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Role of Perceived Credibility towards Intention to Use of M-commerce

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Abstract

The article aims to investigate the role of perceived credibility towards an intention to use M-commerce via online survey questionnaire and regression analysis. As a result, all variables were related but when it is combined as a whole, it has been identified that only three independent variables from nine independent variables become as significant predictors to dependent variables which is an intention to use. In conclusion, established brand or company may have privilege in offering their products or services due to the confidence level among user.

Key words: Credibility, Intention, M-commerce, Brand, Privilege.

Rol de la credibilidad percibida hacia la intención de uso de M-commerce

Resumen

El objetivo del artículo es investigar el papel de la credibilidad percibida hacia la intención de utilizar M-commerce mediante un cuestionario de encuesta en línea y un análisis de regresión. Como resultado, todas las variables estaban relacionadas, pero cuando se combinan como un todo, se ha identificado que solo tres variables independientes de nueve variables independientes se convierten en factores predictivos significativos para variables dependientes, lo cual es una intención de uso. En conclusión, la marca o empresa establecida puede tener el privilegio de ofrecer sus productos o servicios debido al nivel de confianza entre los usuarios.

Palabras clave: Credibilidad, Intención, M-commerce, Marca, Privilegio.

1. INTRODUCTION

The advancement of technology and communication exposed people to vary option of device and facilities experience a better daily life. Nowadays, people are becoming familiar with the rapid growth of technology through the use of Internet and mobile device with better infrastructure. Information Communication and Technology has undergone spectacular development across the region, which has contributed to the world involvement of information and innovation together with the expansion of massive business growth. Fast development of mobile technologies has provided a bright future of

business opportunity besides, enhanced user business activities (Norazah & Norbayah, 2017). Mobile technology is rapidly growing with all kind of features embedded in each innovation, especially towards the usage of smartphones and tablets (Felix et al., 2013). The good infrastructure of the network became a major factor contributing to the mobile service performance. M-commerce has established alternatives in business industries with support from the internet and mobile technology integration. This study targeted to provide extensive information on the business organization that recently focusing on developing mobile or internet purchase methods which indicate the behavioral and technical issue involving the consumers and providers (Aguir, Ghrissi & Farhani, 2015; Salem et al., 2016).

1.1. Mobile Commerce (M- Commerce)

The recent combination of mobile application and e-commerce has delivered new trends of conducting a business transaction called M-commerce (Thamaraiselvan et al., 2018). The development, in fact, inviting new business model and change the way people do business and transactions. The trend is more towards a transaction conducted through wireless devices (mobile) with the integrate of the internet. M-commerce was defined as any transaction conducted through a variety of mobile equipment over a wireless telecommunication network in a wireless environment (Preeti & Savita, 2017). Mobile subscribers worldwide have already surpassed 5 billion users (Ainsworth et al., 2017). A large number of subscribers presented the growth of the new

trend towards commerce industries. The new trend of business influenced by the rapid growth of personal computers and the Internet created opportunities for e-commerce, which lead to the introduction of m-commerce (Sujeong, 2018). Moreover, the development of e-commerce in the countries is differs compared to each other due to the different stage of the internet and mobile technology maturity, network provider and user perspective (Abidin, Bakar, & Haseeb, 2015).

1.2. Perceived Credibility (PC)

The credibility of the M-commerce platform can be considered as the main indicator which reflects on user inclination to adopt M-commerce. The credibility in this context represent the credibility of the vendor quality which indicates on the brand image and responsiveness (Uttam & Savita, 2018; Yeh & Li, 2009). The brand image portrays the name establishment of the products or services where the user is more likely to believe in the brand that they familiar with while responsive reflects on the prompt feedback provided while user adopts m- commerce. According to Yun et al. (2018) ease of relationships can be built through the development of brand image and thus make customers become part of the brand (Prasanta et al., 2018). This should influence the user intentions to have considered in adopting M-commerce. This study hypothesizes that perceived credibility has a positive and significant relationship with M-commerce adoption.

2. METHODOLOGY

Data was collected through online survey. Questionnaire was developed using survey monkey as the tool to administer. Questionnaires were distributed through social media. Respondent was university student in Kuala Lumpur and Selangor at their age within 20 to 24 years old. An invitation notes was posted in the page inviting viewer to participate in the survey. 240 questionnaires received after 7 days and 233 were usable. The response rate is 97%.

3. FINDINGS

The Cronbach's alpha scale produced is high which is 0.803 with four items analyzed as depicts in table 4.20. The score supports the reliability of the items in this section of the independent variable (Salem et al., 2018; Jabarullah and Hussain, 2018). Table 4.21 presents the details item for developed to measure this variable.

Table 1: Reliability statistics for perceived credibility

Cronbach's Alpha	N of Items
.803	4

Table 2: Item statistics for perceived credibility

Item Code	Item	Mean	Std. Deviation	N
PC2	I believe popular product/ company will provide pleasant experiences of m- commerce services	3.558	.775	233
PC3	Established company/ products enhanced my interest to purchase online	3.567	.828	233
PC4	Established m- commerce vendor provides better response to the user	3.614	.786	233
PC5	Vendor image will affects my intention to use m- commerce	3.661	.761	233

The ninth independent variable overall mean has indicated the positive value of 3.56. This score is acceptable in measuring this instrument suitability to test this variable. Based on the respondents' aspect, the variable characteristics are acceptable to measure this variable. Four items have been analyzed to capture the score to test this variable. All items are scored value greater than 3.0 as depicted in table 4. 32. Based on table 4. 32, item PC5 scores the highest mean value with a score of 3.661 while item PC2 scores the lowest mean value which is 3.558.

Table 3: Descriptive Statistics for Perceived Credibility

		N	Mean		Std. Deviation	Variance
Item Code	Item	Statistic	Statistic	Std. Error	Statistic	Statistic
PC2	I believe popular product/ company will provide pleasant experiences of m- commerce services	233	3.558	.051	.775	.601

PC3	Established company/ products enhanced my interest to purchase online	233	3.567	.054	.828	.686
PC4	Established m-commerce vendor provides better response to the user	233	3.613	.051	.786	.617
PC5	Vendor image will affects my intention to use m- commerce	233	3.661	.050	.761	.579
	Valid N (listwise)	233				

3.1. Relationship: Perceived Credibility (PC) VS Intention to Use (IU)

The Pearson correlation coefficient value between VOS and Intention to Use indicates the positive relationship between these two variables which is 0.512. According to Cohen, this value shows the strong relationship between the two variables. Table 4 depicts the detail output related to these two variables. This result is accepted and supports the hypothesis as below:

Table 4: Correlation table of PC

		Perceived Credibility	Intention to Use
Perceived Credibility	Pearson Correlation	1	.512[**]
	Sig. (2-tailed)		.000
	N	233	233
Intention to Use	Pearson Correlation	.512[**]	1
	Sig. (2-tailed)	.000	
	N	233	233
**. Correlation is significant at the 0.01 level (2-tailed).			

Regression analysis has been used to predict the dependent variable by using nine independent variables. It has been set that if the p value is less than 0.05, the IV considered as having significantly related to the dependent variable. The predictors also being further identified through t value which has been set by >1.645. Based on the analysis result in table 5, it depicts that all variables were related but when it is combined as a whole, it has been identified that only three independent variables from nine independent variables become as significant predictors to dependent variables which is an intention to use. The three IV that contributes as the significant predictors or main factors which influence the m- commerce intention to use or adoption are Perceived Enjoyment (PE), Device Features (DF) and also Perceived Credibility (PC).

Table 5: Coefficients table

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.595	.239		2.485	.014
	Perceived Credibility (PC)	.200	.061	.216	3.309	.001
a. Dependent Variable: overall_ Intention use						

4. CONCLUSION

Since this research was conducted in an academic institution, the findings show on the predicted output in term of the main education level and age group of respondents. Most of the respondents to have at least a basic knowledge on m- commerce application and it

is expected that they are exposed and possess the intention to use it in future. This might reflect on their personal experience in using m-commerce application. PC was found to have a strong relationship with the user intention to adopt m- commerce with the agreed characteristics developed. This show on the user concern on the established brand of the provider whose offers products or services through M-commerce platform? The result is consistent with Sindhu & Srivastava (2018) where it can be assumed that the users are more confident to use M-commerce if the system or M-commerce providers are among established name or company. Besides, it also expected that the user is more interested to try a new product or purchase online from established company compared to unknown company where it reflects on that company reputation while providing services to the consumers. The respondents agree to use m- commerce based on the credibility, image portrays by the provider. It indicates the established name or brand will affect user intention to adopt m- commerce or not. Established brand or company may have privilege in offering their products or services due to the confidence level among user.

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