

UNIVERSITI TEKNOLOGI MARA

**A STUDY OF THE IMPACTS OF
UNETHICAL ONLINE BUSINESS
TOWARDS CONSUMERS**

MUHAMMAD ALIF AKMAL BIN SHAEDULL

Academic Writing submitted in partial fulfilment of the
requirements for the degree of

Bachelor in Muamalat

Academy of Contemporary Islamic Studies

January 2019

AUTHOR'S DECLARATION

I declare that the work in this academic writing was carried out in accordance with the regulations of Universiti Teknologi Mara. It is original and is the results of my own work, unless otherwise indicate or acknowledged as referenced work. This academy writing has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Under Graduate, University Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Muhammad Alif Akmal Bin Shaedll
Student ID No. : 2015403264
Programme : Bachelor in Muamalat (Hons.)- IC210
Faculty : Academy of Contemporary Islamic Studies
Academic Writing Title : A Study of the Impacts of Unethical Online Business Towards Consumers.
Signature of student :
Date : January 2019

ABSTRACT

Nowadays, online business has become a trend in customer and consumer. It facilitate the consumer to negotiate with seller for buying a product. Many platforms of online business had been introduced such as Lazada, Mudah.my, Shopee, and social media such as Whatsapp, Instagram, Facebook, and so on. But, there are some issues arise because some online seller is not applied good business ethic to consumers. Annual report of the National Consumer Complaints Centre (NCCC) in 2016 stated complaints received from consumers are 48, 563 and increasing than the previous year. The complaints are increasing because authority bodies failed to find a solution that can satisfy consumers. According to Utusan Online (2015), President of Federation of Malaysian Consumers Associations (FOMCA), Professor Datuk Dr. N. Marimuthu said that consumers often being a victim of online business because they were not aware and check out either the business is registered or not under the Companies Commission of Malaysia (SSM). Thus, this research aim to identify the risk shopping in online business. Next, this research aim to analyses the impacts of unethical online business towards consumers. Lastly, this research aim to suggest a solution towards unethical in online business. The research design for this research is qualitative research. This research revealed that the risk shopping in online business are long time to receive the goods and services, the shipping cost is expensive, the goods and services is different as in the picture, no refund, cannot test the goods and services before buying, scammer and the goods is broken. Next, the impacts of unethical online business towards consumers are the consumer will no longer trust online seller, the consumer will feel uncomfortable with dealing with online seller, poor consumer will be oppressed and consumer personal information is stolen. Lastly, the solution towards unethical in online business are public awareness. Authority body such Ministry of Domestic Trade and Consumer Affairs had released some guidelines for consumer to protect consumer from unethical online seller.

ACKNOWLEDGEMENT

Praise to Allah S.W.T for bestowing me His blessing and granting me the convenience throughout the journey to completing this research within the given period of time. I have dedicated this research towards the recognition of spirituality and religion that have been the core and part of my life.

I would to express my highest gratitude and thanks to my honourable supervisor, Dr. Nur Nafhatun Md Shariff, for providing me a useful guidance and knowledge in conducting this academic project. My warmest gratitude as well as to the line of academicians and lecturers of UiTM Shah Alam, who were also involved in making this academic project. My special thanks also to those who have participated in helping me finishing my academic project.

Lastly, a big appreciation to my family member especially my parents Shaedull Bin Dahalan, Zaleha Binti Aziz, and my friend, Mohd. Haikal Bin Mohd. Hatta for their understanding and supporting me in order to complete my studies in bachelor program. The heartfelt appreciation also I dedicated to my all my friends and relatives who help me a lot in completing my academic projects. May Allah bless all of them.

TABLE OF CONTENTS

CONFIRMATION BY PANEL OF EXAMINERS	i
AUTHOR'S DECLARATION	ii
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of Study	1
1.3 Statement of Problem	2
1.4 Research Question	4
1.5 Research Objective	4
1.6 Operational Definition	4
1.7 Scope and Limitation	5
1.8 Significance of Study	6
1.9 Conclusion	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Introduction	8
2.2 The History of Online Business in Malaysia	8
2.2.1 2008 – 2011: The Early Years	9