

CONSUMERS ACCEPTANCE LEVEL OF VIRTUAL GROCERY STORES IN MALAYSIA

Prepared by: Du Qianlan

ABSTRACT

The retail industry in Malaysia has become more and more competitive as a result of the growing spread of the internet in recent years. Many companies have thrown away conventional thinking and focused on dynamic marketing strategies in order to survive and succeed. Advancements in wireless communications have increased the number of people using mobile devices, and accelerated the growth of mobile commerce (m-commerce). The virtual grocery store allows companies to provide product information and offer direct sales to their customers through mobile devices. Success in this business is dependent on understanding the concerns of customers and identifying the factors that promote their intentions to use virtual grocery stores.

Four variables were used in this study to examine consumers' acceptance level of virtual grocery stores in Malaysia: perceived usefulness, perceived ease of use, perceived trust, and perceived service quality. A quantitative approach was adopted, with a questionnaire as the main tool. SPSS software was used for a descriptive analysis, and PLS estimation software was used to test the relationships between the various constructs. Based on the research findings from 348 smartphone users over 21 years of age, three of the four above factors were found to significantly influence consumers' acceptance level of virtual grocery stores – perceived service quality being the exception.