

## THE INFLUENCE OF CUSTOMERS PERCEIVED USEFULNESS OF INTERNET, EDUCATIONAL LEVEL AND ATTITUDE TOWARDS INTERNET BUYING

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### ABSTRACT

*This study aimed at determining the dependent relationship between customer's level of education, customer's perception of internet usefulness their overall influence on customer's attitude towards internet buying. The questionnaires used for data collection are structured – closed and open ended. Most of the questions are Likert –format" statement on a five -point scale and respondents were expected to score their response on the five-point scale. In all, 400 questionnaires were administered but 394 questionnaires was returned and used for analysis. In other give the data collected meaning and to achieve the objective sought in the study, statistical package for social sciences (SPSS version 16) was used to analyses the data and test the hypothesis formulated. Small sample size and the inability to obtain a completely randomized sample are some of the limitations to the study. The study reveal that there is no significant depended relationship between customers level of education and their perceived usefulness of the internet on their attitude towards internet*

**KEY WORDS:** *Internet, Perceived Usefulness. Customer Attitude, Buying, online buying*

### INTRODUCTION

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. The rapid evolution of the Internet has had an enormous impact on the business environment and promises to revolutionize the dynamics of international commerce. Consumers in a global marketplace will benefit from an expanded range of products, services and information, to which the Internet will give them access. Due to the elimination of geographic, time zone, and geographical barriers brought forth by the Internet, commercial transactions are frictionless.

To stay competitive in highly competitive marketplaces, many businesses have started using the internet to reduce their marketing expenses and, as a result, lower the cost of their goods and services. Companies also use the internet to convey, communicate and disseminate information, to sell products, to take feed back and also to conduct satisfaction surveys with customers. Customers use the internet not only to buy the product online, but also to compare prices, product features and after sales service facilities they will receive if they purchase the product from a particular online store. Many experts are optimistic about the prospects of online business. In addition to the tremendous potential of the E-commerce market, the internet provides a unique opportunity for companies to efficiently reach existing and potential customers. This study views internet marketing as a "virtualization" of product/service/knowledge/ information exchanges. Virtualization means that parties involved in exchanges use computer mediated communication (CMC) systems as a means of establishing a better understanding of the benefits of internet shopping over traditional store front shopping. The "tele presence" oriented by this virtualization process enables individual organizations and automated systems to co-ordinate all aspects of the consumer buying process.

Today in Nigeria, many consumers have imbibed the internet culture but studies on the antecedents and attitude towards the internet as a medium for online buying is still at infancy.

## **LITERATURE REVIEW**

### **Online Shopping Sites and Apps**

In e-commerce or online shopping, the customer visits the online sites and apps to seek basic information related to the product or service that a customer is interested in. The web browsing of the product and price comparisons are the significant activities engaged by a customer. Once a customer selects the product or service, user accounts are created by providing personal information. Lastly, a customer completed the transaction by providing their actual purchase selections, together with their payment details and personal data. (Athapaththu & Kulathunga, 2018).

### **Perceived Ease of Use (PEU)**

If the technology is simple to use, the acceptance level will rise, and there will be more positive attitudes toward it and a greater desire to adopt the technology in question. Consumers' purchase intention has positively related to their perceived ease of use (Chin, & Goh, 2017).

For seasoned Internet users who are busy during typical shopping hours, the quickness and accessibility of online purchasing may be very advantageous. (Cho & Sagynov, 2015).

### **Perceived Usefulness (PU)**

The perceived usefulness of online shopping is related to the perceived benefits such as maximizing timesaving, minimizing cost during a transaction, and making online grocery shopping more convenient (Yip Hing & Nyen Vui, 2021). It is reasonable to consider perceived usefulness as a predictor when assessing the value of online customer service offerings.

The idea of perceived usefulness has been thoroughly examined and studied throughout marketing research history. (Liang et al., 2009).

### **Structural Assurance (SA)**

The term "structural assurance" refers to the existence of legal and technological structures that are designed to ensure payment security. Mobile banking, as opposed to online banking, is built on mobile networks, making it potentially more vulnerable to hacker attacks and information interceptions. According to experts, viruses and Trojan horses may also be present on mobile terminals. Users will be concerned about the security of their accounts and payments due to these issues. It has been discovered that consumers' initial trust is impacted by structural assurance as an institution-based trust mechanism. (Zhou, 2011).

### **Social Influence (SI)**

Social influence is the way to change individuals' thoughts, feelings, or behaviours to meet the demands of a social environment caused by other people (Friedkin, 2011). Social influence has been called in other names as social factors, subjective norms, or social norms. It is described as the purposeful or unintentional modification of behavior that one person creates in another. Research has long recognized social influence as one significant factor in consumer behaviour, and no one in this world can entirely escape the influence of others. The reason is due to a person's perception of the need to behave in a certain way to meet the social pressure, and people change their ideas and actions to meet the demands of a social group (Mei & Aun, 2019).

### **Purchase Intention (PI)**

Purchase intention is a customer's willingness to buy certain products or services. Purchase intentions measure the respondent's attitude towards purchasing a product or using a service. (Abumalloh, 2018). Purchase intention refers to repurchase intention in the future of customers and the willingness to recommend their friends use a platform to purchase products in the future (Nuanchaona, 2021). Before purchase decisions, during purchase decisions, and after customer

purchase decisions are all critical levels of decision linked to the buying power intentions of the person hidden beneath the subject's focus (Sosanuy et al., 2021). Let's say someone wants to purchase a certain product. In that case, their purchase intention indicates that they are deciding or a willingness to choose whether a customer wants to purchase that product (Yip Hing & Nyen Vui, 2021). Purchase intention is considered a dependent variable, and it can be inferred that it is a valuable attribute to examine and is employed as the outcome variable (Shim et al., 2021).

### Related Theories

A person's attitude is a learned propensity to continuously act in a positive or negative way toward a specific thing (Schiffman and Kanuk, 2006), (Eagly and Chaiken 1993) also defined as the evaluation of a certain entity with a degree of favor or disdain. Tri-Component Attitude model is used in this study to examine the Thai male consumer's attitude towards facial whitening products. According to the Tri-component attitude model developed by (Fishbein 1975), attitude consists of three major components: a cognitive component, an affective component, and a conative component. (Hewette 2002) stated that purchase intention is the buyer's forecast of which product he or she will buy. It includes not only the buyer's predisposition toward a product, but also a forecast of inhibitors. Karjaluoto, (Mattila and Pentto 2002) also have mentioned in their study that there are positive relationship between trust in online store, perceived ease of use, perceived usefulness and attitude towards online purchasing, and a negative between perceived risk and attitude towards online purchasing, moreover, there is a relationship between attitude towards online purchasing and online purchase intention.

### OBJECTIVES OF THE STUDY

This study seeks to determine:

1. The dependent relationship between educational qualification and attitude towards internet buying
2. The relationship between customer's perception of internet usefulness and customer's attitude towards internet buying

### HYPOTHESIS

The following hypothesis stated in null form will be tested to achieve the objectives of the study:

**H1:** Educational qualification has a significant impact on attitude towards internet buying.

**H2:** Customer's attitude towards internet buying does not significantly depend on the perceived usefulness of internet as medium for online commercial transaction

### METHODOLOGY

To achieve the objective of the study, the population of the study was made up of students, business owners and company workers in Benin and Warri metropolis of Delta and Edo State respectively. A sample of 400 respondents was purposefully comprising of 200 from each of the metropolis. The questionnaires used for data collection are structured – closed and open ended. Most of the questions are Likert –format" statement on a five -point scale and respondents were expected to score their response on the five-point scale. In all, 400 questionnaires were administered but 394 questionnaires were returned and used for analysis.

In other give the data collected meaning and to achieve the objective sought in the study, statistical package for social sciences (SPSS VERSION 16) was used to analyse the data and test the hypothesis formulated. Small sample size and the inability to obtain a completely randomized sample are some of the limitations to the study

**DATA ANALYSIS**

Spss output 2022

**TABLE 1: Respondents highest level of educational qualification**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid PhD	28	7.1	7.1	7.1
masters	42	10.7	10.7	17.8
Bsc/HND	138	35.0	35.0	52.8
OND/ NCE	116	29.4	29.4	82.2
secondary	56	14.2	14.2	96.4
primary	14	3.6	3.6	100.0
Total	394	100.0	100.0	

This table represents the distribution of the respondent’s highest educational qualification. 17.8% of the respondent have post graduate degrees, 35.0% are graduates, 29.4%, 14.2% and 3.6% have OND/NCE, secondary certificates and primary leaving certificates respectively.

**TABLE 2: Respondents monthly income**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid N1000- N20000	64	16.2	16.2	16.2
N20000- N40000	74	18.8	18.8	35.0
N40000- N60000	172	43.7	43.7	78.7
N60000-N80000	51	12.9	12.9	91.6
ABOVE N80000	33	8.4	8.4	100.0
Total	394	100.0	100.0	

Spss output 2022

The table above shows the respondents monthly income distribution. 43.7% of the respondents receive between N40, 000 to N60, 000 monthly while only 8.4% receives above N80, 0000monthly among others.

**TABLE 2: Respondents attitude towards online buying**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Good	42	10.7	10.7	10.7
	Good	102	25.9	25.9	36.5
	Fairly Good	51	12.9	12.9	49.5
	Bad	107	27.2	27.2	76.6
	Very Bad	92	23.4	23.4	100.0
	Total	394	100.0	100.0	

Spss output 2022

Table 5 reveals the distribution of respondent's attitude towards online buying. Majority representing 27.2% of the respondents have bad attitude towards online buying while 25.9% have good attitude towards online buying. More so, 10.7% have very good attitude towards online buying as compared with 23.4% of the respondents that have very bad attitude towards online buying.

**TABLE 3: Respondents perceived usefulness of online or internet buying**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Useful	51	12.9	12.9	12.9
	Fairly Useful	139	35.3	35.3	48.2
	Unuseful	64	16.2	16.2	64.5
	Very Unuseful	140	35.5	35.5	100.0
	Total	394	100.0	100.0	

Spss output 2022

From the table above, while 48.2% perceived online or internet buying to be useful, 58.1% perceived it to be unuseful

**Table 4: Respondents highest level of education \* Respondents attitude towards online buying Cross tabulation**

Count		respondents attitude towards online buying					Total
		very good	good	fairly good	bad	very bad	
respondents	highest PhD	0	14	0	14	0	28

level of education	masters	28	14	0	0	0	42
	B.Sc/HND	14	0	37	51	36	138
	OND/NCE	0	76	11	15	14	116
	secondary	3	1	0	22	30	56
	primary	0	0	0	0	14	14
Total		45	105	48	102	94	394

Spss output 2022

**Table 5: Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.319E2 <sup>a</sup>	20	.000
Likelihood Ratio	445.038	20	.000
Linear-by-Linear Association	59.964	1	.000
N of Valid Cases	394		

a. 8 cells (26.7%) have expected count less than 5. The minimum expected count is 1.49.

Spss output 2022

It can be observed from the Chi-square test result that the critical value of  $X^2$  at 5% (0.05) level under 20% degree of freedom (df) = 31.410 and the calculated  $X^2$  = 4.319. Since the calculated value of chi-square distribution 4.319 is less than the critical value, the null hypothesis which state that "Educational qualification does not have a significant impact on attitude towards internet as medium of online commercial transaction" is accepted while the alternative hypothesis is rejected.

### Respondents Perceived Usefulness of Online or Internet Buying \* Respondents Attitude Towards Online Buying.

**Table 6: Cross tabulation**

Count							
		respondents attitude towards online buying					
		very good	good	fairly good	bad	very bad	Total
Respondents Perceived Usefulness Of Online Or Internet Buying	Useful	0	0	23	0	28	51
	Fairly Useful	14	60	14	23	28	139
	Unuseful	0	14	0	28	22	64
	Very Unuseful	28	28	14	56	14	140
Total		42	102	51	107	92	394

Spss output 2022

**Table 8: Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.771E2 <sup>a</sup>	12	.000
Likelihood Ratio	199.156	12	.000
Linear-by-Linear Association	6.941	1	.008
N of Valid Cases	394		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.44.

Spss output 2022

It can be observed from the Chi-square test result that the critical value of  $X^2$  at 5% (0.05) level under 20% degree of freedom (df) = 21.03 and the calculated  $X^2 = 1.771$ . Since the calculated value of chi-square distribution (1.771) is less than the critical value, the null hypothesis which state that "Customer's attitude towards internet buying does not significantly depends on the perceived usefulness of internet as medium for online commercial transaction" is accepted while the alternative hypothesis is rejected

### DISCUSSION OF FINDINGS

From the finding of this study half of the respondent's interviewed have relatively good attitude towards internet while a reasonable proportion also have a negative attitude to wards the internet. the Chi-square test result that the critical value of  $X^2$  at 5% (0.05) level under 12% degree of freedom (df) = 31.410 and the calculated  $X^2 = 4.319$ . Since the calculated value of chi-square distribution 4.319 is less than the critical value we reject the null hypothesis which state that "Educational qualification have a significant impact on attitude towards internet buying "and accept the alternative hypothesis. in same vain, It can also be observed from the second Chi-square test result that the critical value of  $X^2$  at 5% (0.05) level under 20% degree of freedom (df) = 21.03 and the calculated  $X^2 = .1.771$ . Since the calculated value of chi-square distribution 1.771is less than the critical value we accept the null hypothesis which states that "Customer's attitude towards internet buying does not significantly depends on the perceived usefulness of internet as medium for online commercial transaction" is accepted while the alternative hypothesis is rejected

There fore, one of the revolutions that greeted the 21<sup>st</sup> century is the revolution in the ICT with the use of the internet. Not only is the internet used for information, it is also used for other purposes such as e commerce, e payment and e banking. Today, consumers may not necessarily leave the comfort of their homes to purchase goods and services, but only with the click of the mouse, they can get what they want.

The internet has also made the cost of advertisement cheaper and easier with respect to location. This means that the producers may not necessarily have a sales representative in certain locations to create awareness of their products. This, to large extent reduces production cost which invariably reduces the overhead cost of such product and also it affords customer the

opportunity to have goods and services delivered at their doorsteps without the constraints created by middlemen and inconveniences of getting to the conventional market place.

However, the development of e-commerce is still in an early stage, and why consumers choose (or do not choose) online purchasing is far from being completely understood. To better evaluate and anticipate those profound impacts of e-commerce, therefore, it is important to further refine our understanding of consumers'-shopping behavior.

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