The National Journal of Education Development

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Foreword

The new issue the National Journal Education Development is another platform for national scholars and researchers to share their ideas and findings in the broad aspect of education. Guided strongly by liberalism in education philosophy, we have covered a wide range of topics or areas and research reports in this first issue. Ranging from distance learners to program planning, and from learning strategies to students behavior. We welcome scholars from all kids of organization to share their views and work with the journal as well as with a wider community of critical readers, educators, program planners and practitioners in these areas.

In line with the new concepts, developments and challenges in education, an educator is no longer relevant with obsolete ideas but they are required to update their ideas, methods and technologies to warrant meaningful learning outcome. This journal published latest ideas and findings in helping the educators to update their knowledge and skill in this area.

Besides discussing purely about education, we have also included two articles on methods of effective interviews and online shopping behaviors among adult learners. These topics made this journal a unique issue that is believed to attract more scholars and readers to access this journal.

Institute of Education Development (InED)

Universiti Teknologi MARA (UiTM) takes pride in its academic centres and numerous branch campuses in the various states in the country. The Institute of Education Development (InED) is one of the academic centres in UiTM that provides opportunities for those who wish to pursue their academic objectives.

The Institute of Education Development (InED) was formed in September 2001. InED now manages three types of programmes concurrently: the Distance Education Programmes, Collaborative Education Programmes and Continuing Education Programmes.

DISTANCE EDUCATION PROGRAMMES

The objective of these programmes is to offer continuing education to upgrade the knowledge and career of Bumiputras. They also help to increase productivity and contribute to national development.

COLLABORATIVE EDUCATION PROGRAMMES

The main aim of these programmes is to provide opportunities for qualified Bumiputera students who do not have the opportunity to enter public universities to further their education in private colleges.

CONTINUING EDUCATION PROGRAMMES

The Centre for continuing Education (CCE), established in 2002, emphasizes the utilization of Universiti Teknologi MARA's (UiTM's) human and structural capital for enhancement of knowledge. These programmes are offered to the public.

Barriers To The Development Of Online Shopping In The Klang Valley

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Abstract

Advances in the Internet technology has made it possible to carry out business transactions via the worldwide web. E-commerce, as it is widely known, used to be restricted to business-to-business transactions, but with the approach of the new millennium, the transactions have been expanded to include business-to-consumers. It has brought a whole range of services into information age on a global scale. Improvements in e-commerce has enabled businesses to be conducted across borders and has expedited globalisation. As Malaysia is part of the globalise world, e-commerce should be an important agenda that needs to be addressed. This paper aims to identify the Internet shopping practice among the part-time students in the Klang Valley, Malaysia and also to identify factors that may hinder the development of on-line shopping. The main reasons cited by those who would not shop on-line are the lack of security for credit card payment followed by inability to see the product physically.

Key words: e-commerce, part-time students, Klang Valley.

Introduction

The importance of e-commerce in Malaysia's multimedia development is underscored by its selection as one of the seven main applications to be implemented in the Multimedia Super Corridor (MSC). In fact, a National E-commerce Committee has been set up in February 1998 to find means and ways to encourage the e-commerce activity through the Internet (Manecksha, 1998). It is therefore not surprising that the number of companies joining the fray of electronic commerce in this country is increasing. Companies that are not actively involved in electronic commerce have begun to market their products and services via their websites. Hence, electronic commerce should be seen as one of the faster, easier and the most cost effective way to market and purchase products or services.

There are numerous benefits associated with using electronic commerce solutions to market products and services. By using electronic commerce, organizations will be able to deliver new products to customers in a shorter time frame. Electronic commerce virtually eliminated the barriers of time and distance that slow traditional business dealings. The electronic commerce framework is also capable of assisting operation in improving the delivery of after sales service to their customers. It also helps to create a more personal one-to-one marketing channel where the vendor will be able to know exactly what the customer wants. Previous study by Taylor Nelson-Sofres Malaysia, published in the Star (July 17, 2001), showed that the proportion of on-line shoppers in Malaysia has remained at 1 percent of the total adult population. This corresponded to 4 percent of the Internet users in the country. This has not changed in the last 12 months.

This study is an extension to the Taylor Nelson-Sofres' study, whereby it seeks to identify the factors that influence and hinder shoppers to shop on-line. By identifying the factors given by the respondents, the service providers and government should be able to implement suitable strategies to enhance on-line shopping.

Objectives of Study

Despite the numerous benefits that can be obtained through on-line shopping, previous studies showed that the number of on-line shoppers in Malaysia is still low. Motivated by previous studies, the main objective of this study is to identify the factors that influence and hinder the shoppers to shop on-line. This study is significant because it will highlight the weaknesses or problems on the development of on-line shopping. Relevant agencies and businesses should then be able to formulate better plans in order to attract more on-line shopping by ensuring the consumers their rights are protected and their shopping needs are met.

Literature Review

The development of electronic commerce is particularly significant in advanced countries such as Australia, United Kingdom and the United States. Malaysia is catching up quickly with the advanced countries. There is a nationwide effort in Malaysia towards an electronic environment, with the government actively involved in the business of electronic commerce within its own system. (Zurina, 1998).

According to Joseph (2000), electronic commerce is the practice of buying and selling products and services over the Internet by utilizing technologies such as the Web, electronic data interchange, e-mail, electronic fund transfers and smart cards. Shopping on-line opens up a whole world of goods and services. Goods include digital goods, books, documents, articles, and statistical data. The World Wide Web has expanded the international marketplace in a way never before possible, giving consumers unlimited choices. Consumers who value convenience tend to buy on the Web. Much information can be obtained from the Web, for example, consumers can search for information about the desired product from different on-line stores with one search request. Consumers can view products from digital to non-digital products on-line. Information such as the availability of the goods and services, suppliers and consumers, fair dealing between supplier and consumer in particular, the terms and conditions of contract, and compliance with the said terms and condition are also available (Gillet, 1976).

Everett (2000) states that the growth of the Internet and electronic commerce has been incredible. As of June 1999, about 171 million people had Internet access a 50 percent growth over the year before. In 1998, Internet users used the Web to buy over USD3 billion worth of books, computers, airline tickets, stocks and bonds, automobiles, and a variety of merchandise and services. However, studies have shown that only 20 to 25 percent of the people are willing to shop on-line. It was also found that consumers lack confidence in electronic commerce due to the following reasons. (i) on-line security, (ii) genuineness of business, (iii) delivery, and (iv) electronic fraud.

According to Nielsen Norman Group Report Series (1998), users need sufficient information about a product before purchasing it on-line. Filling out forms correctly during shopping is tedious for most users. Thus, forcing people to register during their first purchase is confusing and frustrating tactic that drives customers away. They suggests that better designs means more customers can complete the shopping process within a short time frame.

The growth of on-line shopping faces concern by consumers of privacy and security. Statistics on the Clinton Administration's Digital Divide website shows that 40 percent of the consumers are very concerned about Internet confidentiality, while another 24 percent are somewhat concern about that matter. The web is a vast and sometimes dimly lit place, and consumers are left to determine the costs of sharing information. Many consumers are hesitant to shop on-line simply because there is no way of knowing which sites are truly safe and that one simply claim to be in order merely to allay consumers fears and insecurities. A survey done by a San Francisco based market researcher, Cognitiative, found that from the 250 respondents that does not shop on-line, 65 percent of respondents cited concern about privacy as a barrier to shop on-line (Goldstein and O'Connor, 2000).

A study carried out by Mohd Safar Hasim (1999) found that one of the problems encountered in this new mode of study is security and trust. Even though Malaysia has promulgated several laws to overcome the issues of security, this still does not instil confidence in the consumers. The recent launch of Digicert, a security technology used whereby businesses need to be certified to transact business in the Internet, will enable consumers to have full trust in the safety of their transaction. In his study on the usage of credit cards in on-line shopping, Mohd Safar also found that 76.9 percent of the respondents feel security of payment is one major factor that discourages the consumers from shopping on-line. 37.8 percent of the respondents have credit cards, however, only 8.9 percent of the respondents were confident of using credit cards to shop on-line.

Research Design

This study used a questionnaire survey to identify the reasons that influence and hinder the respondents to shop on-line, and the type of products or services they purchased through the websites, if any. A total of 1538 out of 2000 questionnaires distributed to part-time students in the public universities located in the Klang Valley were received. Out of that, 51.3 percent are male and 48.7 percent are female. More than half (71.5 percent) of the respondents are between 21 years to 35 years of age and only 24 percent are between 36 to 50 years old. 50.8 percent of the respondents are still single, 65 percent are either diploma or degree holders, 44.8 percent holds middle management position and 65 percent earns a salary of between RM1,000 to RM3,000 per month. This range of salary qualifies them to own a credit card that would make it easier to shop on-line and the demographic results showed that 80.9 percent of the respondents do have credit cards. Open-ended questions were introduced to get information on the reasons or problems they encountered with on-line shopping.

Research Findings

The results of this study also showed that only 14.5% of the respondent have the experienced shopping online. Thus to determine the future of e-commerce, those respondents who stated that they have made purchases through the Internet in the (last

12 months) were asked whether they would continue to shop on-line. It was found that out of the 224 respondents, only 19.6 percent would do so whilst 80.2 percent decided not to shop on-line anymore.

Table 1 shows the products most frequently purchased through the Internet. The products were categorized into 10 groups. It was observed that travel arrangements were the most frequently purchased items by on-line shoppers in the last 12 months (55.8%). This finding supports the announcement made by Air Asia in its press release dated July 4, 2002. The next most frequent purchased items are magazines and books (54%), computer appliances (27.2%), stocks and securities (23.7%), CDs and cassettes (17.4%), and flowers or gifts (8%). This finding is similar to that of Kasipillai et. al. (2001) which showed that one of the most frequently purchased item through the Internet was books and magazines.

Table1: Summary Of Products Purchased Via E-Shopping In The Last 12 Months.

Products	Number	Percentage
Home Appliances	17	7.6
CDs/ Cassettes	39	17.4
Magazines/ Books	121	54.0
Furniture	13	5.8
Computer Appliances	61	27.2
Travel Arrangements	125	55.8
Flowers/ Gift	18	8.0
Stocks Securities	53	23.7
Vehicles	7	3.1
Games	14	6.3

Open-ended questions were included in the questionnaire to get information on the reasons or problems that they have encountered with on-line shopping. Among the reasons given by the respondents are:

1. Payment system implemented is limited to credit card/charge card. Therefore, unavailability of these discourage respondents to shop on-line
2. Failure to receive the product ordered despite the respondents' credit card being charged for the purchase.
3. The product accepted by one of the respondents was different from the product ordered. Therefore, it failed to meet the respondent's expectation.
4. Problems with filling out forms when ordering products, thereby discouraging the respondent's to do further purchase through Internet.

To determine the reasons preventing on-line shopping, the respondents were asked to rate the reasons for not doing on-line shopping using a Likert scale of 1 to 5, 1 being strongly agree and 5 being strongly disagree. Table 1 provides the percentage count and mean score of the qualitative data for 9 factors chosen in this study that were included in the questionnaire. Looking at the mean score and the percentage count of either agree/strongly agree and disagree/strongly disagree, the factors are ranked from 1 to 9 based on their mean values. The results showed that the statement " I am a computer illiterate" has the highest mean value, thereby ranked 9th. This indicates that most of the respondents did not agree with the statement. 51.8 percent of the respondents disagree that the reason they did not shop on-line was due to computer illiteracy. The second and third highest mean values are represented by the statements "Internet facility not available and "No time to browse through Internet" respectively. Therefore, it can be said that being computer illiterate and unavailability of Internet facility do not seem to be major factors hindering on-line shopping.

Table 2 shows the top factors that prevent on-line shopping among the respondents are those ranked 1 to 4 (mean values less than 3.1). 30.3 percent of the respondents who have never shopped on-line decided not to shop on-line because they were not confident of the security for on-line credit payment (ranked 1st). This finding is similar to the study done by Mohd Safar Hasim (1999) where security and privacy is the most important deterrent for shoppers to shop on-line. 28 percent said that they did not shop on-line because they cannot see the product physically (ranked 2nd) and only 33.4 percent fear that the products purchased on-line may not meet their expectation (ranked 3rd). A further 34.5 percent stated that they did not shop on-line because they cannot bargain with the seller (factor ranked 4th).

Table 2: Factors Preventing On-line Shopping

Reason for not doing on-line shopping:	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Rank
I am a computer illiterate	8.4%	9.5%	30.4%	33.3%	18.5%	3.4107	9
Internet facility not available	6%	11.9%	40.5%	29.8%	11.9%	3.2679	8
No time to browse through internet	20.2%	8%	14.1%	26.4%	31.3%	3.2440	7
Scared of data corruption (hacker)	6%	11.9%	42.3%	33.9%	6%	3.1964	6
Company's reputation	9%	17.3%	32.7%	27.4%	13.7%	3.1607	5
No price negotiation with the seller	8.4%	16.1%	37.5%	31.5%	6.5%	3.0952	4
Fear of products ordered is not as expected	16.7%	16.7%	16.1%	45.2%	5.4%	3.0732	3
Cannot see the product physically	9.5%	18.5%	38.1%	24.4%	9.5%	2.9940	2
Insufficient security for on-line credit payment	10.1%	20.2%	44.6%	23.2%	1.8%	2.8333	1

To determine what are the advantages, perceived or enjoyed by the respondents, from on-line shopping, they were asked to rate 11 benefits on a Likert scale of 1 to 5, with 1 being completely satisfied and 5 being completely dissatisfied. Table 3 provides the findings. The mean score and percentage counts indicate that the 3 major benefits of on-line shopping are convenience (87.8%) satisfied/completely satisfied, more product information (87.7%) and geographically larger shopping area (75.9%). However, most of them were not satisfied with the security of payment (60.1%) and 51.8 percent feels that the speed of delivery is not satisfactory. Another 57.7 percent of the respondents felt that the product ordered would not meet their expectations, and therefore to avoid frustration, they did not shop through the Internet. Security of payment is the one of the most important setback that hinders the respondents to shop on-line.

Table 3: Respondents Opinion On The Benefits Of On-Line Shopping

Benefits of On-line Shopping	Completely Satisfied	Satisfied	Fair	Not Satisfied	Completely Dissatisfied	Mean Score	Rank
Security of payment	19.6%	6.1%	14.1%	14.1%	46%	3.4405	11
Speed of Delivery	8.4%	9.5%	30.4%	33.3%	18.5%	3.4107	10
Choice of Payment	6%	11.9%	40.5%	29.8%	11.9%	3.2679	9
Product/service meeting expectation	20.2%	8%	14.1%	26.4%	31.3%	3.2440	8
Product Quality	23.3%	20.2%	22.1%	26.4%	8%	2.6488	7
Price Negotiation	17.3%	36.3%	33.9%	11.3%	1.2%	2.4048	6
Product Assortment	40.5%	30.7%	20.9%	6.1%	1.8%	1.8393	5
Product Uniqueness	43.6%	41.1%	8%	4.9%	2.5%	1.7083	4
Geographically Larger Shopping Area	44%	31.9%	9.2%	3.1%	1.8%	1.5536	3
Product Information	54%	33.7%	7.4%	3.1%	1.8%	1.5417	2
Convenience	56.5%	31.3%	9.2%	3.1%	0%	1.4702	1

Conclusions

This study has shown that the number of on-line shoppers amongst part-time university students in the Klang valley is still small although a majority of the respondents can afford and has the means to do so. 88.3% of the respondents earned an income of RM1,000 or more, 80.9% has at least one credit card, and 97.5% use or has access to the Internet. Yet only 14.6% of the respondents had done some on-line shopping in the last 12 months. This small number may shrink further as 80.2% of the 224 respondents who had done on-line shopping stated that they might not continue to do so in the future.

The main reason for their discontinuation of on-line shopping is their dissatisfaction with the services received from the business (product not matching expectation, etc.) whilst the main deterrent to those who did not shop on-line is the perceived lack of security over the use of credit card. Therefore, it is suggested that businesses look seriously into providing better security for customer personal data, including credit data, and enhancing

their sales service in order to make on-line shopping more attractive to the young and affluent customers. Businesses should also improve their on-line business since the respondents feel that the convenience as well as the ability to obtain more information about the product and the larger geographical shopping area are important benefits of e-shopping.

This makes it easier for businesses to gear their advertisements for e-commerce towards the general audience. This is more so for the book sellers and travel agencies or airline companies as this study also showed that the products frequently purchased via the Internet are magazines/books and travel arrangements.

Future Research

It is suggested that a similar study be carried out on a wider scale to determine the extent of on-line shopping in the country. This would provide statistics to show how well the country's expectation have been met. Gender biased study could also be done to determine the extent of on-line shopping among the male and female population of Malaysia

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