



**A STUDY OF CONSUMER'S PURCHASE INTENTION TOWARDS ONLINE  
SHOPPING IN MELAKA**

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## ABSTRACT

Nowadays, consumers tend to do an online shopping and it is accepted among them. In the past, consumers can buy anything at their convenience such as books, apparel, electrical appliances and groceries from the brick and click retailers. The rate of annual sales increasing by over 7 percent per annum, shows that online shopping market has a large potential to be penetrated by new sellers. Besides, according to (Forrester, 2013) the percentage of consumers who participate in online shopping activities is increasing each year. The rapid growth of business to consumer of electronic commerce relies heavily on the development of internet technologies and the most important thing is, consumers' confidence on the reliability of online transactions when they do online shopping. However, consumers' still have uncertainties regarding online transactions (e.g. consumers concern about products that might not live up to expectations and disclosing personal information) caused by the nature of internet shopping which might have increased consumers' perceived risks. This research aim is to study the consumers purchase intention towards online shopping in Melaka. There were five independent variables in the study that included trust, role financial risk, privacy risk, security risk and time risk. While, the consumers' purchase intention is the dependent variable. Based on the findings from the results, it shows that there's two variables that have significant impact on the consumers purchase intention which is trust and privacy risk. The remaining independent variable, financial risk, security risk and time risk have no relationship with consumers' purchase intention. The study revealed that the trust and privacy risk influence the consumers purchase intention when they do online shopping.

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