



**CONSUMERS' ONLINE PURCHASE INTENTION
IN COSMETIC PRODUCT AMONG FEMALE
ONLINE SHOPPERS: A CASE STUDY OF
GIFFARINE COMPANY**

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ABSTRACT

E-commerce is an evolving market; the number of retailers and the growth in online shopping has built up a competitive market. It is therefore essential for companies to continuously develop their online activity to remain and attract new customers. To do so, companies need to create value for the customers and meet their demands. Therefore it is of great importance for companies to understand consumers' buying behavior, and moreover investigate in which factors are related to the consumers' online purchase intention. Thus, the purpose of this study is to explain the relationship between trust, perceived risk, website quality and online purchase intention. The result shows that perceived risk is the most effective and has significant impact on customer decision to purchase online. The result of this study would be obtained through the survey study by distribute questionnaire to the members of Giffarine . A few factors are also being analysed and the result has been recorded in the study. The suggestions are also being made to serve as recommendation to Giffarine Company, so that their cosmetic product will attract buyers in future.

Keywords: Online purchase intention, trust, perceived risk, website quality.

CHAPTER 1

INTRODUCTION

1.1 OVERVIEW OF COSMETIC INDUSTRIES IN MALAYSIA

Recently, many manufacturers began to produce cosmetic products due to the latest trend in people life concerning the huge interest in taking care of their skin and body. There are many cosmetic products available in Malaysia such as Este'e Lauder, Max Factor, Avon, Mac, Kylie and Mary Kay. Actually, cosmetic industries have already been around for quite a long time ago. Generally, cosmetics due to peoples' perception are mainly makeup and perfume but actually they come in many forms, ranging from powders, body make up, soap, shampoo and toothpaste. Cosmetics are used for beautifying purposes and covered a wide range of products including body parts cleanser, enhancing features and changing skin tones and colors, such as makeup, perfume, toothpaste, shampoo, and deodorant. Many people think that cosmetic products are produced only for ladies but the reality is there are many cosmetic products that are also suitable for male such as Garnier and Nivea products. Cosmetic industry has such a huge potential in making high profit in the market if the products sold are innovative and flexible. Innovation is very important for their success as the product life cycle tends to be short for the makeup category. People's lifestyle are also changing from time to time. The cosmetic producers are competing with each other to persuade and encourage customers to consume their product and conquer huge domestic market worth million dollars. There are several strategies that have been practising by the cosmetic companies in order to increase their sales volume such as multilevel marketing and offering compassionate benefit to the agents. As the population are increasing along with the