

Universiti Teknologi MARA

**Online Textbook Payment
For Koperasi UiTM
Using Standing Order Account**



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**Thesis submitted in fulfillment of the requirements for
Bachelor of Science (Hons) Information System
Engineering
Faculty of Information Technology And
Quantitative Science**

November 2006

UNIVERSITI TEKNOLOGI MARA

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BSc

November 2006

DECLARATION

This declaration is to certify that all of the submitted contents of this thesis are original in its structure, excluding those in which have been acknowledge specifically in the references. All the work processes involved are from my own endeavor and it has not been taken or done by unknown sources or individuals. I, Ashamahani binti Ahmad (Identity Card Number: 830407-02-5676) hereby declare that I am responsible for the contents of this thesis as it had been submitted as part of fulfillment of Bsc. (Hons) in Information System Engineering program.

DECEMBER 1, 2006

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ACKNOWLEDGEMENT

First and foremost, I would like to express my highest gratitude to Allah SWT, the Almighty for granting me the will and strength to finish this research on time. It will be difficult for me to complete this research without His blessing and permission.

Not to forget, I would like to thank my thesis supervisor Puan Wan Nor Amalina Wan Hariri for her support and guidance throughout the course of this project as well as providing me such a valuable advice and help to conduct this research. All the crucial guidance and motivation given by other lecturers including Puan Ariza Nordin, Puan Suriyati Razali and Encik Saharbudin Naim Tahir Shah are highly appreciated to give me enough strength in completing this thesis.

Next, I would like to express my heartfelt appreciation to Encik Ahmad Yani bin Ahmad Ridzuan, the Manager Book Shop Division of Koperasi UiTM Berhad (KUIB) and all the KUIB staffs for their contribution and cooperation towards this research. I also would like to thank Mr. Lee Kim Hock, MIS Manager of MPH Bookstore Sdn Bhd for his kindness to share his experiences and ideas about online bookstore.

Last but not least, I would like to convey my love and care to my family, my mother Puan Rahmah binti Mohamad, my brother, my sisters and also to all my friends and colleagues for giving me all the support and help that I need in making this research a reality. Thank you all for inspiring me in such means that could not be written in words.

ABSTRACT

Online bookstore has become one of the effective ways to market various kinds of books. There are many types of electronic payment methods available to be used in online shopping environment. Standing Order Account is used as the payment method in developing Online Textbook Payment System (OTPS) for Koperasi UiTM. Standing Order Account enables the account holder to make a fix purchase of something at regular intervals. Currently, there is no system in Koperasi UiTM that enables the students to purchase textbook online. Koperasi UiTM handles the textbook purchasing activity manually and only accepts cash for the textbook purchased. The development of OTPS allows the students to purchased textbook online without using cash at all since the price of the textbook purchased will be deducted from the account itself. The purposes of this research are to identify the requirements and data needed in developing OTPS, to analyze the requirements captured and data gathered to design the OTPS and to develop Online Textbook Payment for Koperasi UiTM using Standing Order Account as the payment method. Interview, questionnaire and websites observation of several international and local campus bookstores are among the methods used in conducting this research. The release of OTPS introduces the alternative way in online payment activities.

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LIST OF ABBREVIATIONS

FTMSK	Fakulti Teknologi Maklumat dan Sains Kuantitatif
ISBN	International Standard Book Number
ISIS	Integrated Students Information System
KUIB	Koperasi UiTM Berhad
OTPS	Online Textbook Payment System
PHP	Personal Home Page
UiTM	Universiti Teknologi Mara
UML	Unified Modeling Language

CHAPTER 1

INTRODUCTION

This chapter provides the project background and rationale. It explains the issues and problems regarding the manual textbook payment system. The objectives, scopes and significance of developing Online Textbook Payment for Koperasi UiTM using Standing Order Account are also discussed in details. The limitations of conducting this research are also included in this chapter.

1.1 Introduction

Textbooks are said to be student's best friend especially in understanding certain topics. It is true that notes only are not sufficient to achieve academic excellence. Each semester, university students purchase thousands of textbooks. With the existence of campus bookstore, students are no longer facing the problem to get their intended textbooks. Campus bookstore is able to provide the textbooks required by courses and strategically located in the campus itself. These factors have given the campus bookstore the advantages over other outlets that provide the same materials.

As the Internet becomes one of the most powerful product-marketing platforms (Foulcault and Scheufele, 2002), the development of online bookstore will offer a more complete selection of textbooks. Books can be purchased online and students can reserve it for pick up at the campus bookstore. Questions may arise regarding the payment methods that can be used. Are the usual electronic payment methods such as credit cards and electronic checks suitable to be

used? What are the disadvantages when it comes to students purchasing textbooks online? Is there any other payment methods can be used? This research is about understanding such problems and proposing a possible solution.

Each semester UiTM students often face a problem in order to get the financial sources to purchase textbooks when the semester begins. Most students are still unemployed and do not earn money for a living. Therefore, they are not affordable to use the electronics checks or are not encouraged to use credit cards. They are given the opportunity to apply for scholarships or loans to support their education fees and other expenses. Even though they are qualified for the scholarships or loan applied, the money often take times to be bank in into the student's accounts. This will make them difficult to purchase textbooks as early as they can. In order to ease the payment of textbook, the use of standing order account will help to solve this problem. Students will be able to get textbooks on time and increase their academic performances.

The use of standing order account as the payment method will benefit the students in many ways. The money in the account will be deducted each time the students make an order for textbooks available at the bookstore. It will give benefit in term of students do not have to use cash to purchase textbooks. This research will determine in detail how the development of online textbook payment using standing order account will help to solve various problems regarding online textbook purchasing.

1.2 Research Background

Students need the textbooks as references for the courses taken throughout the semester. They often face a problem in order to get the financial sources to purchase the textbooks when the semester begins. Most students are given the Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) loan and other scholarships as well to support their education fees and other expenses. It takes for almost one month after the semester starts for them to get the loan. Therefore, it is a bit difficult for the students to purchase the text books early as they have to wait for the money to be bank in into their account. Another issue regarding the financial sources is that the students usually tend to buy other things such as clothes, shoes, mobile phone and magazines rather than to buy the textbooks. They do not use the loan money wisely as they supposed to. The students also need money for other expenses throughout the semester such as to pay for the rented house fees, food, personal expenses and prepaid credits for non-resident students. The resident students who live in hostel are also need to pay for the hostel accommodation, food expenses and other expenses as well.

Although the Koperasi has the advantages of supplying textbooks for UiTM students, there are still some students who prefer to buy the books from their lecturers. Even the lecturers have to wait for a long time for the suppliers to deliver the ordered books. This research will determine in details on how the development of online textbook payment for KUIB using standing order account method can help the students to get the textbooks easily and help KUIB managing payments for textbook purchased, thus helping their business as well.

1.3 Problem Statements

The activity of textbook purchasing at Koperasi UiTM does not help much to market the textbooks available effectively due to three major problems: KUIB uses manual payment method, no online system that allow students to use Standing Order Account as alternative payment method and KUIB records the textbook orders manually.

Currently, KUIB still uses manual payment method for all the textbooks purchased by students. It means that KUIB only accept cash for the textbook purchased. Students are not given other choices of payment method such as credit cards, vouchers or others.

Another problem that limit the ability of KUIB to market the textbooks effectively is that it does not have an online system that enable the students to use Standing Order Account as the alternative payment method. Without the online system, the students will have to purchase the textbooks manually where they need to go to the Koperasi UiTM by themselves.

No proper management of handling all the textbook orders is also one of the constraints that KUIB is facing currently. KUIB records the orders manually on which all the orders made through phone call are written on a paper. The probability of the records to lose or misplace is high. Thus, KUIB unable to manage the orders made effectively.

1.4 Research Scope

The research focuses on the online textbook payment for Koperasi UiTM. Therefore, the scopes of this research include the UiTM students from different programs as the target users for the system. They are the main customers of the Koperasi UiTM and currently studying at UiTM Shah Alam Campus. Other students from branch campuses are not included in the scope. Besides, the standing order account payment method covers for all types of textbooks available at Koperasi UiTM.

1.5 Research Objectives

The objectives of the research are:

- To identify the requirements and data needed in developing the online textbook payment system for Koperasi UiTM.
- To analyze the requirements captured and data gathered to design the online textbook payment system.
- To develop the online textbook payment for Koperasi UiTM using standing order account as the payment method.

1.6 Research Significance

The research will bring a great significant not only for the students but also to the KUIB itself. The students will be able to purchase textbooks as soon as the semester starts without have to worry about the money because they will have the standing order account with the KUIB. If the students have the textbooks, it will help in improving their academic performance. Students who have the textbooks will perform better than those whose do not have it.

The KUIB itself will get the benefit from the research as it will be easy for the KUIB staffs to keep track of the customers. Besides, the KUIB will become one stop centre where every student can purchase textbooks at lower price and without having to use the cash. The promotion of the textbooks can also be increased from time to time. Moreover, the system will help in improving the management and performance of the KUIB where it can process the purchasing made effectively.

1.7 Research Limitations and Constraints

This research also has limitations and a finite scope. Limitations are often imposed by time and funding. The researcher bounds to have others to study that caused the time limitation in conducting the research. The researcher does not get attain any funding mechanism for conducting the research. Besides, there are no bookstores in Malaysian universities and institutions implement standing order account as the payment methods for textbooks purchasing through a web-based system.

1.8 Report Overview

This report covers the process of developing the Online Textbook Payment for Koperasi UiTM using Standing Order Account and explains in depth the progress of the project. This report consists of six chapters. There are introduction, literature reviews, research approach and methodology, results and findings, constructions, and conclusions and recommendations.

Chapter One: Introduction

This chapter is basically explained about the research background, problem statement, the scope and objectives of this research, research significance and its limitation and constrains.

Chapter Two: Literature Reviews

This chapter explained about the previous researches, articles and papers related that have been used as references in conducting this research.

Chapter Three: Research Approach and Methodology

This chapter will explain about the methodologies used throughout the research. Each research methodology has its own unique objectives and purposes. The research methodologies were constructed based on the research objectives and the reviews on past and previous researches.

Chapter Four: Results and Findings

The collected and gathered data that have already been organized, summarized and analyzed are discussed in this chapter. The results and findings were presented in details for the ease of understanding and references.

Chapter Five: Constructions

This chapter describes how the system is developed, the necessary applications needed and the tools involved in developing the system.

Chapter Six: Conclusions and Recommendations

The final chapter of this research report will explain about the conclusions for the research conducted as well as the recommendations and information made for the future researchers and those whom are interested in online textbook payment using standing order account as the payment method.

CHAPTER 2

LITERATURE REVIEWS

2.1 Definition of Online Bookstore

Online bookstores are effectively huge searchable book catalogues which are heavily weighted towards what is new (Niall O'Dochartaigh, 2001). Some of them provide searchable collections of reviews and short description of books. The author explained in details the skills required in order to use the online bookstores to find the intended books. The online bookstores consist of a large numbers of books which is advertised online for easy view and purchased by the users. Surfing the online bookstores for information also help to learn more about what is selling and why (Bykofsky & Sander, 2003).

Robinson and Halle (2002) have conducted their research on a case study related to the online auction house eBay, the Screen Actor Guild in the advertising industry, e-books and the Napster. That case study was analyzed to examine its implication of transforming the technology in the related fields and how people engage with the arts. The authors touched about the growth of e-books and its impact in everyday life. Fast (1999) in his research indicated that the computerized book catalogues are more effective in helping us to find the books that we want compared to the old fashion card catalogues.

Klein (2004) has conducted a research related to online bookstores in seven selected universities that determined to build long term online bookstore success, each via a unique vision. Those universities include University of Washington, University of Vermont, University of Colorado, University of

California, Harvard University and Swarthmore College. These universities already have their own online bookstore that allows the students to order or purchase textbooks through the websites. The researcher attempted to compare each of these online bookstores. Each of them has its own unique and competitive features in their website. For example University of Washington provides textbook reservation functionality, free gift wrapping, staff recommended textbooks, free shipping and textbook requisition for faculty. While Swarthmore College offers the families to order care package for birthday and stress relief, allows the students to have a debit account with the university bookstore on which the parents can deposit funds online, directly into a student's account as well as providing faculty recommended books for incoming students. The researcher also discussed the 12 tips to bookstore site success. The tips include how to design website appropriate for the college community, user friendly purchase demand feature and others.

2.2 Definition of Standing Order Account

According to the online dictionary of Wikipedia, standing order can be defined as an instruction a bank account holder gives to his bank to pay a set amount at regular intervals to another account. A standing order can be set up to run for a set period of time, or indefinitely. They can be cancelled at the account holder's request. Standing orders are typically used to pay rent, mortgage or other fixed regular payments. A standing order is not usually suitable for paying variable bills such as credit card, or gas and electricity bills. Another definition of standing order from Alloword.com indicated that it is an instruction from an account-holder to a bank to make fixed payments from the account to a third party at regular intervals. It can also be defined as an order placed with a shopkeeper for a regular supply of something for example a daily newspaper.