

# CONSUMER BEHAVIOR TOWARDS ONLINE SHOPPING IN MALAYSIA

# AHMAD ZULKARNAIN BIN ABDUL AZIZ 2011232154 MOHAMAD SAFWAN BIN MOHAMAD ASRAFF 2010392925

BACHELOR OF BUSINESS
ADMINISTRATION WITH HONOURS
(INTERNATIONAL BUSINESS) FACULTY
OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KAMPUS BANDARAYA MELAKA

**JANUARY 2013** 

## Acknowledgement

Praise to the most Gracious and Merciful Allah SWT, for the strength, insight and determination thought the course that I have chosen, which brings to the completion of this thesis as of the requirement.

I wish to dedicate my deepest and sincere appreciation to my sourceful advisor, *Miss Munirah* binti Mohamad for his enthusiastic participant and support in giving me such valuable guidance, advice and remarkable ideas throughout the preparation and process of this research also to *Puan Zuraidah bt Hassan* as a second advisor in this research.

Furthermore, I would like to express my gratitude to *Puan Herleena Bt Jamaludin*, Co-Founder of Warung Seni, Galvanize Lab, Melaka, for giving me valuable information guide in conducting the research.

Finally I would like to dedicate my appreciation to their beloved parents and all of my friends for the greatest help and support in giving me confident to finishing this research successfully. Without the cooperation and greatest support, I would not be able to complete this research as it is. Thank you very much, may Allah SWT convey "Rahmat" to all of us. Thank you.

### **TABLE OF CONTENTS**

TITLE PAGE			İ
LETTER OF D	ECLAR	ATION	ii - iii
LETTER OF SI	UBMISS	SION	iv - v
ACKNOWLEG	DEMEN	т	vi
LIST OF TABLE	ES		√ii
LIST F FIGURE	viii		
ABSTRACT			ix
CHAPTER 1	INTR	RODUCTION	
	1.0	Introduction	1
	1.1	Background of Study	1-2
	1.2	Problem Statement	3-6
	1.3	Research Questions	7
	1.4	Research Objectives	7
	1.5	Significance of Study	7
	1.6	Scope of Study	8
	1.7	Limitations	9
	1.8	Definition of Terms	9-11
CHAPTER 2	LITE	RATURE REVIEW	
	2.1	Introduction	13
	2.2	Consumer Behavior	13-14
	2.3	Online buying behavior	14-15
	2.4	Online Shopping in Malaysia	15-16
	2.5	Attitude towards online shopping	16-17
	2.6	Online shopping motivation	17-18
	2.7	Online information search	18-20
	2.8	Theoretical Framework	21-22

CHAPTER 3	RESEARCH METHODOLOGY			
	3.1	Introduction	24	
	3.2	Research Design	24	
	3.3	Target Population	24	
	3.4	Sampling Design	25	
	3.5	Data Collection Method	25-27	
	3.6	Data Analysis and Interpretation	28-29	
	3.7	Conclusion	29	
CHAPTER 4	FINDING AND ANALYSIS			
	4.1	Introduction	31	
	4.2	Reliability Test	31-32	
	4.3	Descriptive Statistic	33-40	
	4.4	Correlation Test	41-43	
CHAPTER 5	CONCLUSIONS & RECOMMENDATION			
	5.1	Introduction	45	
	5.2	Conclusion	45-46	
	5.3	Recommendation	47-49	
		Bibliography	50-54	
		Appendix	55-61	

#### **ABSTRACT**

This research conducted focusing on "Consumer Behavior towards Online Shopping in Malaysia." Since the internet is one of the ways in business activity and transaction, it is important to know about the consumer behavior in online shopping. The objective of this study (1) To identify the factors that influence consumer behavior towards online shopping in Malaysia. (2) To identify the level of consumer behavior in online shopping. (3) To examine the relationship between the factors and consumer behavior in online shopping in Malaysia.

The respondents of this study were those that age 18 to 25. 100 questionnaires had been distributed among them. The researcher had used convenience sampling as the sampling technique. The process of analyzing and interpreting data has been presented by tables and figures using method of analysis such as reliability analysis, frequency analysis, descriptive analysis, and correlation analysis. The recommendations are for the company that provide online business, the consumers that are using online shopping and for the researcher to gain more information about this field of study.

Researcher achieves all objective which for the first objective, is to identify the factor that influences consumer behavior towards online shopping in Malaysia. The second objective was to identify the level of consumer behavior towards online shopping in Malaysia. The third and last objective was to examine the relationship between dependent variables (consumer behavior) and independent variables (attitude towards online shopping, online shopping motivation and online information search).