UNIVERSITI
TEKNOLOGI
MARA

THE RELATIONSHIP BETWEEN CUSTOMER SATISFACTION AND ONLINE

PURCHASE BEHAVIOUR AMONG DEGREE STUDENT IN UITM CAMPUS

SAMARAHAN

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June 2015

TABLE OF CONTENTS   **PAGE**

ABSTRACT

The rapid growing use of internet in Malaysia has set a platform to e-retailer to be more active in doing online business. They sell almost everything on internet such as clothes, shoes, accessories, scarf, gadget, supplement, jewelry, air ticket and many more. There are some popular e-retailer among online shoppers are Zalora.com, Amazon.com, and Lelong.com. Therefore, it is important for an e-retailer company to know about the factors affecting customer satisfaction toward online shopping and what are the effects if they very satisfied with the online shopping services. This will help them to improve online shopping services thus will help to retain their existing customers. Besides, e-retailer will also be able to develop their marketing strategy which will help to convert potential buyer to become active buyer. In this research, I focus on factors that influence customer satisfaction. There are four dimension of customer satisfaction which is website design, website reliability/fulfillment, website customer service and website privacy/security. All these factors than will lead to customer's purchase behavior which are purchase intention, positive word of mouth, trust, price sensitivity and their no of time revisit the web site.

INTRODUCTION

1.0 Background of Study

The internet has transcended us from the traditional shopping era into a new and more efficient era called "e-commerce". E-commerce is "the conduct of business via internet which relates to activities of information searching, information sharing, purchasing or exchanging products and services." (Jiradilok, Malisuwan, Madan, & Sivaraks, 2014) Online shopping becomes an alternative to buyer where they get goods just with one click. This activity has become a trend among buyers an easiest way for the shopaholics to buy products. It is interesting where u can get whatever you wish for such as electronic gadget, shoes, cloths, handbags, jewelry, and cosmetic products just in front your PCs and smart phones. Therefore, online shopping can be defined as a process where customer makes purchase of a product or services over internet. (Zuroni Md Jusoh, 2012) (Ramlan & .Omar) In other words, people can buy things without going out from their home or work place just to get one product or services. They even can get their products while they are on their bed, cooking and while doing their assignments. That is why nowadays people especially student more interested in online shopping rather than going out and get it by them in the shopping mall. Students like we all knows they do not have their own transportation to going out to the malls. Furthermore, some of the shopping malls are located far away from their hostel or place they stay. Besides that, they might to spend a lot of money and if they were to go out. Students also sometimes like something that is rare which mean something that are limited and unique. Browsing through the online catalogs allows them to find out design that really meet their expectation. Online shopping makes them free to make choices and compare prices. (Ali & Sankaran, 2010) These are some reasons why people especially students go for online shopping. Online shopping offers a lot of tangible advantages.

1

LITERATURE REVIEW

2.1 Privacy/Security

Like what i had mention in the introduction, online shopping serve customer with a lot of benefits which make people life easier. There are a few factors that push students' interest into online shopping. According to (Yulihasri, 2011) , one of the factors that push student interest is salient benefits of compatibility, privacy and security. Compatible means customers can deal with modern style of shopping where they can do their shopping anywhere and anytime without leaving their home and working place. One of the most important concerns if e-retailer were to serve customers worldwide is the security (Maditinos & Theodoridis, 2010). This includes safety, personal information management and payment security (Park, 2001) Deal with online shopping, customer will share their personal information with the sellers such as account number, personal background and so on. But now, e-commerce seller has increased their security to avoid buyers' information being hacked by an unauthorised party. This make online shopping service now is safer and trusted by customer. Retail e-commerce is fail when they are not able to convince internet users that online shopping is safe and all their credit card information will be protect. (Akbar) Government roles are also important where they need to protect internet users privacy in order to encourage people go for online shopping.

2.2 Website Design

Website design plays an important role where it can help to attract online shoppers. From a consumer perspective, a website must be designed with all these features in order to arouse the affective states of the users and to enhance their online visits or purchase intentions. (Orús,