Online shopping attitude and purchase intention of Nepalese consumers: Moderated mediation of social media

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Abstract
People's perception of online shopping grows day by day and becomes an essential part of the urban lifestyle. This study attempts to measure Nepalese consumers' online shopping attitudes and purchasing intention to this phase witnessing the social media moderation. The analysis uses a quantitative research-based descriptive and causal research design. To gather responses from sample respondents, structured questionnaires were used, and surveys were carried out. Two hundred cross-section data was gathered. For checking the psychometric and econometric components of the suggested causal model, partial least square structural equation modeling was used. Trust is important factor for purchase intention in online platform. The same case, product variety and country of origin did not support for purchase intention in online mode. Attitude successfully mediates product variety, country of origin and trust to online purchase intention. Moderated mediation is not possible for social media with attitude to online purchase intention. This research has led to the development of online marketing strategies for online shoppers in the virtual community.

Keywords: Online shopping attitude, purchase intention, Social Meida, PLS-SEM, and Smart-PLS

Introduction
The Internet has revolutionized global connectivity, providing a platform for exchanging knowledge, facilitating communication, and offering a wide range of services. Its profound impact has simplified and streamlined various aspects of our lives, rendering the need to physically visit stores, theaters, and other establishments unnecessary. Consequently, the Internet has become an integral part of our daily existence. Moreover, as a tool for marketing, advertisement, and online shopping, it has significantly contributed to the growth of e-commerce—a phenomenon that involves the use of electronic media to facilitate comprehensive information exchange between buyers and sellers (Jain et al., 2014).

Online shopping, a subset of e-commerce enables consumers to purchase products and services through the Internet. It has gained immense popularity, allowing individuals to make transactions conveniently and securely. Although most online users leverage the vast amount of information available online to make offline transactions, online shopping has become a prevalent method of acquiring goods and services. Search engines play a crucial role in providing product details and facilitating the online shopping experience.

Online shopping, often referred to as electronic commerce, empowers customers to buy products or services directly from vendors by utilizing a web browser over the Internet (Shanthi & Desti, 2015). Its benefits include enhanced convenience, speed, and the ability to compare goods and prices, and quicker access to a wide array of online offerings (Butler & Peppard, 1998).

The number of Internet users in Nepal is rapidly increasing, with a daily influx of 6,581 new users (Dhungana, 2017). The country has witnessed a significant rise in Internet penetration, reaching 61.09% of the total population (Dhungana, 2017). Consequently, more and more people are relying on the Internet for their daily needs, including shopping. The government of Nepal has set ambitious targets to ensure electricity and Internet access for 100% of the population by 2043 AD (The next 23 years, 2021).

The initial phase of online shopping mainly focused on sending gifts and money electronically, with various websites promoting the "Send Gifts to Nepal" concept, primarily targeting Nepalese individuals residing in the United States, the United Kingdom, Australia, and Europe (Pant, 2016). Over time, the Nepali e-commerce industry has entered a new era, albeit with some uncertainty and governmental hesitance in recognizing it as an official "industry." Nevertheless, fintech companies have facilitated the accessibility of online payment systems and mobile wallet services (Puri, 2020). This shift in consumer behavior has particularly affected service-oriented sectors in Nepal, including education, business consulting, and various online transactions (Puri, 2020).
While Nepali consumers may not be as mature in their online shopping habits compared to their counterparts in other developing countries, they are rapidly catching up. The younger generation, especially those between the ages of 18 and 35, has emerged as pioneers of e-commerce, exhibiting a strong interest in purchasing goods through online channels (Promising future, 2020). However, online shopping activities are not limited to this age group, as other demographics also engage in such transactions. High demand for appliances, fashion items, groceries, and household products further drives the growth of online shopping in Nepal (Promising future, 2020).

**Literature review and theoretical underpinning**

**Technology acceptance model**

The Technology Acceptance Model (TAM) is used to describe the online shopper's actions. The Theory of Technology Adoption Model has been introduced in predicting consumer behavior in an online shopping environment. TAM deals with consumer acceptance and use of technology. The object of TAM is to illustrate how users embrace technology (Davis, Bagozzi, &Warshaw, 1986). In this way, TAM presents that users' actual system use is dictated by their use intentions and ultimately affected by their attitude toward use.

**Diffusion of innovation theory**

The Diffusion of Innovation theory is an excellent change model that can assist technical innovation. Here, the invention is updated to meet the problems in all segments. This model promotes collaboration and peer networking throughout the adoption process. This model explores what extent online shopping awareness is seen in the teenage population and why teenagers want to shop online. Market transactions depend on prices of goods on the internet, not the features of the products themselves (Kolesar & Galbraith, 2000).

**Media dependency theory**

Media system dependency theory explores the media dependency relationship where the individual's happiness is based on the availability of resources from the other party (DeFleur & Ball-Rokeach, 1982). In today's society people find media services adequate to meet their needs. People get attached to the ease of the technology. People use online shopping because it allows them acquires what they want, satisfy their desires, and provide a sense of fulfillment. After a few good purchases, customers feel comfortable with the service provider or supplier (Raval & Gronroos, 1996).

**Consumer perception theory**

Consumer Perception Theory describes how consumers' expectations of a product or service affect their actions. This theory is based on sensory experience (Sternberg & Sternberg, 2012). Much as the five senses contribute to how people interpret and process sensory input (Sternberg & Sternberg, 2012). Consumer experience involves how people shape perceptions about businesses and the products. These expectations and purpose are shaped by ease of use, utility, and enjoyment, as well as by factors beyond the online shopping itself, including the consumer's traits, situational factors, and the product's characteristics (Sternberg & Sternberg, 2012).

**Product variety**

The product variety is expressed in terms of the website's product range and brand and new product availability (Ganesh et al., 2010). According to research of Lester et al. (2005), the major reasons of buying products from digital shops are freedom of time to purchase, choice of product/brand, comparison of prices, and privacy. Website design, usability, range of products and delivery efficiency has a major relationship with online customer satisfaction (Shah & Yasin, 2010). Product or merchandise variety affects intention to shop online (Yaras et al., 2017).

**Country of origin**

A country of origin means the country where the product originates. It is the place-based branding. Mentioning the country of origin in online business increases the positive perception of goods and increases the poverty of the nation (Vasisth & Das, 2020). Domestic business groups also need to focus on this. The government requests e-commerce websites to show the country of origin on the listing of products (Vasisth & Das, 2020). For such global products, a COO (Country of origin) needs to consider the value creation process in several countries. The country of origin is relevant when purchasing (IBIMA, 2016). Hien et al. (2020) confirmed country of origin influence on purchase intention.

**Trust**

Trust is theorized as the direct determinant of attitude due to the dynamic reality of the cyber world (Gefen et al., 2003; Hassanein & Head, 2007). Hassanein and Head (2007) argue that trust is profound and multifaceted. Barney
and Hansen (1994) argue trust is founded on a shared agreement that no party can compromise another's vulnerabilities. Mayer et al. (1995) posit trust is one aspect of cooperation. Trust may also be referred to as the sense of honesty, benevolence, and competence of another person (McKnight et al., 2002). Trust influence on online purchase intention (Rahman et al., 2020).

**Attitude**

Attitude is seen as a key concept of consumer behavior and is characterized as a set of beliefs, expectations and feelings predisposed to act in a specific direction (Diallo et al., 2013). Rao and Mehdi (2010) argue attitude as the consumer's total product evaluation.

**Social media**

Social media has become a medium for people to connect and communicate virtually. Nowadays, there are hardly any people who don't get involved in social media. There are numerous social networks in this digital world like Facebook, YouTube, Instagram, Twitter, LinkedIn and others available for individuals and adopted for business purposes worldwide (Joshi & Kalia, 2017; Renu et al., 2020; Tripathi, 2019). The way customers communicate with friends and vendors interested in selling goods have changed in social media (Hennig-Thurau et al., 2010). Opinions, experiences and other information shared on social media platforms by users impact their buying intent (Kian et al., 2017). Social media has been playing an important role in marketing strategy. Enterprises using social networking sites (SNS) have to select the right marketing content to enhance strong customer relationships (Wibowo et al., 2021). Social media has influence on purchase intention (Renu et al., 2020). Affective involvement had a positive effect on purchasing intention in Instagram (Vardhan et al., 2021). Social media motivates customer engagement in service branding and in turn increase brand reputation (Swani et al., 2021). Social media influence on apparel purchase intention (Sharma et al., 2021).

**Purchase intention**

Kim and Ko (2012) argue Purchase intention means that the consumer has a positive attitude towards the product and has expressed willingness to buy. Purchase intention is the details about the consumer wanting to purchase the item (Ajzen, 1991). In fact, the consumer's opinion about the purchase of goods and services refers to the purchase intention (Blackwell et al., 2001). Purchase intention affects the actual purchase of goods. If there is a lot of purchase intention, there is also a high possibility of selling the goods (Brown, 2003).

**Empirical review**

Arora and Aggarwal (2018) found product variety is important factors for shopping online for women shoppers. Vyas and Bissa (2017) reported that the overall view of consumers about online shopping is positive. The online shopping has advantage over offline shopping because of any time shopping service. Akroush and Al-Debei (2015) confirmed trust induces to online shopping intention as well as increase the reputation of the websites.

Vaidya (2019) posits online shopping companies in Nepal adopted the business model Business to Consumer (B2C), Customer to Customer (C2C). Delivering the wrong product was also seen as an issue in Nepal's online shopping. The online company's service quality made Nepalese consumers prefer online shopping. Jha (2018) studied online shopping attitudes in Nepal. Ngudup et al. (2005) found even in countries with poor infrastructure, dynamic enterprises and governments have taken advantages of e-commerce.

There has been a lot of research around the world on online shopping. There are a small number of studies being conducted in Nepal (Jha, 2018; Ngudup, 2005; Vaidya, 2019), but no study has been done in the Nepali market on online shoppers’ inclination towards social media and its effect on online shopping attitude and purchase intention. That is why this study is being done. Research issue of the study is to examine the online shopping attitude and purchase intention of Nepalese consumers with moderated mediation of social media. Particularly, this study analyzes the effect of product variety on online purchase intention. It examines the effect of country of origin on online purchase intention. It also measures the effect of trust on purchase intention, mediation of product variety to online purchase intention by attitude, and also measures the mediation of country of origin to online purchase intention by attitude. Moreover, it assesses the mediation of trust to online purchase intention by attitude and analyzes the moderated mediation effect of social media with attitude to online purchase intention.

**Conceptual framework**

Conceptual Framework shows the interplay between constructs. It is highlighted in Figure 1.
Development of Hypothesis

H1: Product variety has significant influence on online purchase intention.

H2: Country of origin has significant influence on online purchase intention.

H3: Trust has significant influence on online purchase intention.

H4: Attitude mediates product variety to online purchase intention.

H5: Attitude mediates country of origin to online purchase intention.

H6: Attitude mediates trust to online purchase intention.

H7: Social media moderately mediates attitudes to online purchase intention.

Research methods

Research approach of this study was positivist approach where quantitative data were the basis for decision making. Descriptive and causal research design was used to attain the research objectives (Malhotra & Birks, 2006). Population of the study was respondents who have purchased a product online within six month during research time in Kathmandu City. Sample of the respondents were 200 respondents from different locations of Kathmandu City (Cavana et al., 2000; Eldred, 1987; Dillman, 2000; Kline, 2011). Sample was chosen conveniently to provide a world view (Henry, 1990; Kayaman & Arasli, 2007; Kobayashi, 2011). Primary cross section data were collected using structured questionnaires. Structured questionnaires were based on Likert Scale anchoring "1=Strongly Disagree" to "5=Strongly Agree" type. Survey research was done to collected responses from field (Malhotra & Birks, 2006). Collected data were edited; computer entry was done and analyzed thoroughly. Partial least square structural equation modeling is done to test psychometric and econometric properties of the constructs and the model. Smart PLS 3.0 software was taken as assistance for multivariate modeling and analysis with 5000 resampling bootstrapping (Hair et al., 2013).

Male respondents represent 55 percent, and female respondents were 45 percent. Respondents with age of 20 to 30 years were 65 percent followed by 30 to 40 years with 25 percent. Bachelor level respondents were 53 percent followed by master level students 42 percent.

Results

Measurement model

Testing model of measurement, internal reliability, convergent validity, and techniques of discriminant validity were used (Hair et al., 2012). The loading of each indicator item was above 0.7, composite reliability (CR), rho A of each
element is greater than 0.70 from Dijkstra and Henseler (Ali et al., 2018; Fornell & Larcker, 1981; Hair et al., 2017; Hair et al., 2020). Rho A’s importance is now more significant than Cronbach’s alpha (Shiva et al., 2020; Hair et al., 2020). The average variance extracted (AVE) score for all constructs of this research should be greater than 0.5 for providing convergent validity (Shiva et al., 2020).

Table 1

<table>
<thead>
<tr>
<th>Outer Model</th>
<th>Items</th>
<th>Value</th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>AT1</td>
<td>0.836</td>
<td>0.851</td>
<td>0.855</td>
<td>0.900</td>
<td>0.692</td>
</tr>
<tr>
<td></td>
<td>AT3</td>
<td>0.779</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AT4</td>
<td>0.865</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AT5</td>
<td>0.847</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country of Origin</td>
<td>C01</td>
<td>0.82</td>
<td>0.854</td>
<td>0.857</td>
<td>0.902</td>
<td>0.697</td>
</tr>
<tr>
<td></td>
<td>C02</td>
<td>0.848</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C03</td>
<td>0.886</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>C04</td>
<td>0.782</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>P11</td>
<td>0.856</td>
<td>0.898</td>
<td>0.901</td>
<td>0.925</td>
<td>0.711</td>
</tr>
<tr>
<td></td>
<td>P12</td>
<td>0.788</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>P13</td>
<td>0.829</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>P14</td>
<td>0.863</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>P15</td>
<td>0.878</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Variety</td>
<td>PV3</td>
<td>0.84</td>
<td>0.758</td>
<td>0.765</td>
<td>0.860</td>
<td>0.673</td>
</tr>
<tr>
<td></td>
<td>PV4</td>
<td>0.796</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PV5</td>
<td>0.824</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Media</td>
<td>SM1</td>
<td>0.858</td>
<td>0.848</td>
<td>0.941</td>
<td>0.895</td>
<td>0.683</td>
</tr>
<tr>
<td></td>
<td>SM3</td>
<td>0.931</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM4</td>
<td>0.736</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM5</td>
<td>0.765</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>TR1</td>
<td>0.809</td>
<td>0.852</td>
<td>0.855</td>
<td>0.894</td>
<td>0.628</td>
</tr>
<tr>
<td></td>
<td>TR2</td>
<td>0.815</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TR3</td>
<td>0.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TR4</td>
<td>0.746</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TR5</td>
<td>0.791</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1 shows that all indicator loads of each scale item are greater than 0.7, composite reliability (CR), rho A, the Alpha value of Cronbach is greater than the 0.7 threshold value (Ali et al., 2018; Fornell & Larcker, 1981; Hair et al. 2017; 2020). Convergent validity has therefore been reached. Table 1 is based on the measurement model mentioned in Figure 2. Figure 2 displays indicator items of each construct, their corresponding path value and coefficient of determination (R²).

Figure 2

Measurement Model (Graph)
Figure 2 shows the coefficient of determination value for the proposed model. The coefficient of determination value for attitude is .599 or 59.9 percent, and online purchase intention is .700 or 70 percent. The effect of exogenous constructs product variety, country of origin and trust on attitude by 59.90 percent. Same as the effect of product variety, country of origin, trust, attitude, and social media on online purchase intention is 70 percent. The PLS-SEM concludes that the model tested has a moderate and high degree of predictive efficiency and accuracy (Chin, 1998; Hair et al., 2011; Henseler et al., 2015).

Fornell and Larcker Criterion (1981) are also helpful in testing discriminating validity. The diagonal line indicates the square root of the AVEs of the constructs and must be higher than the correlation values between rows and columns (Henseler et al., 2015). It is shown in Table 2.

### Table 2
**Fornell and Larcker Criterion**

<table>
<thead>
<tr>
<th></th>
<th>Attitude</th>
<th>Country of Origin</th>
<th>Product Variety</th>
<th>Purchase Intention</th>
<th>Social Media</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>0.832</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country of Origin</td>
<td>0.667</td>
<td>0.835</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Variety</td>
<td>0.660</td>
<td>0.626</td>
<td>0.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>0.814</td>
<td>0.631</td>
<td>0.616</td>
<td>0.843</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Media</td>
<td>-0.114</td>
<td>-0.059</td>
<td>-0.015</td>
<td>-0.055</td>
<td>0.826</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>0.611</td>
<td>0.493</td>
<td>0.520</td>
<td>0.617</td>
<td>-0.124</td>
<td>0.793</td>
</tr>
</tbody>
</table>

Table 2 shows that the average square root variance obtained from each diagonal (bold) construct is greater than that of the other constructs, thereby confirming that each construct has to be discriminated against and isolated (Fornell & Larcker, 1981). The study is appropriate for final assessment (Henseler et al., 2015).

Heterotrait/Monotrait (HTMT) distinguishes the ratio from the average indicator correlations between constructs by the indicator correlations in the same construct (Henseler et al., 2015). The literature indicates a maximum threshold of 0.9 (Hair et al., 2017; Henseler et al., 2015; Henseler et al., 2009).

### Table 3
**HTMT**

<table>
<thead>
<tr>
<th></th>
<th>Attitude</th>
<th>Country of Origin</th>
<th>Product Variety</th>
<th>Purchase Intention</th>
<th>Social Media</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>0.719</td>
<td>0.574</td>
<td>0.647</td>
<td>0.699</td>
<td>0.15</td>
<td></td>
</tr>
<tr>
<td>Social Media</td>
<td>0.141</td>
<td>0.096</td>
<td>0.054</td>
<td>0.065</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country of Origin</td>
<td>0.776</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Variety</td>
<td>0.809</td>
<td>0.767</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>0.931</td>
<td>0.718</td>
<td>0.737</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From table 3, all the value of constructs are below the threshold value of 0.9 showing discriminant validity (Hair et al., 2017; Henseler et al., 2015; Henseler et al., 2009). Except one endogenous construct product purchase intention show more than 0.9. This construct is important construct of this research so it is carried out for further analysis. Also there is support from Fornell and Larcker Criterion (1981) that all the constructs showed discriminant validity.

### Structural Model

The structural model assesses the path coefficient relationship between product variety, country of origin, trust, attitude, social media and purchase intention constructs. Hypotheses were tested using the bootstrapping method to 5000 resamples at a 5 percent level of significance.

Figure 3 shows the indicator items and path coefficients on t-values. The relationships between endogenous and exogenous constructs were tested at the 5 percent significance level using the path coefficient (β) and t-statistics values greater than 1.96 (Hair et al., 2012). The R² value was used to determine the proportion of the variance represented by the exogenous constructs in the structural model (Henseler et al., 2015). The hypothesis is shown in Table 4, Table 5 and Table 6.
Hypothesis Testing

Hypothesis testing is done to confirm the relationship between constructs. It is explained in Table 4, Table 5 and Table 6.

Table 4
**Direct Effect between Constructs**

<table>
<thead>
<tr>
<th>Direct Path</th>
<th>Beta</th>
<th>t-Value</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Product Variety -&gt; Purchase Intention</td>
<td>0.062</td>
<td>1.142</td>
<td>0.253</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H2: Country of Origin -&gt; Purchase Intention</td>
<td>0.113</td>
<td>1.798</td>
<td>0.072</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H3: Trust -&gt; Purchase Intention</td>
<td>0.167</td>
<td>3.112</td>
<td>0.002</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Table 4 shows the PLS-SEM measurement of the structural models revealed that the relationship between product variety and online purchase intention ($\beta = 0.062$, $t=1.142$, $p$-value=0.253 $> 0.05$) and country of origin and online purchase intention ($\beta =0.113$, $t$-value=1.798, $p$-value=0.072 $> 0.05$) was not significant at 5 percent level of significance. So, H1 and H2 were not accepted.

Trust ($\beta = 0.167$, $t=3.112$, $p$-value =0.002 $< 0.05$) have a positive impact on online purchase intention, giving significant influence for acceptance of H3.

Table 5
**Indirect Effect**

<table>
<thead>
<tr>
<th>Indirect Path</th>
<th>Beta</th>
<th>t-Value</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H4: Product Variety -&gt; Attitude -&gt; Purchase Intention</td>
<td>0.180</td>
<td>4.490</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: Country of Origin -&gt; Attitude -&gt; Purchase Intention</td>
<td>0.203</td>
<td>3.905</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H6: Trust -&gt; Attitude -&gt; Purchase Intention</td>
<td>0.175</td>
<td>3.856</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Table 5 highlights that attitude successfully mediates product variety, country of origin and trust to online purchase intention. So, H4, H5 and H6 are accepted.

Table 6
**Moderated Mediated Effect**

<table>
<thead>
<tr>
<th>Direct Path</th>
<th>Beta</th>
<th>t-Value</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H7: Attitude * Social Media -&gt; Purchase Intention</td>
<td>0.026</td>
<td>0.584</td>
<td>0.559</td>
<td>Not Accepted</td>
</tr>
</tbody>
</table>

Table 6 elaborates moderated mediated relation of social media with attitude ($\beta = 0.026$, $t$-value=0.584, $p$-value=0.559) was not significant at 5 percent level of significance. Thus, H7 was not accepted.
Discussion and conclusion

This research aimed to explore the attitude towards online shopping and purchase intentions in the Nepalese context, with a focus on the moderating and mediating role of social media. Among the seven constructs examined, three hypotheses were accepted. The mediation relationship between social media and online purchase intention was found to be significant, while the moderated mediation relationship was not supported. The direct relationship was partially accepted.

The findings of this research confirmed that trust plays a crucial role in influencing online shopping intentions. This aligns with Rahman et al.'s (2020) findings, which identified trust as a predictor of online purchase intention. When customers have trust in online websites, products, and the online shopping business as a whole, they develop a positive attitude, leading to a willingness to make online purchases.

However, the findings of this study contrast with the research conducted by Shah and Yasin (2010) and Yaras et al. (2017), which suggested that product variety affects online purchase intention. It is possible that Nepali consumers have fewer options available to them or have already made up their minds to search for goods online. Further exploration of the web rooming or show rooming effect may be necessary to shed light on this discrepancy.

Interestingly, this research found that place branding or country of origin does not influence online purchase intention in the Nepalese context, contradicting the findings of Hien et al. (2020). Consumers in Nepal appear to be more attracted to the quality and characteristics of the goods rather than their country of origin. This can be attributed to the effects of globalization and the shrinking of the world into a global village, where online businesses transcend geographical boundaries. Attitudes were found to mediate the relationships between product variety, country of origin, trust, and online purchase intention. When consumers have a positive attitude towards purchasing goods online, it extends across all variables or dimensions, resulting in an attraction towards online goods and making a positive contribution to online business.

In contrast to the findings of Vardhan et al. (2021), Swani et al. (2021), and Sharma et al. (2021), this research suggests that social media does not moderate the relationship between attitude towards online shopping and purchase intention. Consumers predominantly view social media as a means of entertainment and network enhancement. Particularly when using mobile-based social media apps rather than online websites, there is a tendency to order items based on advertised products. For customers, social media is primarily used for entertainment and messaging, with online shopping becoming a secondary priority. Consequently, the effects of social media on online purchase intention may not be as pronounced.

Nepal's urban markets, which are rapidly progressing, present significant potential for online business. Multinational companies have entered the Nepalese market either as strategic partners or by acquiring existing companies. In today's highly competitive online business landscape, marketers must devise innovative strategies to win the hearts of consumers, maintain a diverse range of high-quality goods, enhance trust, integrate efforts with social media, and dedicate themselves to serving consumers. By doing so, online businesses in Nepal can thrive.

This research makes an empirical contribution to enhancing the understanding of online shopping, particularly from the perspective of social media, in Nepal. The study employed Partial Least Squares Structural Equation Modeling with Smart PLS to test the nested model and explore the moderated mediation of social media in relation to attitudes towards online shopping and online purchase intention.

Limitations

Some limitations are the basis of the study. Only primary data has been obtained. The research was only carried out in Kathmandu City. The issue of online shopping is large and complicated, so it is not possible to reach all age groups.

References


