



**TO STUDY THE FACTORS THAT INFLUENCE CONSUMER
BEHAVIOUR IN ONLINE PURCHASE FOR GROCERIES
PRODUCT:
CASE STUDY OF AGROBAZAAR ONLINE PROGRAMME
UNDER FEDERAL AGRICULTURE MARKETING AUTHORITY
(FAMA) COMPANY**

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ABSTRACT

Malaysia is successfully moving towards achieving its goal of becoming an advanced nation by 2020, however, the nation's aspirations go beyond just achieving high-income status. Malaysia wants to be a truly advanced country where people enjoy high income along with a greater level of public well-being. To achieve this, the Malaysian Government is applying the Blue Ocean Strategy principles of high impact, low cost and rapid execution to national development through National Blue Ocean Strategy (NBOS). In order to achieve government policies, Agrobazaar Online programmed is created under FAMA company's to help small and medium entrepreneur (SME). It helps them to promote their products in the portal. The factors that influence online purchase behaviour for groceries product had been investigate in this research. Recent observations shows that Agrobazaar Online faced with a few issues as groceries shopping is still new in Malaysia. Therefore, this study aims to investigate the factors that influence online purchase behaviour. Researcher investigated the significant of trustworthiness, perceived use and website image in this study. The result of this study would be obtained through the interview with the 200 respondents of Agrobazaar Online's customers. Researcher recognized the most influenced factors to purchase online for groceries shopping was perceives use. The result from this study is expected to assist the researcher in deriving a better understand how the online purchase works.

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF STUDY

This research is to study the factors that influence consumer behaviour of online purchase for groceries product in Agrobazaar Online programme under Federal Agriculture Marketing Authority (FAMA) Company. According to the Internet World Stats, as for 25 March 2017, from the estimate population of 4,148,177,672 Asia, there are about 1,873,856,654 of population is internet users in Asia. Based on the statistic of internet users by region, more than half of internet users contribute by Asia which is 50.2% while the rest of world contribute 49.8%. In Malaysia, there are about 21,684,777 of internet users from 31,164,177 in population. There are about 68.1% of population is internet users. This statistics shows how the internet become an important thing nowadays in this world.

The global expansion of the internet has considerably contributed to the transformation of trade and store transactions. E-commerce, or electronic commerce, largely means buying and/or selling products through the internet and is commonly associated with online shopping. Increasing in statistics of people purchase online due to the expansion of the internet. The rapid changes in technologies make it is easier to purchase product online.

There are many factors that can influence consumer in purchasing online as online purchase become the norm in Malaysia because it is easy and save time consuming in purchasing products. Consumers feel it needed to buy online as it save their time to purchase things. Despite saving customer's time, some products only available online