



UNIVERSITI TEKNOLOGI MARA
CAWANGAN TERENGGANU
KAMPUS DUNGUN

FACULTY OF HOTEL & TOURISM MANAGEMENT

ONLINE GROCERY SHOPPING :
PURCHASE INTENTION AMONG MALAYSIAN IN KUALA LUMPUR

SITI NURUL SA'ADAH BT AWANG	2016716935
MURHIDAYAH BT MARSUKI	2016376239

BACHELOR OF SCIENCE (HONS) IN
FOODSERVICE MANAGEMENT HM242

JULY 2019

ABSTRACT

Abstract of a dissertation submitted in partial fulfilment of the requirement for the Bachelor Science (Hons) in Foodservice Management, Faculty of Hotel and Tourism Management.

Online Grocery Shopping: Purchasing Intention Among Malaysian In Kuala Lumpur

By: Siti Nuruul Sa'adah Awang & Nurhidayah Marsuki

Online grocery shopping (OGS) is indeed known as one of the well-established shopping mediums introduced all around the world, including Malaysia. However, ever since its introduction in Malaysia, the growth of OGS did not seem progressing as expected due to certain factors. Thus, this study is conducted to identify two research objectives proposed; to determine the relationship between the determinants and the purchasing intention amongst Malaysians in Kuala Lumpur on OGS and to identify the most influential determinants that affecting purchasing intention among Malaysians in Kuala Lumpur. There are 4 determinants proposed; product quality, price sensitivity, customer privacy and security and convenience offered in OGS that was believed to have direct relationship with the customer's purchase intention. In this study, the descriptive research design will be apply as a guideline to collect and analyzed the data. In order to collect the data, the quantitative method will be used by using online questionnaire so that the data collected would be relevant. After pilot test had been conducted, the constructed research instrument that was adapted from the previous studies was distributed to the 390 respondents in Kuala Lumpur based on convenient sampling technique. From the data analysis, it was found that all of the determinants proposed have relationship with the customer's purchase intention, with product quality give the highest influential level that affecting the customer's purchase intention.

ACKNOWLEDGEMENT

In the name of Allah SWT, the Most Gracious and the Most Merciful. Alhamdulillah, first and foremost, all praises to Allah SWT for the strengths and His blessing throughout our journey completing this thesis project.

Next, we would like to express our greatest gratitude to our beloved supervisor, Miss Fatimah Abd Ghani for her professional advices, close supervision and never-ending supports for both of us in finishing our undergraduate thesis project. She is the backbone of this project, in her way giving us lots of suggestions and constructive criticism which allow us to always make improvements when writing this manuscript. We also want to give our whole-heart gratitude to our supervisor for her willingness to spare us her time to review our progress and give her feedback for every week. Without her patience, loves and moral supports, we might not be able to complete this project on time.

We extend our gratitude to Dr Mohd Hairi Jalis, our previous lecturer that teach us all of the steps involved in developing our research study, starting from determining our research interest up until finalizing our research methodology. From his advices, we could fix our mistakes and making improvements in discovering the research field that fit with our capabilities. Thanks to him, we could finalize our research study, design and methodology in completing our first three chapters.

Next, we would like to convey our sincere acknowledgement to all the lecturers in UiTM Dungun, especially lecturers in Faculty of Hotel and Tourism Management for giving us their full cooperation in our pilot test and share with us their honest opinions for our research betterment. We could make lots of improvement for our study thanks to their help, excellent ideas and suggestions, in which we could see the clearer vision for future of our research study and brilliant ideas because of their contributions.

TABLE OF CONTENT

Declaration.....	i
Abstract.....	ii
Acknowledgement.....	iii
Table of Content.....	v
List of figures and tables.....	ix
List of abbreviations.....	x
CHAPTER 1 INTRODUCTION.....	1
1.1 Overview.....	2
1.2 Background of the Study.....	2
1.3 Problem Statement.....	4
1.4 Research Objective.....	6
1.5 Research Question.....	6
1.6 Research Framework.....	7
1.7 Significant of the Study.....	10
1.7.1 Industrial/Practical Report.....	11
1.7.2 Academic Aspect.....	11
1.8 Limitation of the Study.....	12
1.9 Definition of the Key Term.....	12
1.9.1 Online purchasing intention.....	12
1.9.2 Online grocery shopping (OGS).....	12

1.9.3 Price sensitivity.....	13
1.9.4 Quality consciousness.....	13
1.9.5 Convenience.....	13
1.9.6 Security.....	13
1.9.7 Awareness toward online grocery shopping.....	13
CHAPTER 2 LITERATURE REVIEW.....	14
2.1 Overview.....	15
2.2 History of Online Grocery Shopping.....	15
2.2.1 Global	15
2.2.2 Malaysia.....	16
2.3 Introduction of Online Grocery Shopping.....	17
2.4 Current Growth of Online Grocery Shopping.....	18
2.4.1 Global.....	18
2.4.2 Malaysia.....	19
2.5 Online Grocery Shopping Purchasing Intention	20
Determinants.....	20
2.5.1 Product quality.....	20
2.5.1.1 Customer Skepticism.....	21
2.5.1.2 Products Shelf Life.....	23
2.5.2 Price Sensitivity.....	25
2.5.2.1 Price Comparison.....	25
2.5.2.2 Customer Trust.....	26
2.5.3 Customer Privacy and Security.....	27