



**FACTORS INFLUENCING CONSUMER TRUST ON ONLINE SHOPPING
AMONG UNDERGRADUATE STUDENTS IN UITM MELAKA CITY
CAMPUS**

MUHAMMAD AKMAL ANWARI BIN SHAZALI

2014429534

**BACHELOR OF BUSINESS ADMINISTRATION (HONS)
INTERNATIONAL BUSINESS
FACULTY OF BUSINESS & MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KAMPUS BANDARAYA MELAKA**

JULY 2017

ACKNOWLEDGEMENTS

Praise to Allah because give me the opportunity to complete this thesis that study on the “Factors Influencing Consumer Trust on Online Shopping among Undergraduate Students in UiTM Melaka City Campus”.

Foremost, I would like to express my sincere gratitude to my advisor, Dr Koe Wei Loon for the continuous support of my BBA (Hons) International Business study and research, for his patience, motivation, enthusiasm, and immense knowledge. His guidance helped me in all the time of research and writing of this thesis. I could not have imagined having a better advisor for my research for giving advice and ideas to accomplish this thesis.

Very special thanks goes out to the staffs of Street Corner Ecommerce Sdn Bhd for offering me to fulfill my internship program at the company and leading me working on diverse exciting working experience.

I would like to express love and gratitude to my beloved families, for the understanding & endless love, through the duration of my research. And lastly, to the people who helped and contribute great ideas and advices, especially my lectures and fellow friends, without them, this study would not be possible.

ABSTRACT

The purpose of this study is to identify the factors influencing consumer trust on online shopping among undergraduate students of UiTM Melaka City Campus. The research is based on a sample of 230 respondents. The results show that perceived usefulness, perceived ease of use, company reputation, and perceived security have significant influence on consumer trust on online shopping among undergraduate students of UiTM Melaka City Campus. While perceived usefulness do not give impact toward consumer trust on online shopping among undergraduate students of UiTM Melaka City Campus. The strongest relationship is between perceived ease of use and consumer trust on online shopping.

Key words: Online Shopping, Consumer Trust, Perceived Usefulness, Perceived Ease of Use, Company Reputation and Perceived Security

TABLE OF CONTENTS

TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGMENTS	iv
TABLE OF CONTENTS	v – ix
LIST OF FIGURES	x
LIST OF TABLES	xi
ABSTRACT	xii
CHAPTER 1 : INTRODUCTION	
1.1 Introduction	1
1.2 Background Of Study	1-2
1.3 Problem Statement	3-4
1.4 Research Objectives	4
1.5 Research Questions	4
1.6 Significance of Study	5
1.7 Scope of Study	6
1.8 Definition of Terms	6-7
CHAPTER 2 : LITERATURE REVIEW	
2.1 Introduction	8
2.2 Online Shopping	8

2.3 Consumer Trust	9-10
2.4 Theory Model	10
2.4.1 Technology Acceptance Model	10-12
2.4.2 Limitation of TAM	12-13
2.4.3 Extend of Adoption of TAM	13-14
2.5 Factors influencing Consumer Trust on Online Shopping	14
2.5.1 Perceived Usefulness	14-15
2.5.2 Perceived Ease of Use	15-16
2.5.3 Company Reputation	16-17
2.5.4 Perceived Security	17-18
2.6 Theoretical Framework	19-20
2.7 Hypothesis	20
CHAPTER 3: RESEARCH METHODOLOGY	
3.1 Introduction	21
3.2 Research Design	21
3.2.1 Purpose of Study	21-22
3.2.2 Extent of Researcher Interference	22
3.2.3 Study Setting	22
3.2.4 Research Strategy	22
3.2.5 Time Horizon	22
3.2.6 Unit of Analysis	23