



UNIVERSITI TEKNOLOGI MARA

FACTORS AFFECTING ONLINE SHOETING BEHAVIOUR AMONG WORKING
ADULT IN KOTA SAMARAHAN

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Submitted in Partial Fulfilment of the Requirement of the
Bachelor of Business Administration
with Honours (Marketing)

FACULTY OF BUSINESS AND MANAGEMENT
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JULY 2019

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ABSTRACT

Online shopping is the current trend of shopping among the worldwide consumers including in Kota Samarahan. The convenience and hassle free shopping is the main attraction of online shopping. This study is to investigate the different online factors that give impact towards the online consumers' behaviour among the working adults who reside in Kota Samarahan.

To get a better view of the impact of different factors on consumers' online shopping behaviour, the purpose of this study is to analyse the factors that influence consumers' online shopping behaviour in Kota Samarahan. One of the objectives of this study is to fill the gap of previous literature that did not much investigated the external online factors that influence consumers' online shopping behaviour in Kota Samarahan's context because most of the related study had been done on the consumers outside Kota Samarahan area.

Thus, the focus of this study will be on the five online factors which are financial risk, product risk, delivery risk, trust and security factor, and website design factor. The data was collected through a questionnaire survey and it was distributed among 120 respondents by hand among the target population. The findings of this study revealed that website design is not an influential and significant factor towards the respondents. Whereas financial risk, delivery risk, product risk, and trust and security factor have a significant impact towards consumers 'online shopping behaviour in Kota Samarahan's.

Key Words: Online shopping behaviour, perceived risk, trust and security, e-commerce, Website design

CHAPTER 1: INTRODUCTION

1.1 Introduction

Online shopping has become the choices of the consumers nowadays as it can help them to save on the time and money on transportation. Online shopping also makes the consumers hassle free from the searching and long queue at the payment counter to buy a product. Therefore this chapter will be gives the overview of the background and the purpose of this study. It is supported by the research problems, objectives, questions, significant, and scope of the study. This chapter will state the limitation and delimitation that was faced to conduct the study. And lastly this chapter will briefly explain the definitions of terms that use in this study.

1.2 Background of the Study

Kota Samarahan is a growing city that becomes the centre of education in Sarawak. There are many educational facilities located in the district like Universiti Malaysia Sarawak (UNIMAS), Universiti Teknologi Mara (UiTM), and Institut Pendidikan Tun Abdul Razak (IPTAR). The housing areas are also growing as there are many residential areas were developed in this district. Therefore Kota Samarahan has the potential online consumer's prospect for the online retailers as the internet coverage in this area is excellent compared too few years back.

Consumer behaviour is one of the most research oriented area of marketing discipline. As indicated by Solomon, Russell-Bennett, and Previte (2012) there are plenty of quantitative and subjective examinations coming about into a vigorous arrangement of various hypotheses accessible on Buying Behaviour. A huge bit of the speculations have been grasped from different field of concentrates for instance cerebrum science, money related viewpoints, human investigations to give a few models. Reddy and Iyer (2002) expressed

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Chapter two (2) is basically about the past and previous authors that had discussed about the related topic with this study. This chapter will review relevant extant literature on online shopping, consumer behaviour, financial risk, delivery risk, product risk, trust and security, and also the website design.

2.2 Online Shopping

Online purchasing or shopping alludes to the way toward investigating and obtaining items or administrations over the Internet (Varma and Agarwal, 2014). An online exchange can include three stages: process data recovery, data move, and item buy (Pavlou and Chai, 2002; Pavlou, 2003; Pavlou and Fygenson, 2006). Though, the whole web based purchasing has even been separated into two phases: first comprising of looking, contrasting and choosing, putting in a request named as requesting stage and second stage is organization following and keeping or returning named as request satisfaction arrange (Liao, Palvia, and Lin, 2010).

Bourlakis et al. (2008) referenced that through web, you can advantageously purchase items and administrations on the web. In Internet people group, web based shopping is well known. Head servant and Peppard, (1998) concurred that the more decision and accommodation, the simpler it is to discover online your ideal item or administration. Yu and Wu (2007) saw that web based shopping gives more fulfilment to the advanced buyers who are looking for comfort and pace. Lian and Lin (2008) said that as online establishment and store become progressively refined, web based shopping keeps on denoting its reality in the market. Li, Kuo, and Russell (1999); Shergill and Chen (2003)