



A STUDY ON TRUST IN E-COMMERCE TRANSACTION BY MALAYSIAN CONSUMER

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DECLARATION OF ORIGINAL WORK



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Hereby, declare that:

- ✓ This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- ✓ This project paper is the result of our independent work and investigation, except where otherwise stated.
- ✓ All verbatim extracts have been distinguished by quotation marks and sources of our information have been specifically acknowledged.

Signature: _____ Signature: _____ Date: 01 JULY 2013

LETTER OF SUBMISSION

01th July 2013

The Head of Program
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Kampus Bandar Melaka
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Dear Sir,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “**A Study on Trust in E-Commerce Transaction by Malaysian Consumers**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely

.....

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Background of study

According to Lawrence (2010) the number of internet users around the world has been steadily growing and this growth the impetus and the opportunities for global commerce. The growing popularity of internet business gives rise to their services that considered as more attractive services in e-commerce sector.

The growing of e-commerce business gives chance to entrepreneur to take an opportunity to expand their business through internet. It will also influence the rises of transaction through internet. The growing of global commerce will affect the growing of internet business and e-commerce transaction in developing countries. Malaysia also affected from growing of global commerce.

According to Hoffman (1999) and Jarvenpaa (2000), there is overwhelming evidence that trust in the online environment is an important element of electronic commerce (EC) relationships. According to Mayer (1995) and McKnight (2002), the overall trust in using e-commerce transaction is influenced by consumer's perception of risk to the e-commerce transaction due the nature of supporting infrastructure. Usually, the consumer's perception of risk caused by their intention toward to perceived privacy, perceived security and company reputation.

Despite the fears some consumers have about making online purchases, online purchasing behavior continues to grow in volume, and more and more people seem to be taking the plunge and buying online (Green, 2002; Horrigan, 2002). As the proportion of people refuse to buy online continue to shrink, concern about privacy, trust, security may be overshadowed by other concerns. Ahuja et al. (2003) found privacy and security concern to be the most common reason their respondents gave for not shopping online, but other reasons were not behind on the list.