

ABSTRACT

The use of the Internet as a shopping and a purchasing medium has seen unpredicted growth. In addition to this tremendous growth, the characteristics of the global electronic market constitute a unique opportunity for companies to more efficiently reach existing and potential customers by replacing traditional stores with Web-based businesses. Selling in cyberspace is very different from selling in physical markets, and it requires a critical understanding of consumer behavior. If cybermarketers know what factors can explain online purchasing, then they can analytically follow through in developing marketing strategies.

This research has two primary objectives is to study the involving factors that can explain online purchasing and the second objective is to identify the best equation for explaining online purchasing.

The construct is tested in cross sectional study which data collected from 382 respondents who are Thai people living in Bangkok, aged since 16 years, and above current use the Internet.

The data analysis techniques are used for this study were based on two methods. First, descriptive statistics to describe or summarize information about a population or sample. Second, multiple regression analysis is useful for this research since there are more than one independent variable is likely to be associated with a dependent variable and ascertaining the contribution of all such independent variables in accounting for variation in the dependent variable is necessary.

The result from descriptive statistics represents that the percentage of respondents who currently use Internet is male counted for 78.8% or 301 persons, which quite more than female. The most age is between 26-30 years counted for 33% or 126 persons and most of them are single, counted for 80.1% or 306 persons. In addition, 62% or 237 persons have bachelor's degree and the most occupation they work is private corporation's employee 46.1% or 176 persons. The most income range is between 0-10,000 baht counted for 38% or 145 persons.

The result from multiple regression analysis is that there are only six factors from seven factors included in the equation for explaining online purchasing, which are risk of security, price, time saving, shopping convenience, risk of privacy violation, and customer service respectively. The excluded factor is comparative shopping. Price, time saving, shopping convenience, and customer service is positively related to online purchasing. On the contrary, risk of security and risk of privacy violation is negatively related to online purchasing.

An analysis of the data provides valuable managerial implications for Web designers and marketers that they should be more aware of these factors in order to design an effective Web sites by meeting demand and pleasing customers. In addition, understanding consumer behavior in Internet purchasing can remain the marketing management imperative.