

Intention to Use Mobile Commerce: Evidence From Emerging Economies

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ABSTRACT

With mobile technologies' rapid development involving wireless networks and internet infrastructure, e-commerce has been evolving into a new, more significant phase: mobile commerce. Businesses throughout the world are highly motivated to invest in mobile commerce infrastructure and deploy their mobile commerce strategies as a source of sustainable competitive advantage to maintain existing and attract new customers. As probably the first systematic and comprehensive effort to date, this study analyzes the factors affecting customers' intention to use mobile commerce in Vietnam. The results show that perceived ease of use, perceived usefulness, variety of services, and trialability have both direct and indirect positive (via perceived usefulness) impacts on intention to use mobile commerce, while trust and social influence have indirect positive impacts on intention to use mobile commerce in Vietnam. Cost does not have any impact on intention to use mobile commerce in Vietnam. The results of this study are also compared with that of studies on mobile commerce conducted in China and Malaysia by Chong et al. Theoretical and practical implications, especially for helping businesses understand how to capture more customers in a rapidly developing country, Vietnam, are discussed.

KEYWORDS

Consumer Behavior, Intention to Use, M-Commerce, Mobile Commerce, Vietnam

INTRODUCTION

E-commerce's emergence in the late 1990s revolutionized virtually all activities related to product/service and information exchanges in national economies (Pham et al., 2011). The core feature of e-commerce is that in a specific place, for example, at home or workplace, with just a desktop computer connected to the Internet, consumers can interact with websites of retailers or service providers to search for necessary information or purchase desired products or services (Yang et al., 2004). This is completely different from the traditional business environment where transactions and exchanges of products, services and information are conducted primarily via interactions between customers and the company's employees (Jun et al., 2004; Pham et al., 2018).

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With mobile technologies' rapid development involving wireless networks and Internet infrastructure, e-commerce has been evolving into a new, more significant phase: mobile commerce (Gupta & Vyas, 2014; Zott & Amit, 2012). The unique feature of mobile commerce (m-commerce) is that customers are not limited by space and time. Using only a mobile device (for example, a smartphone or tablet) connected to the wireless Internet, consumers are able to search for relevant information or conduct transactions related to purchasing products or services at their leisure (Chong et al., 2012). As a result, mobile commerce worldwide is growing at a high rate and is projected to reach about \$420 billion in sales in 2021 (Statista, 2019).

Mobile commerce can be of great benefits to businesses, customers, and governments (Swilley et al., 2012). For businesses, mobile commerce can help streamline and reduce physical offices or branches used to provide services to customers (Jun & Palacios, 2016). This can help save operating costs for businesses (Lin et al., 2011). Armed with only a wireless Internet-connected mobile device, customers can search for relevant information or make purchases directly through companies or retailers' websites (Chong et al., 2012).

In addition, mobile commerce can help businesses integrate more deeply into the global economy as the world increasingly becomes flatter where people can connect with each other anytime at anywhere (Wu & Chuang, 2010). Businesses can sell products/services produced in one country to customers in another without having their physical presence in the foreign country (Javalgi et al., 2005). Further, due to the fact that mobile device users increasingly have access to social networks to share their preferences about products and services, mobile commerce can help businesses implement more effective advertising and promotion programs towards different groups of customers on social networks while keeping costs down (Wei et al., 2009).

For governments, the emergence and development of mobile commerce serve as the catalyst that helps the government become more digitized (Trimi & Sheng, 2008). This allows a government to evolve into a smart one. So digitized, its functions and mandates for creating economic and legal information technology (IT), as well as Internet frameworks, provide favorable conditions for more actors in the economy to exchange information, conduct business activities, and trade products/services in the most convenient way at anytime, anywhere (Hung et al., 2013). In other words, the development of mobile commerce can promote the development of the government and, in turn, support mobile commerce to reach its full potential, ultimately creating value for all entities involved in mobile commerce (Abu-Shanab & Haider, 2015).

One of the factors determining the success of mobile commerce is that customers accept mobile commerce to conduct e-transactions relating to information, products and services (Chong et al., 2012). There have been a number of studies on the factors affecting mobile commerce adoption and acceptance, but these studies were mainly conducted in developed countries. Very little mobile commerce research has been carried out in newly emerging countries with very high economic growth rates such as Vietnam with the 2018 economic growth rate of 7.08 percent (Hieu Cong, 2018). With significant improvements in wireless Internet technology and mobile devices, and the development of 3G, 4G, and potential 5G networks, mobile commerce in Vietnam has significant potential for mobile commerce development (Thuy Dieu, 2018).

Turning this potential into reality requires comprehensive and systematic research on the factors affecting customers' intention to use mobile commerce in Vietnam. With existing research virtually nil, this study aims to overcome the research gap. This study seeks to contribute to the literature in several ways. First, since Vietnam is a newly emerging country (Pham et al., 2019), this study is probably the first systematic and comprehensive one on the factors affecting intention to use mobile commerce in this nation. Second, with its politically and economically strategic position in Southeast Asia, Vietnam is expected to be a destination for investment and trade activities of multinational companies. This study can aid multinational companies wishing to do business in Vietnam have a sense of mobile commerce in there and build appropriate strategies to invest in mobile commerce.

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