PERSONAL VALUES AS UNDERLINE MOTIVE FOR ONLINE SHOPPING

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OCTOBER 2010

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ACKNOWLEDGMENTS

First and foremost, I would like to thank to my advisor of this project paper, Prof Madya Dato Dr.Worran Hj.Kabul whose encouragement, guidance and support from the initial to the final level enabled me to develop better understand about this thesis paper. His willingness to motivate me contributed tremendously to my thesis paper. I would also like to thank him for showing me some example that related to the topic of my thesis paper.

Besides, I would like to thank the authority of University Technology of Mara, Sabah branch for providing me with the good environment and facilities to complete this thesis paper. In addition, I would also like to thank my family for always giving me support I really need in order to completing this thesis paper. To my best friends,-Lister Valentine Morris, thank you for your great understanding and morale support.

Finally, an honorable mention goes to my lecture and friends that are indirectly help me during the process of finishing this thesis paper.

Without help of the particular that I mentioned above, I would face many difficulties while doing this project. Thank you very much.

CHAPTER 1

1.1 Abstract

The purpose of this thesis paper is to fulfill the requirement of MKT662 (Industrial Training Report) for the final year student of bachelor in business administration (Hons) marketing. The study on the personal values as underlined for online shopping will tell us the factors that contribute to a successful online shopping business. It will also reveal how online stores position and segment their products, and services compared to the thousand of online stores around today. The aim of this report is to identify the relevant factors that contribute to the problem of choosing the right online shopping market strategy as there is a lot of websites that provide similar product /services to customers on their day to day activities. More people are gravitating towards the usage of the internet as accessibility of technology and the availability of information increases and evolve.

The internet functions as avenues for information gathering, product procurement or obtaining a service. Advancements in internet technology allow for the expansion of options beyond the traditional methods that are time consuming. Customers repurchasing or loyalty is critical to the success and profitability of online stores. A study by Mainspring and Rain Company (2000) showed that the average customer must shop at a minimum of four times at an online store before the store profits from that customer. What then encourages the customer to repurchase from an online store? With the increasing popularity of the internet, online shopping is shaping the buying behavior of the tech savvy society today.

According to Technology Model (Davis, 1989) which id based on the Theory of Reasoned Behavior, individual's behavior of using IT is determined by his or her intention. Some other existing studies have also shown that consumers' online shopping intention highly correlates to their online shopping behavior. (Ji Lou, 2006).

Therefore, it will be of great significance to find out the real factors which influence consumers' initial intent to shop online if we want to enlarge the group of online buyers. Internet is changing the way consumer shop in buying goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the internet to cut down on marketing costs, thereby reducing the price of their products and services in order to stay ahead in a highly competitive market. In this paper, the researcher has identified four different factors including; websites environment, privacy and security, gender, convenience, and brand familiarity as perceived by online buyers that affect the online purchase behavior.