



**A STUDY ON FACTORS AFFECTING ONLINE SHOPPING
IN KOTA SAMARAHAN**

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ABSTRACT

The number of Internet users has been increasing for the past few years. However, only small amount of them buys products and services via online. This study is to determine the factors that contribute to online shopping among Malaysian consumers based on previous researches. The results of literature analysis show that there are three groups of factors affecting online shopping: 1) perceived usefulness 2) perceived ease of trust 3) perceived trust 4) shopping enjoyment. The target of this study is the residents in Kota Samarahan, Sarawak. The result showed that all variables are reliable and have significant relationship with online shopping.

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CHAPTER 1

INTRODUCTION

1.1 Background of study

Since the late 1990s, the use of Internet among consumers has been increasing. As the number of Internet users keep on increasing, the number of people that shop online is also increasing whereby they purchase numerous types of products in the Internet via websites such as Lazada.com, mudah.com and also social network like Facebook. Zwass (2007) stated that the existence of the commercial use of the Internet and its World Wide Web (WWW) has been forming the new e-commerce since 1993. Damanpour and Damanpour (2001) cited that Internet has not only changed the our lifestyles but also the way companies run their businesses, communicate and share information, as well as sell and buy goods and services.

Across the world, the shoppers are increasingly turning to the web to buy things they need (The Nielson Company, 2014). There is around 875 million of the world had been purchasing online in 2008 as compared to 627 million in 2006 (The Nielson Company, 2008). According to an online study conducted by Nielson Company (2014), online purchases intentions around the globe have been twice the amount since 2011 for many durable and entertainment-related categories. That includes e-books, event tickets, sporting goods and toys.

CHAPTER 2

LITERATURE REVIEW

2.1 The concept of online shopping

Since the existence of online shopping, there have been numerous definitions by researchers and scholars. Online shopping refers to a single, homogenous activity, the selling of goods and services via the World Wide Web (www) (Birkin, Clarke, & Clarke, 2002). According to Monsuwe', Dallaert & Ruyter (2004), online shopping is defined as the use of online stores by the consumers up until the transactional stage of purchasing and logistics. (Monsuwe & Khalid, 2004). Based on a study by (Mukherjee & Nath, 2007), online shopping behavior is a very crucial aspect because the business interaction will be done in the absence of physical interaction between online retailers and the buyers.

2.2 Studies on Online Shopping

In the past few years, there have been several studies on adoption of online shopping. Although there are many studies conducted on online shopping behavior in United States, China and Taiwan, there are still few of studies conducted in Malaysia (Jin, Osman, & AB Halim, 2014). Technology acceptance model (TAM) was developed with the objective "to provide an explanation of the determinants of computer acceptance that is general, capable of explaining user behavior across a broad range of end-user computing technologies and user populations, while at the same time being both parsimonious and