Comparative Study on the Trust and Purchase Intention of Korean and Chinese Consumers by Web Design Factors of Open Market Websites

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(Received November 5, 2011; Revised January 29, 2012; Accepted May 17, 2012)

Abstract This study examines open market websites of Korea and China and identifies differences in the web design factors so as to verify how the design factors affect consumers’ trust and purchase intention in the open market websites. Two hundred consumers, respectively in Korea and China, filled out survey questionnaires. According to the survey result, design factors of open market websites of both countries consisted of content, contents, communities, communication, connectivity and commercial transaction; and trust-building factors were comprised of customer services, product perception and security perception. This study found that there was no significant difference in the design factors of open market websites between the two countries, but trust levels in accordance with design factors and purchase intention in accordance with trust level differed by country. Therefore, this result would help Korean companies targeting Chinese consumers understand that there are differences between Korean and Chinese consumers in their trust level and purchase intention in accordance with open market website designs; encourage Korean online shopping malls to move to the Chinese market; and provide rich insights into developing marketing plans based on the different web design factors of Korean and Chinese open markets.

Key words open market, web design factor, (website trust, purchase intention

Introduction
The expansion and commoditization of the internet has brought significant structural change in both individual life styles and corporate transactions. The rapid development of e-commerce has enabled consumers to find product information by a click whenever, wherever they need, and to compare products, prices, designs and quality between shops (Abbot, Chiang, Hwang, Paquin & Zwick, 2000). Accordingly, consumers began to pay attention to not only products displayed on the web, but also the web design

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itself. Previous studies mostly dealt with security as a key factor affecting the growth of e-commerce. However, recent studies have extended their focus on the design of open market websites and how it is related to consumers' decision making. Online consumers tend to search for interesting websites that have different or unique look and feel, among numerous similar online stores. To meet such consumer desire, enhancing product quality only is no longer an answer, but it is required to develop websites that can satisfy consumers both visually and functionally and can appeal to consumers' minds. A website is a first encounter with a company's customer, and when customers purchase products online, they tend to make purchase decisions based on the product information provided by retailers and the website design also affects their decisions (Kim, Kwon, & Lee, 2001). As such, consumers make decisions based on the trust provided by retailers even online. Yet, consumers have a mixed feeling of trust and distrust, which in turn would have impact on their purchase decisions. Previous studies on online shopping regarded trust as a key driver of purchase intention, or distrust as the opposite concept to trust. Unlike in a brick-and-mortar store where consumers can touch and feel products, they have to solely rely on the information provided by retailers online and may have distrust or low levels of trust in websites. In that case, transactions are unlikely to take place. Thus, open markets have to make ceaseless efforts to enhance consumer trust by developing right web designs (Kim & Lee, 2009).

This study examines Korean and Chinese markets, among many, as Korean companies are aggressively penetrating into the Chinese market and the Chinese internet sector is rapidly developing. There may be differences in the website designs of the two countries due to different cultures and in the website trust levels in accordance with web designs. This study has a significant implication for developing and advancing online shopping malls since it examines and compares the Korean market where online utilization is particularly high compared to the size of the country and the Chinese online market with a huge potential.

Based on the problem recognition, this study is to identify differences in the website designs by taking into consideration cultural and social differences between Korea and China. In addition, it will also discuss how consumers develop trust in accordance with open market web designs, and what relationship exists between consumer trust and purchase intention.

The ultimate goal of this study is developing implications about differences in the web designs between Korea and China by identifying differences in the open market web designs of the two countries. As a result, the findings would provide practical implications for Korean companies that have plans to penetrate into the Chinese market.

Literary Review

Internet Open Markets of Korea and China

Internet open markets are an open-type e-market place where an intermediary opens an online market and many individuals and companies play the roles of both consumer and sellers in the e-commerce industry. Internet open markets serve as intermediaries between sellers and buyers, and minimally involve