Universiti Teknologi MARA

Virtual vs. Partial Internet Shopping: User Perception

Hazura Bt Ahmad Bustaman

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

May 2006

ACKNOWLEDGEMENTS

ABSTRACT

The internet has many facets. It is a place for advertising, brokerage, communication, discussion of problems , distance learning, education, entertainment, findings partners, listening to the radio, home banking, home working, information consultancy, information resources management, international contacts, interpersonal computing, looking at pictures, market analysis, news agencies, parallel computing, pre-publishing, publishing, reading, searching, selling, shopping, and software downloading. It is the place to accustom millions of users to the information market of tomorrow. Internet shopping consists of the final activities and steps needed to place a product in hands of the ultimate customer to provide services to the customer. By shopping online, customers can buy the products or services needed via Web in anytime and anywhere. The purpose of the study is to identify the user perception toward virtual and partial internet shopping and to identify which product that user prefers to buy online whether virtual or partial products/services. This study was conducted among students in UiTM, Shah Alam, Selangor from many faculties. Through this study, there are identified five attributes of internet shopping features such as security and privacy, ease of use, convenience, service availability and guarantees and return policies. Beside that, the study also evaluates the behavioral intention of respondents to shop online. For the analyses and findings in this study; descriptive, Cronbach's Alpha of reliability test, Pearson Chi-Square Test, Normality Test, and Coefficient Correlation Test, were conducted. From the analysis it shows that five attributes of virtual and partial internet shopping are significant to respondents' perception. This study also suggests several recommendations to future researcher and to retailers in order to improve their web site features to attract and convince the users to buy online.

CONTENTS

CHAPTER 1

INTRODUCTION

1.0 Introduction

The Internet-based electronic commerce environment enables consumers to search for information and purchase products or services through direct interaction with the online store. According to Turban and King (2003), electronic commerce (e-commerce) is the process of buying, selling, or exchanging products, services, and information via computer networks. Consumer-purchases are mainly based on the cyberspace appearance such as pictures, images, quality information, and video clips of the products (Lohse and Spiller, 1998; Kolesar and Galbraith, 2000). Spiller and Lohse (1997) also said shopping at an online store is like shopping through a paper catalog because both involve mail delivery of the purchases and in both cases customers cannot touch or smell the items.

In recent years, e-commerce in Malaysia has been developed rapidly; it is because Malaysian government is focusing to develop Information Technology that will provide infrastructure to foster a knowledge-Based and Information Technology culture. According to Hung Teik (2000) E-business in Malaysia is still in infancy, but the rate of adoption will grow with the impetus from the MSC and the joint government and private sectors initiative.