

An Analysis of Online Shopping in Thailand

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Article excerpt

ABSTRACT:

Trust is the most crucial factor for online shopping. Those organizations interested in enhancing their business channel with internet shopping need to understand the influence of consumers' trust, and how it depends on other independent variables. Additionally, they need to understand the cause of unreliability, how to eliminate it, and what functions have to be improved and maintained in order to attract consumers. This will allow organizations to understand the existing internet shopping environment and the consumers' decision to repurchase. This study investigates the factors influencing consumer trust in internet shopping in Thailand. Based on various previous empirical studies, a conceptual framework was developed to examine the relationship between six factors which influence trust in Internet shopping. The data was analyzed by using structural equation modeling (SEM) to test all hypotheses. The results of this study show that perceived integrity and perceived ease of use have a positive relationship with trust toward Internet shopping in Thailand. Recommendations are provided for Internet sellers to enable them to increase consumer trust.

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INTRODUCTION

Since the mid 1990s the Internet has grown tremendously and created countless applications in virtually every aspect of modern human life. The Internet continues to make the world smaller. It benefits the people around the world by enabling communication and transactions. Moreover, consumers are able to quickly search for the information they need. There are now over 1.7 billion Internet users in the world with the largest number being in Asia. In 2012, 28 percent of the world's population is online with the percentage online in Asia now 22 percent. According to a global survey conducted by the Nielsen Company, 85% of the world's online population has used the Internet to make a purchase, a 40% increase over the last two years. Online shoppers tend to exhibit repeat visits to the same online site based on the level trust (Global online shopping report by Nielsen, 2008).