

How to Win Consumer Intention in E-Commerce Platform in a High-Cost Urban City: A Case Study of Hanoi

Thanh Thi Mai Tran

 <https://orcid.org/0000-0002-5731-9229>

VNU University of Economics and Business, Vietnam

Linh Thi Mai Pham

VNU University of Economics and Business, Vietnam

An Sy Pham

 <https://orcid.org/0009-0000-5366-7747>

Vietnam Academy of Social Sciences, Vietnam

Dat Duy Nguyen

 <https://orcid.org/0000-0002-6459-7980>

Thuongmai University, Vietnam

Huyen Thanh Mai

Thuongmai University, Vietnam

ABSTRACT

This study investigated factors that influence online shopping intentions in Hanoi, Vietnam, a rapidly growing urban center with a high cost of living. Using an enhanced Unified Theory of Acceptance and Use of Technology 2 model and survey data from 266 respondents, it examined the impact of electronic word of mouth, hedonic motivation, price value, and perceived risk. Electronic word of mouth emerged as the most significant driver, followed by hedonic value and the perception of e-commerce as an efficient alternative to traditional retail. Lower income consumers showed higher online shopping intentions than higher income groups, challenging conventional assumptions. This study contributes to the literature by highlighting how these factors uniquely operate in high-cost urban contexts. It offers actionable insights for e-commerce platforms, emphasizing the importance of cultivating positive reviews, enhancing shopping experiences, and developing strategies tailored to economically constrained consumers in competitive urban markets.

KEYWORDS

Consumer Behavior, Electronic Word-of-Mouth, Long-Tail Effect, Online Purchase Intention, UTAUT2 Model

INTRODUCTION

Rapid advancements in digital technology have positioned *e-commerce*—defined as the purchase of products or services via the internet—as a central component of contemporary consumer behavior. E-commerce offers significant advantages over traditional retail, including convenience, accessibility, flexible shopping times, and a wider range of product choices (Jiang et al., 2013; Ozen & Engizek,

DOI: 10.4018/IJABIM.377607

This article published as an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>) which permits unrestricted use, distribution, and production in any medium, provided the author of the original work and original publication source are properly credited.

2014; Wu et al., 2011). Such benefits are especially valuable in urban areas, where busy lifestyles and limited time amplify the appeal of online shopping (Monoarfa et al., 2024). Online platforms also enhance consumer engagement by providing targeted promotions, competitive pricing, and personalized product recommendations, which collectively build consumer trust and facilitate informed decision making (Armstrong, 2008; Harris-Lagoudakis, 2023).

Despite these benefits, however, online shopping presents distinct challenges, in particular in high-cost urban settings. Delivery fees, potential delays, and uncertainties related to product quality and customer service disproportionately affect lower income consumers, causing increased caution toward the full embracement of online purchasing (Hebbar et al., 2020). Therefore, understanding *online shopping intention*—defined as consumers' willingness and readiness to engage in digital transactions (Pavlou, 2003; Zwass, 1999)—becomes crucial. Online shopping intention directly reflects consumers' desires, anticipations, and readiness to make purchases online (Ajzen, 1991; Armitage & Conner, 2001; Blackwell et al., 2002; Ghosh, 1990; Magesh, 2011; Mirabi et al., 2015; Prestwich et al., 2008; Raza et al., 2014; Salisbury et al., 2001; Shah et al., 2012; Tirtiroglu & Elbeck, 2008). Investigating the determinants of this intention within economically constrained urban contexts is therefore essential for understanding how consumers navigate digital marketplaces, manage perceived risks, and capitalize on the comparative advantages provided by e-commerce platforms (Hasslinger et al., 2007; Sindhav & Balazs, 1999; Vrechopoulos et al., 2001; Ward & Lee, 2000).

E-commerce plays a pivotal role in Vietnam's digital economy, placing the country among Southeast Asia's fastest growing online markets (Nam, 2023; Nhi, 2024). Online shoppers now account for 74.8% of the population, with an average annual spend of USD 260–285 (Ministry of Trade, 2022). Although early platforms, such as Lazada and Tiki, have seen market share declines, Shopee and TikTok Shop have rapidly expanded by using strategies such as shoppertainment (shopping combined with entertainment activities like livestreaming and interactive games) and aggressive promotions (Ha Linh, 2024). Nevertheless, Vietnam's e-commerce sector, like to others in Southeast Asia, faces growing challenges, including changing consumer and merchant behaviors, a broader product portfolio, and logistical complexities (Arora et al., 2025). Consumers display an increasingly cautious but strong preference for affordable, quality products, reflecting a regional focus on value (PWC, 2023; Yendamuri et al., 2023; PWC, 2023). At the same time, government initiatives encourage deeper digital engagement among small- and medium-size enterprises and mobile channels, underscoring the sector's importance to economic progress (Ngoc, 2022).

Within this national setting, Hanoi exemplifies both rapid economic development and mounting living costs. For 5 consecutive years, it has been recognized as Vietnam's most expensive city, marked by elevated expenses in housing, transportation, and essential services (van der Heijden, 2004). These financial strains weigh heavily on residents—in particular, those earning <USD 80/month—who struggle to meet basic needs (Duranton & Puga, 2014; Fernández & Rubiera, 2017; Navamuel et al., 2019; Timmins, 2006; Wu et al., 2011). In response, the local government introduced the 2024 e-commerce development plan, aiming to increase online participation and expand business-to-consumer e-commerce to 13% of the total number of retail enterprises (Ngoc, 2022).

This study aimed to investigate the main motivations and barriers that influence consumers' online shopping intentions in Hanoi. To be specific, it explored whether e-commerce offers a viable alternative to traditional shopping, enabling consumers—in particular, those with lower incomes—to access affordable goods and services despite rising living costs. Understanding these dynamics is vital for developing effective strategies that address the needs of economically constrained consumers in urban environments. This study also examined how businesses can capture consumer interest and shape online shopping intentions in this high-cost urban context, addressing the priorities of policymakers and industry stakeholders.

This study applied an enhanced version of the Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) model, incorporating factors such as electronic word of mouth (eWOM) and the long-tail effect, to assess their impact on consumer behavior in the context of high-cost

24 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/article/how-to-win-consumer-intention-in-e-commerce-platform-in-a-high-cost-urban-city/377607

Related Content

Ethics in E-Marketing: A Marketing Mix Perspective

Erkan Özdemir (2011). *Global Business: Concepts, Methodologies, Tools and Applications* (pp. 2019-2033).

www.irma-international.org/chapter/ethics-marketing-marketing-mix-perspective/54887

Financial Technology and Disruptive Innovation in Business: Concept and Application

Muhammad Anshari, Mohammad Nabil Almunawarand Masairol Masri (2020). *International Journal of Asian Business and Information Management* (pp. 29-43).

www.irma-international.org/article/financial-technology-and-disruptive-innovation-in-business/267993

Comparison Between Offline and Online Distribution Practices for the Insurance Industry in India

Rajni Kant Singhand Anand A. Deshmukh (2022). *International Journal of Asian Business and Information Management* (pp. 1-19).

www.irma-international.org/article/comparison-between-offline-and-online-distribution-practices-for-the-insurance-industry-in-india/297852

The 'Perfect Technology Syndrome': How to Solve the Technology Dominance in Technology-Program Projects

Seppo J. Hänninen (2011). *Electronic Globalized Business and Sustainable Development Through IT Management: Strategies and Perspectives* (pp. 159-170).

www.irma-international.org/chapter/perfect-technology-syndrome/45358

At the Core of the Conflict: Territorial Control

(2024). *Organizational Paradigms of Global Business: Fusion of Technology and Cultural Diversity* (pp. 75-90).

www.irma-international.org/chapter/at-the-core-of-the-conflict/349684