



The Factors Affecting Online Purchase Intention in E-Commerce Industry in China

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Abstract:

The Chinese e-commerce sector has shown amazing growth throughout the past 10 years. The fast development of technology, the growing internet penetration, and customers' changing way of life help to explain this success. The main engine of this growth has been changes in consumer behaviour. Businesses must have a strong awareness of the elements influencing the intention to make a purchase online if they are to keep a competitive edge in a constantly changing surroundings. The aim of this study is to pinpoint and evaluate the main factors influencing the degree of intention of Chinese consumers towards online purchase of accessible products. The investigation was carried out in this direction. Among the elements under investigation in this study are perceived ease of use, perceived usefulness, confidence in online platforms, product quality, perceived pricing, website design, customer service, social impact, and so on. One looks at other factors as well, societal impact. This work is grounded in several theoretical models, including trust-based models, the Theory of Planned Behaviour (TPB), and the Technology Acceptance Model (TAM). Furthermore considered in the study are cultural elements in addition to demographic factors including age, gender, economic level, and degree of education. These elements used together help to lessen the consequences of the specific issues under investigation.

1. Introduction

Currently among the most important online shopping sites worldwide, the Chinese e-commerce industry has grown at a pace never observed before. The widespread availability of the internet, the explosion of social media platforms, and the evolution of increasingly complex mobile payment methods are among the several elements fuelling this growth. Businesses in this very competitive sector must be successful by clearly knowing the elements that inspire consumers to make online purchases. The Technology Acceptance Model claims that the

impressions that consumers have of a purchase depend much on how practicality and ease of use of an online transaction seem. The degree of confidence one has in online stores was one of the most crucial determinant of whether or not one would buy. Factors include the appearance of websites, consumers' sensitivity to cost, and the quality of the goods they buy also affect their decision-making process. Particularly on platforms like WeChat and Douyin (TikHub), social impact has been even more important over the past several years. Two methods Key Opinion Leaders (KOLs) and influencers bring about changes in consumer

behaviour are product endorsements and trend formation. Often referred to as the "Wanghong economy," this trend highlights the major impact social media has in determining people's choices to buy online.

The fast speed at which the COVID-19 epidemic is accelerating digital transformation has changed consumer behaviour. The explosion of live-streaming commerce and hybrid buying—that which combines online and offline shopping—allows consumers to engage with businesses in fresh ways. This study aims to look at these factors and the manner in which they affect Chinese consumers' online buying willingness. By means of an analysis of the interrelationships among psychological, sociological, and technological elements, the aim of this study is to provide insights that can possibly guide actions related to e-commerce and support customer involvement in the Chinese market (Ye, et al., 2021).

2. Background of the Study

Since then, China's e-commerce ecosystem has seen enormous transformations, and as a result of these changes, the country has emerged as a worldwide leader in terms of online shopping in general. It was estimated that 82.3% of Chinese internet users have participated in online shopping by the time June 2024 rolled around. When compared to the results of the previous year, this is a huge increase. This increase might be attributed to a number of different causes, such as the widespread availability of internet connections, the development of mobile payment methods, and the expansion of social media channels. Individually and together, these components contribute to the formation of an ecosystem for e-commerce that is both dynamic and competitive. It has been proved that mobile payments like as Alipay and WeChat Pay are quite useful in terms of expediting the process of making a purchase, enhancing customer trust in online transactions, and enabling online transactions to be completed without any interruptions. The proliferation of live-streaming e-commerce, which enables influencers to demonstrate items in real time, has had an additional impact on the participation of customers and their tendencies to make purchases. The occurrence of this phenomenon has been seen to be rather widespread, particularly among younger people. A significant amount of influence is exerted on the decisions that customers make, particularly on social media platforms such as WeChat and Douyin (TikHub). One of the most notable examples of influencer marketing is the "Wanghong economy," which has been a significant contributor to the expansion of online shopping.

Online superstars have the ability to influence the impressions and decisions that customers make regarding brands (Wang & Zhang, 2023).

There is another factor that has been accelerated by the COVID-19 epidemic, and that is the transition to digital technology, which has altered the behaviour of potential customers. The method in which customers connect with businesses has been altered as a result of the interactions that occur between offline and online shopping experiences. Because of this, businesses have come to the realisation that they need to modify their tactics in order to meet the ever-changing demands of their customers. E-commerce businesses need to have a solid understanding of these supporting characteristics if they wish to make the most of their plans and promote customer participation in China's highly competitive online retail market. It is necessary for them to accomplish their goals by utilising this method (Liu & Zhang, 2022).

3. Purpose of the Research

Using the Chinese e-commerce sector as a background, this paper aims to explore the impact of social factors on the degree of online purchase interest of people. More precisely, China was the main focus of the research where it is centred. It is highly relevant to have a strong awareness of the ways in which social elements—such as social media platforms, influencer marketing, and peer-driven recommendations—are influencing consumer behaviour while functioning inside the framework of digital commerce, which is progressively entwined with social features. Key Opinion Leaders (KOLs), user-generated content, online reviews, and social networking all help us to reach this goal from several angles. This paper aims to explain how social dynamics enhance customer trust, interaction, and finally purchase decisions in the digital market. Focussing especially on China's fast growing e-commerce sector, the study looks at the supporting elements for these elements. The study attempts to explain these results by centring China as the main topic of debate, therefore offering a more complete picture.

4. Literature Review

Many elements affect customers' choices to buy online; thus, the e-commerce scene in China has changed significantly. The Technology Acceptance Model (Yao & Tarofder, 2025) holds that customer perceptions towards e-commerce platforms are still mostly shaped by their apparent utility and simplicity of use. Customers seem still to appreciate the listed traits highly. Moreover, consumers'

choices reflect their degree of confidence in online markets; so, trust in these companies is clearly vital (Lin & Shen, 2023). One important result has come about.

With live-streaming e-commerce, other elements of consumer behaviour have been incorporated. Buying now has become more involved using sites like Taobao Live and Douyin. Real-time interactions between influencers and their followers on these platforms serve to increase trust, which in turn lowers the supposed risks of online buying (Chen, 2023). This change emphasises the requirement of social influence and community participation to inspire people to buy at internet companies. Furthermore, mobile payment solutions like Alipay and WeChat Pay have simplified the buying procedure, therefore producing transactions that are not only more practical but also somewhat more safe. The integration of these payment options into many facets of daily life has thereby increased client involvement in e-commerce even more. Cultural factors also greatly influence the development of intents to buy online and are thus rather important in the process. There has been a commensurate desire for real and locally relevant information as well as an increasing interest in companies native to China as the number of Generation Z members of customers rises.

5. Research Question

What is the impact of social influence on e-commerce industry in china?

6. Research Methodology

6.1 Research design:

The quantitative data analysis was conducted using SPSS version 25. Using the odds ratio and 95% confidence interval, we were able to determine the size and direction of the statistical association. The researchers used a p-value of less than 0.05 as a statistically significant criterion. We used a descriptive analysis to zero down on the most crucial parts of the data. Survey, poll, and questionnaire data, as well as data modified using computational tools for statistical analysis, are often evaluated using quantitative approaches.

6.2 Sampling:

Research participants completed questionnaires to provide data for the study. Utilising the Rao-soft software, researchers identified a study sample of 473 individuals, prompting the distribution of 550

questionnaires. The researchers received 537 responses, excluding 37 for incompleteness, resulting in a final sample size of 500.

6.3 Data and Measurement:

The primary instrument for data collection in the research was a questionnaire survey. The survey had two sections: (A) General demographic information and (B) Responses on online and offline channel factors evaluated using a 5-point Likert scale. Secondary data was collected from many sources, mostly online databases.

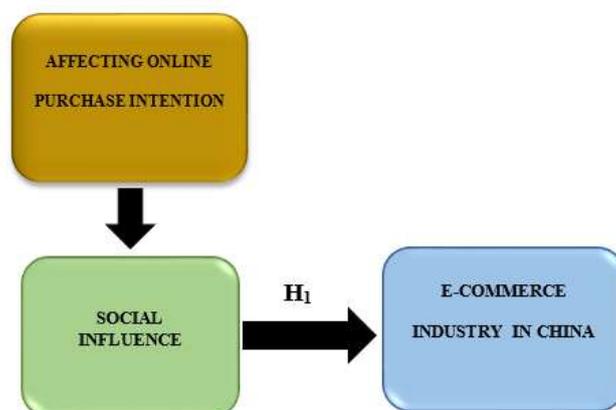
6.4 Statistical Software:

Statistical analysis was carried out using SPSS 25 and MS-Excel.

6.5 Statistical Tools:

Descriptive analysis was used to understand the data's essential nature. Using ANOVA, the researcher must examine the data.

7. Conceptual Framework



8. Results

Factor Analysis

One typical the purpose of Factor Analysis (FA) is to confirm the presence of latent variables. components in observable data. When there are not easily observable visual or diagnostic markers, it is common practice to utilise regression coefficients to produce ratings. In FA, models are essential for success. Finding mistakes, intrusions, and obvious connections are the aims of modelling. One way to assess datasets produced by multiple regression studies is with the use of the Kaiser-Meyer-Olkin (KMO) Test. They verify that the model and sample

variables are representative. According to the numbers, there is data duplication. When the proportions are less, the data is easier to understand. For KMO, the output is a number between zero and one. If the KMO value is between 0.8 and 1, then the sample size should be enough. These are the permissible boundaries, according to Kaiser: The following are the acceptance criteria set by Kaiser:

A dismal 0.050 to 0.059, worse than the typical 0.60 to 0.69

The typical range for middle grades is between 0.70 and 0.79.

Having a quality point score between 0.80 and 0.89. The interval from 0.90 to 1.00 astounds them.

The KMO and Bartlett's Tests for Sampling Adequacy are shown in Table 1. Using the Kaiser-Meyer-Olkin.960 metric

This is what Bartlett's sphericity test came up with: around 190 degrees of freedom, chi-square, sig.=.000

Claims made for sampling purposes are validated by this. To determine whether the correlation matrices were statistically significant, the researchers used Bartlett's Test of Sphericity. If the Kaiser-Meyer-Olkin value is 0.960, then the sample size is enough. Based on Bartlett's sphericity test, the p-value is 0.00. The correlation matrix is not an identity matrix if Bartlett's sphericity test returns a positive result.

Table 10: KMO and Bartlett's

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.960
Bartlett's Test of Sphericity	Approx. Chi-Square	3252.968
	df	190
	Sig.	.000

To further confirm that the correlation matrices were significant, Bartlett's Test of Sphericity was used. An appropriate Kaiser-Meyer-Olkin sample value is 0.960. By using Bartlett's sphericity test, the researchers were able to get a p-value of 0.00. The correlation matrix was found to be invalid due to the statistically significant result of Bartlett's sphericity test.

Independent Variable

Affecting online purchase intention

The phrase "affecting online purchase intention" is used to describe the multiple factors that influence a consumer's decision to make a purchase through an

online platform. This phrase is used when referring to the various factors that influence a consumer's propensity or choice to make a purchase utilising an online platform. The following are some of the traits that fall under this category: perceived rewards, trust, attitude, perceived easiness, and attitude towards risk acceptance. They consist of a diverse assortment of constituent parts. Customers believe that they may gain from online buying in a variety of ways, including convenience and choice, and these are referred to as perceived advantages. Online shopping is becoming increasingly popular among consumers. The term "trust" is used in the context of online purchasing to refer to the confidence that customers have in the reliability and safety of the online merchant during their shopping experience. The consumer's attitude is a representation of their overall appraisal of engaging in online shopping, which is influenced by their own personal experiences and ideas. This feedback is reflected in the consumer's attitude. When discussing the procedures involved in making purchases online, the term "perceived ease" refers to the degree to which the transaction is uncomplicated and user-friendly. The consumer's willingness to engage in online purchasing despite the likelihood of having concerns or fears is referred to as risk acceptance. On the other hand, risk acceptance refers to its readiness. When all of these factors are taken into account, the consumer's desire to participate in activities that are associated with online buying is impacted (Chaivirutnukul et al., 2023).

Factor

Social influence

In the context of this article, the phrase "social influence" refers to the manner in which the presence, actions, or perspectives of other individuals have the capacity to modify the thoughts, feelings, and behaviours of an individual. There are many different types of social influence that may be found in the context of consumer behaviour and the desire to make a purchase online. Some examples of social influence include peers, relatives, online reviews, influencers, and social media networks. Social influence is the impact that these elements have on a customer's decision to make a purchase of a product or service online. This decision can be influenced by a variety of factors. Recommendations, assessments, testimonials, and observed behaviour within a consumer's social circles or digital communities are typically crucial variables in the consumer's decision-making process about purchases. This type of influence may occur either directly, such as when a friend suggests a

product, or indirectly, such as when one comes across a significant number of positive reviews or when a social media influencer advocates a certain brand. Both of these types of influence are examples of indirect influence (Jiang et al., 2023).

Dependent Variable

E-commerce industry in china

The term "e-commerce" is used to refer to any form of commercial activity that is carried out electronically through the use of the internet in China. The purchase and sale of goods and services, the transmission of digital payments, the provision of logistical services, and the development of customer support systems are all ongoing activities. This ecosystem is distinguished by a number of characteristics, including a retail environment that is extensively digitised, a clientele that almost exclusively uses mobile devices, enhanced integration of supply chain operations, and assistance from the government for digital infrastructure. Pinduoduo, Alibaba, and JD.com are some of the primary platforms that have contributed to China's rise to the position of one of the leading e-commerce markets in the world. Due to the fact that these websites facilitate both consumer-to-consumer (C2C) and business-to-consumer (B2C) transactions, China is the largest e-commerce market in the world. Over the course of the previous five years, the sector has seen significant transformations as a result of innovations such as livestream commerce, social commerce, and cross-border e-commerce. The COVID-19 epidemic increased the adoption of digital consumption habits, which led to the adoption of e-commerce and "new retail" models that combine online and offline experiences in rural areas. This rise has been made possible by a number of governmental efforts, most notably the Digital China agenda and innovations in digital payment systems such as Alipay and WeChat Pay. Over the course of the past several years, China's e-commerce business has established a new standard for technological and operational innovation, and it has maintained a significant effect on the trends of digital commerce all over the world (Wang et al., 2021).

Relationship between Social influence and E-commerce industry in china

In China, internet buying behaviour is much influenced by social impact, which also determines what individuals purchase. This is so because digital platforms combine technical elements with social networking tools meant to boost involvement and

profitability. Consumers may interact with one another, exchange their opinions and experiences with things, and even follow powerful individuals whose suggestions they give thought while making purchases. This is the core of "social commerce," the combining of social networking with online buying. By way of user-generated content, live streaming, and peer recommendations, websites such as Taobao, Xiaohongshu, Douyin, and WeChat help to build socially conscious retail settings. Live streaming of business events has become somewhat standard in recent years. Participating celebrities and influencers communicate with audience members, demonstrate different things in real time, and offer direct access to many items for sale. Likes, shares, and reviews give social validation—something highly crucial for online buyers as it increases confidence and reduces apparent risk. Key Opinion Consumers (KOCs) are regular consumers with modest but very active followings. Their ascent offers additional proof that in the always shifting landscape of e-commerce authenticity and peer influence are becoming more and more valuable. By use of group buying strategies—such as those used by Pinduoduo, which inspire users to create purchase groups with friends or family members in order to get savings—users may improve their overall social influence. Driven by social media, these strategies boost conversion rates and build loyalty among the target audience's consumers, hence strengthening community. Over the past five years, Chinese e-commerce companies have raised their efforts in social element integration, thus social influence has become a necessary component of China's digital commerce explosion. Among other things, these outsays help to increase user confidence and engagement with companies (Chen & Xie, 2021). Because of the above discussion, the researcher formulated the following hypothesis, which was analyse the relationship between Social influence and E-commerce industry in china.

“H₀₁: There is no significant relationship between Social influence and E-commerce industry in china.”

“H₁: There is a significant relationship between Social influence and E-commerce industry in china.”

Table 2: H₁ ANOVA Test

ANOVA					
Sum	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	39588.620	220	5263.224	983.229	.000
Within Groups	492.770	279	5.353		
Total	40081.390	499			

The results of this investigation will be substantial. The F statistic is 983.229, indicating significance with a p-value of 0.000, which is below the 0.05 alpha threshold. This signifies the “H₁: There is a significant relationship between Social influence and E-commerce industry in china” The alternative hypothesis is accepted, whereas the null hypothesis is rejected.

9. Discussion

The study demonstrates that customers' propensities to make purchases online are significantly influenced by social influence. This is not surprising given that Chinese e-commerce has evolved into a digital world that is very social and interactive. In the past several years, social aspects such as live streaming, influencer marketing, and peer ratings have been integrated directly into e-commerce interfaces by platforms such as Douyin, Xiaohongshu, and WeChat. These platforms have had a significant impact on the evolution of online shopping. As a result of the blurring of lines that separate social connection and economic activity that this integration generates, social effect is of utmost importance in the decision-making process of consumers. Due to the fact that trust, reliability, and social proof are highly prized in China, Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) are of utmost significance in terms of their ability to influence consumer behaviour. The utilisation of online reviews, user-generated material, and recommendations from friends or influencers are important indicators of the reliability of a product, particularly in situations where it is not feasible to directly engage with the product. According to the findings, customers who report relatively high levels of social validation and contact with the brand or product are more likely to have a favourable intention to make a purchase. If this is the case, then purchasers are more likely to take action. The social-sharing incentives and group-buying capabilities that are available on Pinduoduo and other websites that are similar demonstrate how users may be influenced by their peers to make hasty and expensive purchases. Because the paradigm of e-commerce in China is shifting towards one that is inspired by communities, businesses that want to increase the amount of customer participation and conversions should be especially aware of the role that social influence plays in the process. It is clear from the findings that the urge to make a purchase is determined over time not by the quality of the goods or the price, but rather by the social dynamics of the online environment. Therefore, in order to successfully influence the behaviour of their customers and maintain a competitive edge, Chinese

e-commerce enterprises need to give social integrated initiatives the highest importance.

10. Conclusion

Taking into consideration the framework of the e-commerce business in China, the findings of this study indicate that social influence is a very important factor that plays a role in determining whether or not an individual intends to make a purchase online. As digital platforms continue to evolve into settings that are socially immersive, the purchasing behaviour of Chinese consumers is more influenced by social interactions, suggestions from peers, and endorsements from influential individuals who play key roles. According to the findings, the most important factors in establishing trust are key opinion leaders (KOLs), key opinion consumers (KOCs), online reviews, and material provided by users themselves. The degree of uncertainty associated with online purchasing is thereby reduced. In a market for e-commerce that is both highly competitive and constantly expanding, social influence not only acts as a powerful instrument for marketing, but it also has a considerable impact on the assessment and decision-making processes of customers. The social nature of Chinese e-commerce websites encourages customers to actively participate in activities such as group purchasing, live product demonstrations, and the sharing of their experiences. By making use of social cues, this helps to mould the desire to make a purchase. According to the findings of a study, customers who place a high level of importance on social approval and involvement in relation to a product or service are more likely to purchase that product or service. Therefore, in order for businesses to be successful in the extremely competitive e-commerce market of China, they need to use different tactics that incorporate social interaction into the purchasing process. Utilising technology that are associated with social media, obtaining assistance for consumer evaluations, and working together with influencers are all required for these strategies. It is clear that the findings of this study contribute significantly to the clarification of consumer behaviour in digital commerce. Additionally, they provide platform developers and marketers with rapid access to information that is beneficial. According to the findings of the research conducted within the context of the Chinese e-commerce industry, social influence not only acts as a supplement but also as a fundamental driver of the desire to make an online purchase by consumers. In addition, the strategic application of social influence as a tool has the potential to greatly boost consumer participation, brand loyalty, and conversion rates.

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- **Ethical approval:** The conducted research is not related to either human or animal use.
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