



**CONSUMERS BEHAVIOUR TOWARDS ONLINE SHOPPING:  
FACTORS INFLUENCING JABATAN KEMAJUAN MASYARAKAT  
(KEMAS) KOTA SAMARAHAN EMPLOYEES TO SHOP ONLINE**

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## ABSTRACT

The growth and spread of internet with an extraordinary pace over the last few decades has resulted in emergence of online purchasing of products and services. This study is to investigate factors influencing online buying behaviour of Jabatan Kemajuan Masyarakat (KEMAS) employees in Kota Samarahan, Sarawak.

The study proposed four objectives which were to assess how perceived benefits, perceived risks, security factors and website design influence online buying behaviour of Jabatan Kemajuan Masyarakat (KEMAS) employees. Theoretical framework that guided the study which are relevant to this study and were operationalized through a theoretical framework. The research design applied in this research was descriptive survey.

The target population for the study were employees of Jabatan Kemajuan Masyarakat (KEMAS) based in Kota Samarahan town who were 120 in number. 114 out of 120 sets of questionnaires distributed were valid for coding and analysis. A closed ended survey questionnaire was administered to collect primary data. Statistical Package for Social Sciences (SPSS) and Microsoft excel package was used for data analysis and findings were presented in tables.

The conclusion can be represented that perceived benefits, perceived risks, security factors and website design significant positively influence online shopping behaviour. The main factor influence consumer behaviour towards online shopping will be identified through this case study.

# CHAPTER ONE

## 1.1 Introduction

Online shopping has become popular due to convenience and low prices. Especially when it comes to holiday season, online shopping help consumer hassle of searching several stores and the long waiting queues to buy particular item.

Generally speaking the trend of the e-commerce has been increased rapidly in the recent years with the development of internet and due to the easy accessibility of internet usage (Liao and Cheung, 2000). As more and more people can access to internet they are also increasing in buying power online too. According to iPay88 statistic reveal that Malaysia people are spending more than ever on e-commerce. The iPay88 is responsible for 70 percent of online payment gateway systems in Malaysia. This provides it with a substantial amount of data on online consumer spending. The company noted that the number of transactions increased by 161 percent in 2016 over the previous year. It was an impressive jump from 14.6 million transactions in 2015 to 38.2 million in 2016. However, the value of these transactions was not provided, leaving us to speculate on whether there was a comparable increase in revenue for online vendors. The statistic from iPay88 also reveals that Malaysians tend to shop online on Wednesday, Thursday and Friday. Mostly between 11am and 3pm or between 7pm and 11pm.

The internet based electronic commerce environment allows consumer to search for information and purchase products or service over direct interaction with online store. Hence, consumer purchases are mainly based on the cyberspace appearance for example pictures, image, quality information and video clips of the product, not on the actual experience (Kolesar and Galbraith, 2000). Moreover, shopping at an online store is similar shopping through a paper catalogue because both involve mail delivery of the purchases and in both cases customers cannot touch or smell the items.

# CHAPTER TWO

## LITERATURE REVIEW

### 2.1 Introduction

This chapter of the study is about distributed information or findings available literature on the factors that influence consumer online shopping behaviour that is the benefit, perceived risks, psychological factors, website design and to identify the critical factors influence online shopping. This study is aim of providing an understanding of the factors influencing online shopping behaviour of Jabatan Kemajuan Masyarakat (KEMAS) employees in Kota Samarahan town.

### 2.2 Online Shopping

Electronic commerce is one of the important fields that are emerging in the internet era. E-commerce has become an irreplaceable marketing channel in business transactions. Worldwide business-to-consumer (B2C) e-commerce sales were expected to increase by 20.1% in 2014 to reach \$1.500 trillion. Growth primarily will come from the rapidly expanding online and mobile user bases in emerging markets, increases in m-commerce sales, advancing shipping and payment options and the push into new international market by major brands (E-Marketer, 2013). Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online within their range of budget at home or in anywhere. Online consumers don't have limits to online shopping (Bashir, 2013).

With its dynamic economy and developed infrastructures for digital technologies, Malaysia is a very attractive marketplace for e-commerce in Southeast Asia. Several sites and digital applications are already present in the Malaysian e-commerce landscape with some global, regional and national players grabbing their shares. Well established as one of the most dynamic digital ecosystem in Southeast