.598</td>
<td>293.705</td>
<td>187.389</td>
<td>287.403</td>
<td>182.557</td>
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<tr>
<td>DF</td>
<td>148</td>
<td>148</td>
<td>146</td>
<td>146</td>
<td>145</td>
<td>145</td>
<td>144</td>
<td>144</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFI</td>
<td>.846</td>
<td>.872</td>
<td>.874</td>
<td>.899</td>
<td>.938</td>
<td>.937</td>
<td>.941</td>
<td>.943</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMSEM</td>
<td>.094</td>
<td>.085</td>
<td>.086</td>
<td>.076</td>
<td>.060</td>
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</table>

Note: *, p < 0.05; **, p < 0.01; ***, p < 0.001
6.6 Discussion

This study empirically examined the simultaneous effects of variables of interest, namely, customized information, web interactivity, satisfaction, and attitudes on online purchase intentions in two different countries. Overall, there is strong empirical evidence in support of the proposed research model. Such an approach is linked to managerial implications: that is, marketers’ awareness of what consumer motivation strategies really are may be restructured from the mediating effects of attitudes with the shared constructs. This research takes a step in this direction by incorporating the indirect effect in four competing models.

The study contributes to the literature in several ways. First, the proposed model suggests that customized information is the most powerful driver to capture the notion of satisfaction. It can be viewed as an indicator of customized informative-based two-way communication tool. The analysis of the cross-cultural setting shows that customized information is strongly linked to satisfaction. The direct effect of customized information plays a significant role in predicting further activities, indicating that consumers are likely to engage in shopping behavior. The impact of customized information leads to the direct effect of satisfaction on repurchase intent in both countries. In line with this observation, conclusion is reached that there are no significant differences when consumers evaluate levels of customized information at least in a Korean-UK context.

Second, insignificance between the two consumer groups is further supported by the relationship between customized information and attitude toward website. Although Anderson (1981) established a theoretical framework known as “information integration theory”, which presumes that attitudes are formed and modified as people receive and interpret new information, the findings reveal that the linkage between
customized information and attitude toward website is not supported in both data. Since consumer attitudes are considered as an indicator of decision-making, young consumers in these countries are less likely to generate favorable attitudes through customized information. As the effect of customized information on attitude toward website is significantly limited, it appears that the power of customized information lies in its ability to influence satisfaction and web interactivity that is proximate to repurchase intent.

Third, the direct link between satisfaction and repurchase intentions might enlighten a practitioner of CRM as to the alternative methods of appealing to young online customers. The linkage is well supported statistically and theoretically in both the Korean and the UK sample. The link of satisfaction → repurchase intent provides a meaningful empirical representation of the hierarchical sequence in which the cycle of customer repurchasing process (satisfaction → attitude → repurchase) is related.

Finally, one of the key drivers of the e-purchase model is to capture the significance of web interactivity. Because web interactivity reflects a firm’s ability to interact with its customers (Ramani and Kumar, 2008), it is the parameter of customers’ repurchase decision in an online store. The motivating principle underlying their decision process is that intensive messages such as customized information, but the technology for implementing direct interaction with customers has the advantages for forming favorable attitude toward website that is considered seriously for repurchase. The results indicate that use of web interactivity has a substantial impact on shoppers’ purchasing decisions.


6.6.1 Managerial Implications

The main observation is that marketers should make an effort to trigger customers’ motivation, particularly web interactivity. This would include providing customized information and partnering in activities in which the customer is personally engaged. To facilitate their behavioral intentions, a company could demonstrate relevance for customers by being involved in various activities or supporting customers in activities in which they have an abiding interest.

A more focused development of attitudes is crucial to understand the reason of different evaluations on the mediating effects of positive attitude in different service categories. Marketers require a more complete understanding of the role of favorable attitude in any project where the customer purchase process in e-B2C environments should be expected to have a pay off. Such a project should be able to meet the expected performance. If practitioners believe that their firm’s performance is not satisfied, then they should be likely to change the direction of the e-purchasing process with a better understanding of favorable attitude toward website. Similarity of purchasing attitudes between Korean and UK consumers may allow e-tailors to design a systematic strategy for generating favorable attitudes toward their websites even though standardized online treatment of consumers is not the golden path of internet marketing (Barnes et al., 2007). Further the proposed research model (PRM) provides a means of identifying the underlying dispositions associated with the mediating variable.
6.6.2 Limitations and Future Research

It is essential to acknowledge some of the limitations of this study. First, further research must take a look at the double jeopardy literature that nuances the link between trust and purchase intentions (Heijden, Verhagen, and Creemers 2003). One may examine applications of the findings in the travel industry in practice and reflect upon potential pitfalls when applying the findings of this piece of the present research. Although previous studies reveal the significance between the two constructs, further research can investigate the issue to be generalizable to the many types of e-B2C services.

Second, particularly in terms of the ability to generalize the model, this study did not provide fairly consistent results for different service categories. Studies on other service classes, such as online bookstore and online banking services, might reveal findings that extend the current approach. Thus, future study could assess alternative models using different data settings including banking and retail services.
PART III:
OVERALL DISCUSSION
Chapter 7

Discussion

7.1 Introduction

The major aims of this research were to attempt to build a systematic model of online purchase behaviour, reveal the roles of marketing outcome variables, and examine the relationships among attitudes and other diagnostic measures using alternative models using a cross-cultural study. This study empirically examined the simultaneous effects of variables of interest, namely, customized information, web interactivity, satisfaction, trust, and attitudes on online purchase intentions in two different countries. The current study contributes to an emerging online circumstance of evidence suggesting that alternative explanations might be critical for a better understanding of online (re)purchase\textsuperscript{11} behaviour by identifying relationships between customized information and its outcomes across Asian-Western European borders.

Regarding the first aim with the revealed findings, all of the model’s constructs play a significant role in analyzing consumer purchase behaviour on the Internet. It has been shown that marketing outcome variables (e.g., satisfaction and trust) exert a positive influence upon forming attitudes, and in turn, act as key variables, which are linked with future purchase intentions, with the exception of the linkage between trust and purchase intentions in both Korean and Taiwanese samples. Thus, how online companies operate such marketing variables as customer satisfaction and trust is revealed as a key area across Asian-Western European borders.

\textsuperscript{11} The author acknowledges that the current thesis has focused on online consumer purchase behavior, but Chapter 5 has dealt with consumer repurchasing behavior.
Second, structural equation models are presented as competing models for examining online shopping behaviour as research has conclusively shown that such theoretical approaches lead to a deeper understanding of online shopping process. Hierarchical structural model analysis possesses considerable potential for investigating models representing a large number of different structures, which can be obtained by slightly modified model specifications (Schweizer, Moosbrugger, and Schermeller-Engel, 2003). The wide availability of these models has provided researchers with an array of tools to interpret e-survey data, understand developmental processes, and formulate new research questions (Ferrer and McArdle, 2003). The final research model proposed in this research fits the requirements for current data because it allows examination of the dynamics of six variables. The chi-square difference between the proposed model and other competing models are statistically supported. As such, the current approach posits that researchers should be better able to judge how the evidence relates to each.

Finally, the proposed model was measured using a cross-cultural data, Korea and UK. Findings show good empirical grounds for conceptual distinction because the proposed model (Ch. 4-6) was replicated in data sets and accounted for a substantial proportion of the variance in each model. These results are also linked to managerial implications: that is, marketers’ awareness of what consumer motivation strategies really are may be restructured from the mediating effects of attitudes with the shared constructs. This research takes a step in this direction by incorporating the indirect effect in four competing models.
7.2 Overall Results

This section summarizes overall results from Chs. 4, 5, and 6. First, this chapter discusses the proposed model for predicting online purchasing behaviour. Second, the effects of five key constructs such as customized information, web interactivity, satisfaction, trust, and attitudes are addressed. Third, the author discusses the significance of a cross-cultural study. Finally, the author reports the results of the validation of the alternative models designed to capture the indirect effect.

7.2.1 Competing Models of e-purchase Behaviour

This research proposed competing models of the key predictors of intention to purchase through the Internet. Based on Hoffman and colleagues’ suggestions (2000) [the importance of marketing outcome variables], this conceptual model extends existing knowledge of understanding online shopping behaviour since previous research has tended to focus on the importance of information search as a key antecedent of purchase intent (Shim et al., 2001).

Although Shim et al. (2001) assert that Internet search intent is crucial to purchase intent based largely on observation that the role of information search is significantly heightened in the context of Internet shopping as compared to traditional store shopping, online shopping behaviour cannot be simply explained by information search. Alternative explanations proposed in this study suggest that a full understanding of online purchasing behaviour requires a balance between consumer judgments (e.g., satisfaction and trust) and company’s strategies (e.g., customized information and web interactivity) toward forming a positive attitude. In other words, a model to predict online shopping behaviour should deal with other key determinants, as well as information search intent. Alternative explanations indicate that consumers not only
consider the usefulness of customized information for predicting Internet purchase, but also form a positive attitude resulting from marketing outcome variables and the level of web interactivity. The findings have implications for both researchers and practitioners, and this chapter subsequently discusses these in detail.

### 7.2.2 Significance of Customized Information

A starting point for a better understanding of online consumer behaviour was to focus on the role of customized information. The thesis contributes to the literature in several ways. The results show that customized information has direct influences upon satisfaction when it is in less ambiguous circumstances, particularly in a repurchasing context. More specifically, the analyses show that customized information is linked to satisfaction if it exceeds consumers’ expectations based on their previous purchasing experience. As a consequence, the direct effect of customized information plays a vital role in predicting further activities, indicating that consumers are likely to engage in shopping behaviour in the future.

Since Anderson (1981) has established a theoretical framework which is known as “information integration theory”, this theory presumes that attitudes are formed and modified as people receive and interpret new information. Similarly, Wang et al. (2007) point out that online information induces a better attitude towards a specific travel service, while the findings reveal that the linkage between customized information and attitudes is not supported in all of both data. Findings further reveal that the linkage of information $\rightarrow$ attitudes $\rightarrow$ repurchase intentions is not supported in the UK data. These findings indicate that attitude responses as a function of customized information are limited in an UK context.

From a theoretical perspective, a particular strength is that consumers carefully
attend to, evaluate, elaborate, and integrate the task relevant informational inputs, and base their attitude judgments on their understanding of such information (Suri, Long, and Monroe, 2003). Since consumer attitudes are considered as an indicator of decision-making, young consumers do not have a tendency to generate favorable attitudes through customized information. More importantly, this contribution is crucial for covering a disadvantage of the information integration theory, indicating that perceived levels of customized information are significantly limited to attitude formation at least in a Korean-UK context.

7.2.3 Effects of Web Interactivity
Fortin and Dholakia (2005) maintain that interactivity is one of the key characteristics of the new media that is expected to not only transform the way advertising is designed and implemented, but also the manner in which it affects consumers’ opinions and attitudes. Without a full understanding of web interactivity, online consumer behaviour cannot be fully evaluated. As web interactivity is a starting point for engaging in further activity, the construct in this study is perceived as a key driver of encouragement, which results in making a good performance.

This study suggests that web interactivity must be understood as a starting point for having a two-way relationship between consumers and websites. As the dynamic nature of the encouragement occurring between two parties, it involves the key business constructs such as satisfaction and trust. Subsequently, understanding the nature of web interactivity plays a crucial role in generating positive attitudes. In combination with the findings, the current research shows that increasing web interactivity can add value to three indirect effects (e.g., web interactivity $\rightarrow$ attitudes $\rightarrow$ purchase intention, web interactivity $\rightarrow$ satisfaction $\rightarrow$ attitudes $\rightarrow$ purchase intention, and web interactivity $\rightarrow$
satisfaction → trust → attitudes → purchase intention linkages) at any point in the exchange process since it has been created through an enhanced attitude toward the online retailer. Thus, this research concludes that the level of web interactivity is a critical determinant influencing users’ behaviour since the linkages between web interactivity to satisfaction and satisfaction to attitudes are significantly positive.

7.2.4 Effect of Satisfaction
Evanschitzky et al. (2004, p. 240) urged the following question: “while confirmation for the importance of e-satisfaction and its antecedent drivers is beginning to emerge in the U.S., it is not clear how well these concepts and associated theories translate to other national and cultural contexts.” This study confirms that satisfaction is a direct result of customer’s experience at least in the online travel industry, and plays a significant role in bridging relationships between its antecedents (i.e., information and web interactivity) and purchase intentions. Further, the direct link between satisfaction and purchase intentions might enlighten the marketing practitioner when they penetrate different markets. The linkage of the proposed research model in both samples (Korea and UK) is well supported statistically and theoretically. The current findings provide insights for a better understanding of e-satisfaction.

7.2.5 Effect of Trust
Lack of trust is one of the most frequently cited reasons for consumers not purchasing from Internet vendors (Grabner-Kräuter and Kaluscha, 2003). In this study, one of interesting contributions is the role of trust. The results show that the relationship between trust and purchase intentions in the Korean samples is insignificant, but the same relationship is supported in the UK sample. Grabner-Kräuter and Kaluscha (2003,
p. 803) pointed out that “a reason why it is so difficult to summarize and compare the results of difference studies is that most of the studies focus on selected aspects of the relationship between online consumer and the Internet merchant, relying on limited models and ignoring some important factors that are relevant for trust-related behaviours to emerge.”

Although the proposed model may be used to measure trust by ignoring some important factors suggested by Grabner-Kräuter and Kaluscha (2003), there is also a need for alternative explanations using competing models in order to reduce any criticism. Evidence also supports that the hierarchical structural model analysis possesses considerable potential for investigating models representing a large number of different structures, which can be obtained by slightly modified model specifications (Schweizer, Moosbrugger, and Schermeller-Engel 2003). The author therefore concludes that the link between online trust and purchase intention is indirect through its ability to influence positive attitude when consumers are a lack of trust.

There are two fundamental approaches that can be taken to online trust: direct effects and indirect effects. With direct effects, online consumers are likely to directly engage in their behavioral activities, particularly in an UK context. With indirect effects, online shopping process is only indirect through attitudes in a Korean context. Through a cross-cultural study in the domain of online travel services, this study suggests that the indirect approach could be useful for a better understanding of the online consumer purchase model because the indirect effect is significant in all data.
7.2.6 Effect of Attitudes as a Mediator

Since online consumers have sufficient experience, particularly with regard to purchase activities and final decision-making to establish their own pattern of behaviour, attitudes are a crucial indicator of predicting purchase intention on the Internet because online shopping behaviour can be regarded as a planned action. Thus, one of the key drivers of the online purchase model is to capture consumers’ final behavioral attitudes.

To better understand the online shopping process, the role of attitudes is significant for maintaining customer satisfaction and increasing online trust. This is mainly due to the impact of behaviour via the psychological route of increasing the effort that consumers devote to their final procurement decision. Indeed, Lim and Dubinsky (2005) report that attitude is likely to be the strongest predictor of consumers’ buying decision compared with subjective norm or perceived behavioral control.

The proposed research model specifies two roles for the construct of attitudes: a direct effect on purchase intention and an indirect effect on purchase intention through other variables. As postulated by alternative explanations (e.g., Ch. 4 and 6), attitudes exhibit a strong relationship with purchase intention. The strength of the attitudes → purchase intention relationship is consistent with prior research (Hansen et al., 2004; Lim and Dubinsky, 2005) and lends further support to the idea that attitudes are a potentially important mediator of future purchase intention, at least in the e-travel pretest settings. More importantly, since the direct relationship between trust and purchase intentions are not significant in the Korean sample, the mediating role of attitudes plays a crucial role in bridging relationships between its antecedents and purchase intentions.
7.3 Significance of Cross-Cultural Study

The significant point of conducting cross-cultural analyses is to provide useful information about why online purchase behaviours are similar, while others differ. The proposed models support the idea that the overall online purchasing intentions are a universal phenomenon. This comparative research makes at least two contributions in online service marketing.

First, it allows online shopping concepts to be tested internationally. The online navigation model was developed within a strictly U.S. context that may be not necessary generalizable. The present findings suggest that the online consumer purchase model offers useful insights in two different countries, suggesting that some factors important to these different consumers may not be significantly linked to other factors (e.g., the link between trust and purchase intentions in the Korean data and the link between customized information and trust in the UK data). As outlined by Witkowski and Wolfinbarger (2002), marketers may need to conduct exploratory research in order to determine online purchasing factors that may need to be added to further information.

Second, by comparing the model fits between Korean and UK data, the present study determines the relative importance of alternative explanations when one may examine application of the models in the online travel industry in practice. Since testing theory plays a crucial role in understanding the theoretical framework in a specific research (Armstrong’s et al., 2001), the research takes an opportunity for a complete understanding of alternative explanations using a cross-cultural study. Marketers can design their target customers for a particular business setting, where and how they are likely to understand the importance of alternative approaches by comparing online shoppers’ shopping patterns or trends.
7.4 Alternative Explanations/Models

7.4.1 Focus One: General Approach

The proposed research model using alternative models specifies three roles for satisfaction and trust: 1) direct effects between satisfaction and purchase intentions in both the Korean and the UK sample; 2) indirect effects between trust and purchase intentions through attitude in the Korean sample; and 3) direct effect between trust and purchase intentions in the UK sample.

It has substantial implications for model choice, and it represents a significant mechanism of the e-purchasing theory. Nevertheless, there has been little research that incorporates the indirect effect into alternative models and tests the fit of such models. This research takes a step in this direction by incorporating the indirect effect using four competing models.

The proposed models, as represented structurally in Figure 4.1 and 6.1, are found in this situation to be superior in four alternative explanations of the causal mediating role of web interactivity, satisfaction, and trust. These models specify two roles for the three constructs: a direct effect on purchase intention and several indirect effects on purchase intention.

A better understanding of the indirect effects plays a significant role in underlying the theory of competing specifications. A meaningful way of the indirect effect is in terms of its hypothesized underlying model of change. This is an important approach with potential implications for the way data are collected, analyzed, and interpreted (Ferrer and McArdle, 2003). In this study, a direct consequence of such an approach is the model selection and its application to the data and online purchase environment.
7.4.2 Focus Two: Specific Approach

Having established the existence of both the direct effect and indirect effect, the next stage is to examine exactly how these forces affect online shopping behaviour. In this section, this issue is addressed by comparing the prediction accuracy between three alternative models and proposed research model (Chs. 4 and 6). The three competing models are defined as a mediating model of online purchase behaviour that includes some indirect effects, while the proposed research model (particularly in Figure 6.1) is defined as a full effective model of online purchase behaviour that includes effects of two marketing outcome variables plus indirect effects of three competing models.

This study compared the ratio of chi-square to its degree of freedom. Since coefficients are the same regardless of a predictor’s underlying scale of units (Chatterjee and Price, 1991), it was deemed appropriate to follow the first stage with a calculation of the standardized coefficient. The results indicate that, overall, the proposed research model achieves a higher prediction than other competing models. The chi-square difference to its degree of freedom gives an indication of statistic differences. The proposed research model outperforms the three competing models in the context of travel services.

In summary, empirical research based on alternative models proceeds in two directions. First, one may wish to see whether the differences between the proposed research model and three competing models are actually significant; if so, then the significance must theoretically follow. Second, one may also try to test how the proposed model is generalizable to the many types of online B2C marketplace. The online consumer purchase model might be true in some online markets, but not in others. For example, there may be two segmented markets: 1) low-involved markets (e.g., CD and Book); and 2) high-involved markets (e.g., Travel and online-based financial
7.5 Validation of Models

This section reports the results of the validation of alternative models designed to capture the indirect effect. Using maximum likelihood estimation, the parameters of the four competing models (Chs. 4 and 6) were estimated using a cross-cultural study. Since the empirical results were very similar across the specifications, this research focused on the results for the proposed research model, because it performed the best in terms of predicting online consumer purchasing behaviour.

All parameters, with the exception of the trust → purchase intention in the Korean data and the customized information → trust in the UK data, are positive and significant. It is also noteworthy that the estimated proposed model satisfies the estimation of alternative models that Tabachnick and Fidell (2001) set for capturing the indirect effect.

Finally, the appropriateness of each model was examined using several indexes of fit. Based on prior research by Jackson et al. (1993), the overall fit of a measurement model has most commonly been tested using the chi-square test statistic and the ratio of chi-square to its degree of freedom. The results of the proposed research model were statistically more significant than those of three competing models. Therefore, the subsequent tests of model fits, estimations, and ratio of chi-square to its degree of freedom for the proposed research model are more acceptable.
7.6 Conclusion

Chapter Seven discussed the results of key constructs and explained how the conceptual model could help to understand online consumer purchase behaviour. As discussed in Chapter One, alternative models of online purchase behaviour in B2C environment provide useful guidelines for conducting marketing strategy and extending scholars’ knowledge of understanding online consumer behaviour. A direct consequence of such an approach is the model selection and its application to the data and. Marketers should be able to incorporate the theoretical approaches into their practical strategies.
Chapter 8

Conclusions

8.1 Introduction

Online marketing requires a careful understanding of how consumer behaviour changes in an online world (Hanson, 2000). With the increasing sophistication of online consumer behaviour coupled with its corresponding change in preference over time, dotcoms have been faced with a major challenge, namely, to strengthen links with their clients by developing valuable information, facilitating interactivity, delivering consumer satisfaction, generating online trust and forming positive attitudes towards websites most of them have often failed to accomplish their goals successfully.

Despite this massive investment of time, effort and money, the majority have often failed to accomplish their goal. What emerges here is that it is more imperative than ever to learn how consumers value and perceive their online shopping experience in order to harness the potential of their activity and direct it toward the future development of Internet marketing. This empirical study is aimed at assessing whether the proposed research models have offered a better explanation than other alternative models. Research approach has been changed using four different models, which, in turn, yielded different results. These findings are the result of applying techniques with different underlying models of change. Such findings suggest that the researchers’ underlying theory of change in the developmental process of online purchase behaviour should drive the selection of alternative methods. As a result, this research provides a starting point on which to build an understanding of online consumer navigation behaviour associated with consumers’ purchases, both in marketing generally, and
specifically in marketing research.

More specifically, a full understanding of online purchase behaviour plays a crucial role in improving business profitability. To this effect, a systematic purchase model is necessary to better understand current phenomenon and the conceptual model provides a valuable insight for practitioners and scholars. Therefore, this chapter provides highlights of the research question proposed in the thesis (see Chapter 1) and further research is also discussed.

8.2 Highlights of the Research Questions

Extensions, as forms of new e-business strategy, have been debated during the last decade, but there have been limited reviews of the e-marketing literature. The current research’s questions (1-4) were to attempt to build a theoretical model, and test alternative models for predicting online purchasing behaviour in Asian-Western European borders.

Research question 1 poses the question of why an integrated purchasing model should be focused on consumer responses to website shopping behaviour. In this study, the integrated purchasing model focused on the balance between individual level and company level variables. Shim and colleagues’ online interaction model (2001) suggests the proposed relationship between attitude and internet purchase experience, while the current integrated model reveals that the role of attitudes can be significantly mediated by individual level variables (e.g., satisfaction and trust) and company level variables (customized information and interactivity). In particular, a key to understanding the nature of any relationship is the identification of what each party in the interactivity is attempting to achieve (Stewart and Pavlou, 2002). The model also shows that customized information is influenced by web interactivity and influences repurchase
intent through satisfaction with websites. The impact of this ability is beginning to be realized because web interactivity works to increase the importance of customized information. In line with this observation, a complete understanding of the integrated purchasing model plays an important role in understanding a nature of online shopping behaviour, both directly and indirectly through customized information. To better understand the hypothesized relationships, overall findings are summarized in Table 8.1.
<table>
<thead>
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<th>Hypotheses</th>
<th>Results</th>
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<tr>
<td>H1a: Web interactivity favorably impact perceptions of customized information.</td>
<td>Supported</td>
</tr>
<tr>
<td>H1b: Website interactivity favorably impacts satisfaction with website.</td>
<td>Supported</td>
</tr>
<tr>
<td>H1c: Website interactivity favorably impacts attitude toward website.</td>
<td>Supported</td>
</tr>
<tr>
<td>H2a: Customized information favorably impacts satisfaction with website.</td>
<td>Supported</td>
</tr>
<tr>
<td>H2b: Customized information favorably impacts attitude toward website.</td>
<td>Not supported</td>
</tr>
<tr>
<td>H3: Satisfaction with website favorably impacts attitude toward website.</td>
<td>Supported</td>
</tr>
<tr>
<td>H4: Satisfaction with website favorably impact repurchasing intent.</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: Attitude toward website impact repurchasing intent.</td>
<td>Supported</td>
</tr>
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</table>
In terms of research question 2, the primary interest of this study was that consumers from different cultures show online purchase behaviour in a similar way. This study compared online shopping behaviour between young consumers of Korea and UK in order to get insights into the online consumer purchase model. The results lead to five substantial issues for online travel services: 1) the important role of customized information; 2) the role of web interactivity; 3) the importance of satisfaction; 4) the limited effect of online trust; and 5) the mediating role of attitudes.

In the comparison between Korean and UK consumers particularly, Korean consumers raised trust issues as to why they are reluctant to shop online. Evidence is supported by Hwang et al. (2006) who found that university students among Korean, Turkish, and US populations are likely to be reluctant to engage in online shopping activities. However, there are some differences of online purchase behaviours that could be interpreted via cultural differences across Asian-Western European borders. For example, UK consumers are willing to participate in online purchase behaviour on the basis of their beliefs about a particular website, whereas Asian consumers are likely to be reluctant to engage in purchase behaviour due to the level of trust online. The current findings may be supported by Bart and colleagues (2005) who found that the influences of online trust are different across online consumer characteristics.

Research question 3 poses the question of how the role of attitudes should be incorporated into the development of the online purchase intentions model. This study highlights the empirical demonstration of the relationships between attitude toward website and other variables. As noted earlier (see Chs. 4, 5 and 6), there are two specific roles for attitude toward website: a direct effect on (re)purchase intention and an indirect effect on (re)purchase intention through other proposed variables. As shown in Figure 8.1, the mediating role of attitudes plays a vital role in bridging relationships
between its antecedents and purchase intent. Figure 8.1 is based on the results of Ch. 4 and 6 because Ch. 5 poses that web interactivity impacts customized information.

Figure 8.1: Online Purchase Intention Model: Mediating Role of Attitudes

*Note:* Dotted arrows mean that paths are partially supported across Asian-Western European borders.

Finally, Research question 4 poses the question of why alternative models are important to the online B2C stage. In this study structural equation models were presented as alternative models for examining the current data. Although these models were motivated by theory from psychology and behavioral decision research, they differed with respect to the particular mechanism that underlies the indirect effect. The four alternative models (see Chs. 4 and 6) yielded different results and such differences were discussed in terms of the conceptualization of change underlying each model. This
research indicates the necessity of defining a theory of change to help select which method should be used to analyze the data. In the course of the theory development, comparisons can provide valuable information by ruling out inappropriate alternatives (Schweizer et al., 2003). Such comparisons were necessary in investigating the three competing models and the proposed research model. The research model presented in the alternative specifications was deemed to be as the most acceptable for the current data because it captured the dynamic interrelations between the examined constructs. In line with this observation and Ferrer and McArdle’s suggestion (2003), this study concludes that alternative models of SEM are one of the most appropriate methods since they meet with this criterion and, at the same time, identify potential growth in the variables.

8.3 Research Implications

The main observation is that marketers should make an effort to trigger customers’ motivation, particularly web interactivity. This would include providing customized information and partnering in activities in which the customer is personally engaged. To facilitate their behavioral intentions, marketers could demonstrate relevance for customers by being involved in various activities or supporting customers in activities in which they have an abiding interest.

The distinction between the three competing models and the research proposed model appears physically clear and has important implications. Although satisfaction and trust serve as mediating variables, customized information is certainly a key variable in determining online purchase intentions due to customers’ perceptions on a firm’s communication efforts. In particular, the relationship between customized information and satisfaction suggests that emphasizing the emotional reaction through
customer-personalized information is the preferred option. Given the mechanism of young customers’ emotional reaction, marketing strategies that reinforce satisfaction judgments may be the best approach of generating favorable online purchase intentions.

Since cross-cultural different situations do not directly mean different cultures, online consumer repurchasing behaviour must be understood that high trust is not necessary for customers. Researchers have developed models that can be used to predict whether an individual will choose to trust or distrust another in a given situation (Hurley, 2006), while the current study suggests that trust or distrust may be unnecessary to predict online repurchasing behaviour. Therefore, it is concluded that the relationship between trust and repurchase intentions is dependable on the role of attitudes. Thus, e-business firms should understand individual perceptions regarding their portal design which may lead to their online consumers’ magnitude of trust and behavioral motives to repurchase.

8.4 Limitations and Further Research Directions

This research exhibits some limitations which could prove worthwhile topics for further research. First, further research must take a look at the double jeopardy literature that nuances the link between trust and purchase intentions (Heijden et al., 2003). One may examine applications of the findings in the travel industry in practice and reflect upon potential pitfalls when applying the findings of this piece of the present research. Although previous studies reveal the significance between the two constructs, further research can investigate the issue to be generalizable to the many types of online B2C services.

Secondly, the Internet’s suitability for retailing depends largely on the characteristics of the products and services being marketed (Peterson et al., 1997). This
study does not account for such differences across product and service categories. Further research can develop richer models that do capture and explain these differences. As in any study, further research is needed to replicate and extend the findings. In general, they should be replicated with different service categories and brands. Particularly in terms of the ability to generalize the model, this study did not provide fairly consistent results for different service categories. Studies on other service classes, such as online bookstore and online banking services, might reveal findings that extend the approach. Thus, future study will reassess alternative models using different data settings including banking and retail services.

Finally, the findings can be further validated with broad population groups instead of student samples engaged in an online purchasing context. Thus, future research should be conducted with different customer groups who have already purchased online services with a particular website to achieve greater generalizability of results.

8.5 Conclusion

The online marketplace has been touted as a force that will enable the development of alternative consumer purchasing processes, to take place and that will develop website equity leading to dotcoms’ profitability. The thesis has focused on the development of research hypotheses and alternative explanations of online purchasing behaviour in the Business-to-Consumer environment. In this chapter, the author finally highlighted several key results, implications, limitations and future research directions. The author would hope that the thesis does signal a way to overcome the phenomenon and open up a pathway in exploring developing online shopping trends by grasping the true nature of theoretical and methodological rigor with the managerial relevance that motivates the
marketing theory.
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Appendix 1: Questionnaire & Scale Items

Dear Sir:

I am a doctoral student at Swinburne University of Technology and this survey is related to my PhD thesis. I am looking for your input to help me learn how to serve e-customers better. Your response is important to me and will remain strictly confidential.

I would be grateful if you could spend a little time completing the questionnaire, telling me about your most recent use of a particular Website or Web-based retailer (e.g., Pliceline.com, Expedia.com) services - I urgently need your response and so please could you send it back to me as soon as possible in Internet Research Company.

Please enjoy a cup of coffee or a soft drink on me while filling out the survey. Thank you very much for taking the time to give me your feedback.

If you have any questions, please feel free to contact Hong-Youl Ha on 0448 125 816. Any complaints regarding the conduct of this research can be directed to:

The Chair
Faculty of Business and Enterprise Ethics Sub-Committee,
Swinburne University of Technology PO BOX 218, Hawthorn Vic 3122

or

The Chair
Human Research Ethics Committee
Swinburne University of Technology PO BOX 218, Hawthorn Vic 3122

Thank you very much in anticipation of your co-operation again.

Siva Muthaly and Hong-Youl Ha
Appendix 2: Project Consent Information Statement

Project Title: Reinvestigating Online Purchase Behaviour Model: A Test of Alternative Model

Investigators: Associate Professor Siva Muthaly (Marketing)
Doctoral Researcher Hong-Youl Ha (Marketing)

The survey deals with your opinion of online retailer services associated with your travel experience. Your participation plays a crucial role in managing and designing the research questionnaire. We are looking for your input to help us learn how to serve online customers better.

The survey is anonymous. No one will be identified from the results and all results will be presented in aggregate. Individual details will not be required. Since people are increasingly concerned about data access and data matching, the research does not require access to any data that is private. Further, your information will be also confidentially managed.

It is not mandatory for you to participate in this survey. However, if you choose to do so, could you please complete the survey and place it in the dedicated envelop outside your academic’s office. This envelop will then be sealed and mailed out to Professor Siva Muthaly who is working at Swinburne University in Australia.

Once the research has been completed, it would be hoped to publish the findings in the Top ISI ranked journals and conferences. If you would like further information about the project, please do not hesitate to contact:

Associate Professor Siva Muthaly and Doctoral Researcher Hong-Youl Ha
Faculty of Business and Enterprise
Swinburne University of Technology
John Street Hawthorn VIC 3122
Phone: 61 3 9214 5885 smuthaly@swin.edu.au

"If you have any concerns or complaints about the conduct of this project, please contact: Research Ethics Officer, Office of Research and Graduate Studies (H68), Swinburne University of Technology, P O Box 218, Hawthorn Vic 3122.
Tel: (03) 9214 5218 (or +61 3 9214 5218) or resethics@swin.edu.au"
Appendix 3: Research Questionnaire

Reinvestigating Online Purchase Behaviour Model: A Test of Alternative Model

This survey deals with your opinion of e-retailer services associated with your travel experience. Please show the extent to which you think institutions offering products or services should possess the features described in each statement. Do this by using the scale presented below. If you strongly agree that these institutions should possess a feature, place a seven on the line preceding the statement, where 1 = “strongly agree”. If you strongly disagree that these institutions should possess a feature, place a one on the line, where 5 = “strongly disagree”. (However, you can also find various anchors according to each question) If your feelings are not strong, place one of the numbers between one and seven on the line- all we are interested in is a number that best shows your perceptions about institutions offering e-services.

Example

- This example shows that the respondent through that overall the service was excellent

How would you rate the service on an overall basis?

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Poor

Excellent
Reinvestigating Online Purchase Behaviour Model

This survey deals with your opinion of e-retailer services associated with your travel experiences. Please show the extent to which you think institutions offering products or services should possess the features described in each statement. Do this by using the scale presented below. If you strongly agree that these institutions should possess a feature, place a one on the line preceding the statement, where 1 = “strongly agree.” If you strongly disagree that these institutions should possess a feature, place a five on the line, where 5 = “strongly disagree”. (However, you can also find various anchors according to each question) If your feelings are not strong, place one of the numbers between one and five on the line- all we are interested in is a number that best shows your perceptions about institutions offering e-services.

1. How long have you been using the Internet?

<table>
<thead>
<tr>
<th>Duration</th>
<th>Box</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than ½ year</td>
<td></td>
</tr>
<tr>
<td>½ year ~ 1 year</td>
<td></td>
</tr>
<tr>
<td>1 year ~ 3 years</td>
<td></td>
</tr>
<tr>
<td>3 years ~ 5 years</td>
<td></td>
</tr>
<tr>
<td>More than 5 years</td>
<td></td>
</tr>
</tbody>
</table>

2. On average, how many hours do you spend per day using the Internet?

<table>
<thead>
<tr>
<th>Hours</th>
<th>Box</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than a hour</td>
<td></td>
</tr>
<tr>
<td>1 hour ~ &lt;2 hours</td>
<td></td>
</tr>
<tr>
<td>2 hours ~ &lt;3 hours</td>
<td></td>
</tr>
<tr>
<td>More than 3 hours</td>
<td></td>
</tr>
</tbody>
</table>

3. Do you have online shopping experiences with at least one travel-related purchase for last six months?

- Yes
- No

4. With respect to this survey, Please tell us by ticking the appropriate box.

- I am a first-time customer (put in box) on this website.
- I am a repeat customer (put in box) on this website.
Please tick the most appropriate number on the five-point scale.

<table>
<thead>
<tr>
<th>Information</th>
<th>Strongly agree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The website makes purchase recommendations that match my needs.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>The website enables me to order products or services that are tailor-made for me.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I believe that this website is customized to my needs.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Commercials must have instant appeal in providing the usefulness of the brand.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>This commercial was very informative.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Reading/watching advertisements regularly to compare competing websites is essential.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Customers must share experiences concerning the product or service information with other customers of the website.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

For each of the statements below please indicate the extent to which the statements describe your experience with online shopping. Please circle the most appropriate number on the five-point scale where 1 = strongly agree and 5 = strongly disagree.

<table>
<thead>
<tr>
<th>Satisfaction</th>
<th>Strongly agree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I am satisfied with this website.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>This website offers what I expect from a good website.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>This website gives me a feeling of satisfaction.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I think that I made the correct decision to use this website.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trust</th>
<th>Strongly agree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I think that this website usually fulfils the commitments it assumes.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>This website does not make false statements.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I think that this website has sufficient experience in the marketing of the products and services that it offers.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Most of what this website says about its products or services is true.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>I think that information offered by this site is sincere and honest.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
### Attitude toward Website

<table>
<thead>
<tr>
<th>Description</th>
<th>Strongly agree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>This website makes it easy for me to build a relationship with this company.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I would like to visit this website again in the future.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I feel comfortable in surfing this website.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I feel surfing this website is a good way for me to spend time.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Compared with other websites, I would rate this one as (one of the best-one of the worst).</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

### Web Interactivity

<table>
<thead>
<tr>
<th>Description</th>
<th>Strongly Agree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I could communicate with the company directly for further questions about the company or its products.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>The site had the ability to respond to my specific questions quickly and efficiently.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>This website does not have a tool that makes product comparisons easy.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I was in control of my navigation through this website.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I feel that this is a very engaging website.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

The following questions are related to purchasing intentions. Please indicate the most appropriate number by circling on the five-point scale where 1 = *Very Likely* and 5 = *Very Unlikely*.

### (Re) Purchase Intentions

<table>
<thead>
<tr>
<th>Description</th>
<th>Very Likely</th>
<th>Very Unlikely</th>
</tr>
</thead>
<tbody>
<tr>
<td>I will purchase other products or services at this website.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I would like to buy new service products at the site.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I will repurchase other services at this website.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
Demographic Questions

Please tick the most appropriate box.

12. Gender

Male    Female

13. Age group

17 ~ 25    26 ~ 35    36 ~ 45    Over 46

14. Educational level

Primary  High School  Diploma  Bachelor  Master  PhD

Thank you very much in anticipation of your co-operation.
온라인 구매행동모델에 관한 설문조사 (Korean Version)

이 설문조사는 학문적 연구를 위해 온라인 여행상품구매(예: 항공권, 국내 또는 국외 패키지 상품, 자동차 또는 숙박 렌탈, 배낭여행 상품, 이외 기타 여행관련 상품들)와 관련된 일련의 의견을 조사하고자 합니다.

귀하가 지금까지 온라인 여행상품 구매 과정 중에 발생되었던 귀하의 경험(특정 온라인 사이트를 상기해 주십시오)과 관련된 사항을 아래의 항목에서 체크하여 주십시오. 예를 들어, 만일 귀하가 특정항목에 적극적으로 동의한다면 “1”을, 전혀 그렇지 않을 경우에는 “5”을 체크하여 주십시오. 만일 특정질문에서 귀하의 감정이 긍정적이지 않을 경우, 1번에서 5번 라인 상의 적합한 어느 곳을 표기해 주십시오.

우리는 당신의 어떠한 의견에 대해서도 항상 관심을 가지고 있으며, 이 조사에 큰 도움이 될 것입니다. 이 설문조사는 학문적 연구 외에는 절대로 사용하지 않을 것입니다.

설문에 응하여 주셔서 대단히 감사합니다.

호주 Swinburne대학교 박사과정(마케팅전공) 하홍렬

인터넷 사용에 대한 일반적인 질문

귀하가 인터넷을 사용하신 기간은 어느 정도 입니까?
6개월 이하       6개월 이상 - 1년 이하       1 년 이상 - 3 년 이하
[ ]              [ ]                        [ ]
3 년 이상 - 5 년 이하       5년 이상
[ ]                [ ]
귀하의 1일 인터넷 이용 시간은 어느 정도 되십니까?
1시간 이하  1 시간 이상 ~ 2시간 이하  2 시간 이상 ~ 3시간 이하  3시간 이상

귀하는 최소 6개월 이전에 온라인특정 사이트에서 여행상품을 검색 또는 구매한 경험이 있습니까?

있다
없다

온라인 정보에 관련되어 귀하가 가장 적합하다고 생각하는 공란에 √ 해 주십시오.

<table>
<thead>
<tr>
<th>온라인 정보</th>
<th>매우 그 렇다</th>
<th>보 통</th>
<th>전혀 그 렇지 않 다</th>
</tr>
</thead>
<tbody>
<tr>
<td>이 사이트는 나에게 필요한 구매정보를 제시해 준다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>이 사이트는 나의 필요에 적합한 정보를 제공해줌으로써 손쉽게 상품을 구매할 수 있도록 한다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>나는 이 사이트가 나의 필요에 맞는 정보를 제공한다고 믿는다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>광고는 특정상품(또는 브랜드)의 유용성을 제시하여야 한다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>광고는 적합한 정보를 담고 있다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>경쟁사의 상품을 비교하기 위한 정규적인 광고시청은 일반적인 행위이다.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>고객은 그 사이트상에서 다른 고객과의 정보 교환은 유용하다 (예: 상품 리뷰 등등).</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>
각각의 질문과 관련하여, 귀하의 온라인 구매경험과 일치되는 적절한 항목에 √ 해 주십시오.

<table>
<thead>
<tr>
<th>만족</th>
<th>매우 그렇다</th>
<th>보통</th>
<th>전혀 그렇지 않다</th>
</tr>
</thead>
<tbody>
<tr>
<td>나는 이 사이트에서 구매한 것을 만족한다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>이 사이트는 내가 기대하는 상품을 제공한다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>이 사이트는 내게 만족감을 준다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>나는 이 사이트를 이용한 것이 적절한 결정이었다고 생각한다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>신뢰</th>
<th>매우 그렇다</th>
<th>보통</th>
<th>전혀 그렇지 않다</th>
</tr>
</thead>
<tbody>
<tr>
<td>나는 이 사이트가 고객을 위해 책임감을 갖고 있다고 생각한다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>이 사이트는 허위 문구를 제시하지 않는다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>나는 이 웹사이트가 제품 및 서비스와 관련된 마케팅에 충분한 경험을 갖고 있다고 생각한다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>이 사이트에서 언급한 상품과 서비스는 대부분은 사실이다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>나는 이 사이트에서 제공하는 정보는 정직하다고 본다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>웹사이트에 대한 태도</th>
<th>매우 그렇다</th>
<th>전혀 그렇지 않다</th>
</tr>
</thead>
<tbody>
<tr>
<td>이 사이트는 내가 편하게, 그리고 좋은 관계를 맺도록 이끌다.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>나는 나중에도 다시 이 사이트를 방문할 것이다.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>나는 이 사이트를 사용할 때 편안함을 느낀다.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>상품정보와 관련되어, 이 사이트의 서핑은 내게 유용한 방법이다.</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>다른 온라인 여행사이트와 비교하여, 나는 이 사이트에 최고에서 최저까지 5등급 중 다음과 같이 평가하고 싶다.(“1”=최우수，“5”=최하위)</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
내가 원했던 상품과 관련된 궁금증에 대하여, 나는 바로 그 사이트와 연락을 취할 수 있다.  
이 사이트는 나의 질문에 빠르고 효율적으로 응답하는 능력을 지녔다.  
이 사이트는 쉽게 비교할 수 있는 도구(방법)를 가지고 있지 않다.  
이 사이트는 내가 가고자 목적지를 쉽게 확인할 수 있도록 되어있다.  
나는 이 사이트가 상당히 매력적이며 상호지향적이라 느낀다.

다음의 질문들은 귀하의 구매의도에 관련되어 있습니다. 일치하는 적절한 항목에 √ 해 주십시오.

<table>
<thead>
<tr>
<th>(제)구매의도</th>
<th>매우 가능성이 있다</th>
<th>보통</th>
<th>결코 그 름 가능성이 없다</th>
</tr>
</thead>
<tbody>
<tr>
<td>나는 이 사이트에서 다른 유사한 서비스를 구매할 것이다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>나는 이 사이트에서 새로운 서비스 관련 상품을 구매하고 싶다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>나는 이 사이트에서 다른 유사한 서비스를 재 구매할 것이다.</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
간단한 응답자 통계조사

다음의 적절한 항목에 √ 해 주십시오.

◼ 성별
남성 □ 여성 □

◼ 나이
17 ~ 19 □ 20-22 □ 23 ~ 25 □ Over 26 □

◼ 교육수준
1-2학년 □ 3-4학년 □ 석사과정 □ 박사과정 □

☺☺☺귀하의 참여에 깊이 감사 드립니다☺☺☺