

**FACTORS THAT INFLUENCING CONSUMER PURCHASING
BEHAVIOUR AMONG YOUTH'S GENERATION IN MALACCA**

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FACTORS THAT INFLUENCING CONSUMER PURCHASING
BEHAVIOUR AMONG YOUTH'S GENERATION IN MALACA

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**FACTORS THAT INFLUENCING CONSUMER PURCHASING
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Report submitted in fulfilment of the requirement for the degree of Bachelor of
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Faculty of Technology Management and Technopreneurship
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DECLARATION

“I declare that this project is the result of my own research except as cited in the references. The research project has not been published for any degree and is not concurrently submitted in candidature of any other degree.”

Signature :

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ABSTRACT

Nowadays, with the rapid development of Internet technology, online shopping is becoming common and even inevitable among young people in different age. Consumers choose online shopping which is another shopping channel that is more convenient and express than the traditional shopping pattern, and these also attracts more and more people sell products online, from chain store to small individual business .Due to the increasing amount of online sellers, the competition among sellers on the internet will become more and more intense. To stand out, it is useful for sellers to find out what factors affect a potential consumer's purchasing behaviour of online shopping. Consumer behaviour study how consumers choose between products or services when facing more than one alternative. There were two objectives in this study: (1) to investigate the factors influencing online shopping among youth's, (2) To find out to extent the factor influencing youth's to purchase online. To this end, a survey was conducted and the 150 questionnaires were distributed among the youth of different universities and the general public in Malacca. The replies have been analysed by means of frequency distribution, average and chart analysis. From the results of the survey, convenience and save time is significant influence and have moderate positive correlation with consumers' online purchase behaviour. While the three factors including price, trust and website based, are no significant to affect the consumers' online purchase behaviour in Malacca. Thus, it is suggested that online sellers should pay more attention to attract online consumers and increase their trust towards online stores.

ABSTRAK

Pada masa kini, dengan perkembangan pesat teknologi Internet, membeli-belah dalam talian menjadi biasa dan tidak dapat dielakkan walaupun di kalangan anak-anak muda di zaman yang berbeza. Pengguna memilih membeli-belah dalam talian yang merupakan saluran membeli-belah lain yang lebih mudah dan nyata daripada pola membeli-belah tradisional, dan ini juga menarik lebih ramai orang menjual produk dalam talian, dari kedai rantaian kepada perniagaan individu kecil. Ekoran kepada peningkatan jumlah penjual online, persaingan antara penjual di internet akan menjadi lebih dan lebih sengit. Untuk menonjol, ia berguna kepada para penjual untuk mengetahui apa faktor mempengaruhi tabiat pembelian pengguna yang berpotensi untuk membeli-belah dalam talian. Tingkah laku belajar bagaimana pengguna memilih antara produk atau perkhidmatan apabila berhadapan dengan lebih daripada satu alternatif pengguna. Terdapat dua objektif dalam kajian ini: (1) untuk menyiasat faktor-faktor yang mempengaruhi membeli-belah dalam talian di kalangan belia, (2) Untuk mengetahui setakat mana faktor yang mempengaruhi remaja untuk membeli dalam talian. Untuk tujuan ini, satu kajian yang telah dijalankan dan 150 soal selidik telah diedarkan di kalangan belia universiti yang berbeza dan orang awam di Melaka. Keputusan telah dianalisis dengan menggunakan taburan kekerapan, purata dan analisis carta. Dari hasil kajian, kemudahan dan menjimatkan masa adalah pengaruh penting dan mempunyai korelasi positif yang sederhana dengan tingkah laku pembelian dalam talian pengguna. Walaupun ketiga-tiga faktor termasuk harga, kepercayaan dan laman web berasaskan, adalah tidak penting untuk mempengaruhi tingkah laku pembelian dalam talian pengguna di Melaka. Oleh itu, adalah dicadangkan bahawa penjual dalam talian perlu memberi perhatian yang lebih untuk menarik pengguna dalam talian dan meningkatkan kepercayaan mereka terhadap kedai-kedai dalam talian.

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CHAPTER 1

INTRODUCTION

1.0 Background Study

The internet has opened a window of opportunity to almost anyone because of its ability to make viable the conduct of business in cyberspace, or by connecting people worldwide without geographical limitations. Consumer can order goods and services virtually anywhere, 24 hours, 7 days a week without worrying about store hours, time zones, or traffic jams (Li & Gery 2000; Waldo 2000). The internet has also provides new opportunities for marketers by offering the innovative way to promote, communicate and distribute product and information to their target consumer.

According to Forouzan (2003), the “internet” can define as a collaboration of more than hundreds of thousands of interconnect network. More specifically, the internet is a collection of local, regional and national computer network that are linked together to exchange data and distributed processing task through common language and protocols (Jordan et al, 2004).

Internet shopping also has been widely accepted as a way of purchasing products and services it has become a more popular means in the Internet world (Bourlakis et al., 2008). It also provides consumer more information and choices to compare product and price, more choice, convenience, easier to find anything online (Butler and Peppard, 1998). Online shopping has been shown to provide more

satisfaction to modern consumers seeking convenience and speed (Yu and Wu, 2007).

A mid-2005 survey by the Malaysian Communication and Multimedia Corporation (MCMC), only 9.3% of Internet users had purchased products or services through the Internet during the preceding three months. Among those who did so, airline tickets were the most popular items (43.8%) followed by books (15.6%) and music (6.8%). Amounts spent on these items were small, however, with 57.7% of transactions worth less than M\$500. Moreover, it is expected Malaysian online sales will increase every year at a high growth.

According to Forrester Research (2003) the users that regularly buys the product and services online is more than 50 percent. Online shopping in Malaysia is still in the stage of infancy. Research by Gupta (1996), Klein (1998), Westland and Clark (1999), Shim et. al. (2001) found that there are 81 percent of the internet users that browse through the websites do not make a purchase of goods and services through online.

Online shopping in Malaysia is still in the stage of infancy. Research by Gupta (1996), Klein (1998), Westland and Clark (1999), and Shim et. al. (2001) found that there are 81 percent of the internet users that browse through the websites do not make a purchase of goods and services through online. According The Star Online, More Malaysians Shopping Online, the number of Malaysian people shopping online has grown by 12% in year 2011 compared to the year before (55% in 2012). E-shopping increases the number of internet users in Malaysia as it has created awareness in e-commerce as well as making consumer attracted in purchasing goods and services through the internet.

A wide range of changing market trends in combination with the unique nature and influence of youth generation consumers makes it important to understand the market behaviour of this important group (Drake-Bridges and Burgess, 2010; Nicoleta-Dorina and Thedora-Alexandra, 2010; Noble et al., 2009; Smith, 2012). In particular, given the influence of the internet on this consumer

cohort it is valuable to research Generation Y market behaviour as related to the internet (Lester and Lloyd, 2005)

1.1 Problem Statement

Based on Liao and Cheung (2000) “An increasing number and variety of firms and organizations are exploiting and creating business opportunities on the Internet”. Above mention statistics indicate the rapid growth in the field of virtual shopping. With this emerging field of shopping the interest of marketers is also increasing in studying what actually motivates consumers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping.

The popularity of online shopping is best vouched by statistics from Pos Malaysia that delivers the bulk of the purchases. Datuk Rohaiza Hashim, Pos Malaysia’s head of Corporate Communications and Customer Care, describes the growth of e-shopping as phenomenal. Online products delivered to customers in Malacca has grown by 12% in year 2011 compared to the year before (55% in 2012). Significant increases were seen between 25-30% during Ramadan especially during the last two weeks before Hari Raya. In this study, researcher has listed a few major factors influencing purchasing behaviour online among youth’s in Malacca.

In important to competitive edge in the market, marketers need to know the consumer behaviour in the field of online shopping. So it is important to analyse and identify the factors which influence consumers to shop online in order to capture the demands of consumers Umar et al., (2011).

In addition, previous studies have concentrated on online shopping in the world. However, according Bobbit & Dabholkar, (2001) and Goldsmith (2000), there is still a need for a closer examination of the online shopping intention in specific countries. Considering that Internet shopping is still at the early stage of development in Malaysia, little is known about consumers’ behaviour adopting this new shopping

channel and the factors which influence this behaviour (Haque, Sadeghzadeh & Khatibi, 2006)

Also, based on observation and according the previous journal about factors influencing purchasing behaviour online business in Malaysia especially Malacca is still green when compare to other states such as Selangor, Johor and Wilayah Persekutuan Kuala Lumpur or other develop State. There is lack of research especially in publish report or journal about e-business development in Malacca. Recent studies by Ainin Sulaiman et.al (2005) focus about the factors affecting online purchasing in urban area. However, for other states, some of the report saying that there is a few factors facing by the online business company in using World Wide Web (WWW) in their e-business.

1.2 Research Question

Research questions are posed to obtain the relevant information required to fulfil the objectives. The purpose of this research was to identify factors influencing the purchase behaviour of youth's when buying product online in Malacca. The proposed questions to be answered in this research are as follow:

RQ1: What are the factors influencing youth's to purchase online?

RQ2: To what extent do the factors influencing youth's to purchase online?

1.3 Research Objective

This study aims at addressing the factors affecting online shopping behaviour of youth generation. Three objectives were set up for achieving the goal and to better define the focus of this study. They are:

1. To investigate the factors influencing online shopping among youth's?
2. To find out to extent the factor influencing youth's to purchase online?

1.4 Scope of study

In this study, researcher focus to at youth's age in Malacca who had online shopping experience were chosen as study subjects in order to provide a broader scope for the project. Consumers at youth age were selected as the target group since online shopping is becoming common among youth ages of people. Experienced online shoppers can provide useful information during the study of factors affecting their online purchasing behaviour.

In Malaysia, as reported by Haque and Khatib (2003), most internet users are youths (15-20 years old; 50 per cent) and young adults (20 - 29 years old; 39 per cent). These groups of users consist of those between 15 – 29 years of age, in which most of them are students in secondary schools and universities. Thus, students in tertiary education, especially those who have knowledge in ICT and e-business, have significant influences to online market.

In additional according Mohd Suki,(2006) demographically, most of the internet users are the youngsters whom are wealthy along with higher education .Majority of the internet users are of teenager and university students. Also according the Malaysian Communications and Multimedia Common in Statistical Brief Number Fifteen Internet User Survey 2012, the internet users in Malacca only 3.9% in 2012 compared to other state in Malaysia.

Based on previous journal even though Malacca states are one of the small states in Malaysia, but the development in information structure is massive compare to other state. The pattern of people in Malaysia is now following the trend slowly in buying product or service by online. The study shows that young generation living in small states such as Malacca have fully accommodated with internet access can give high to shop an online shopping. It cause by factors such as convenience, website based, trust and price.

1.5 Limitation of the study

In this study, the researchers found some limitations that need to be faced in conducting this study. Based on the previous journal, researcher has some limitations when conduct the research.

The first limitation maybe researcher encountered some problems in the process of collecting information and data for this research work that is to get respond from respondent. This is because the respondents cannot give full cooperation when the researchers distribute the questionnaire. One of the reasons the respondents does not give full cooperation because the respondents get rushing.

Second, maybe in this research when analysis data got some respondent not fulfil the questionnaire and that makes the questionnaire was not valid. Also because of researcher using questionnaire as data gathering tools, the respondents may not answer the questions exactly according to what they think and behave.

Third problem is the researcher's just focus on specific youth's generation. But some respondents in shopping mall consist of many different generations. Researcher cannot and difficult to identify youth generation.

Next, as researcher discussed before, there are many factors affecting on online shopping behaviour. But in this study because of time and cost constraints researcher didn't examined all factors influencing on online shopping behaviour of youth generation in Malacca. It is obvious that is other state people have different characteristics and behaviours. Then result of this study may have lack of generalizability to other states in Malaysian and more focus at Malacca only.

Lastly, maybe the methodology of this study for analysing the data may not be able to fully assess the online shopping behaviour of consumers based on discussed variables.

1.6 Significance of the study

This study is to determine the relations between variables that affect the buying behavior of youth generation on online shopping in Malacca. Understanding of variables such as convenience and save time, price, and trust and website based will be able to help further understand on how these variables affect the consumer purchasing behaviors of youth generation.

Today, the success of any firm depends upon the satisfaction of consumers and group segmentation such as youth generation. To satisfy the youth, the firm should know about the behavior of the youth. In these circumstances, understanding consumer such as youth is a very difficult task because of the changing technology, innovation, and changes in life style.

Studying the factors consumer purchasing behaviour online shopping is important because it will enable online seller and buyers to better focus efforts where can get the results their want. Online seller or retailer will provide the consumer with better goods and services when know the factors influences to purchase online shopping product. Better goods and services results in more sales and therefore more profit. Not only is it important to improve goods and services, it is necessary to know what type of products and what type of service to offer to youth's generation .

It is also important in industry and business for higher gain and productivity and to improve the quality of products to achieve the goals of the company online seller. Consumers such as youth generation have needs and wants, and researcher objective is to identify the need and create the want by factors purchasing behaviours online shopping. Online seller ultimate goal is to influence consumer behaviour and convert this into profits for their company. Businesses that can predict consumer behaviour will have the edge over their competitors. To predict consumer behaviour requires knowledge of their values, goals and lifestyle. Companies with this asset use it to develop better strategies, and are better able to win over consumers.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter contains the literature covered during the review. According Henning, Van Rensburg & Smit,(2004) the latter indicates the importance of the researcher's contribution to the production and interpretation of knowledge in a domain . The purpose of the literature study is to look at past work in order to develop meaningful insights into to research area that is being examined. It is further more used to contextualise the research study at hand in order to argue a case by Henning et,al, (2004). A through literature review lays the foundation for the present research and enable the researcher to put forward a valid argument, providing evidence of what has already been done in the subject area.

2.1 Online Shopping or Online Stores

Shopping is an activity, a part of consumer's everyday life. Consumer may also want to experience shopping, to know about the products and services as well as which channel that best suited the group of customers by Rowley and Slack (1998) Grain (1996), MacMillan (1997), Cheeseborough and Teece (1996). In online shopping, consumer purchases are based on product information, product offering, images and pictures of the product in comparison with traditional shopping which the consumer is able to taste, touch and smell the products.

Online shopping has become so popular that consumers spent millions purchasing online products. Online Shopping is defined as the process a customer takes to purchase a service or product over the internet. In other words, a customer may at his or her leisure buy from the comfort of their own home product from an online store.

Compared to physical stores, online stores have many advantages. They are convenient and time saving and no more traveling and waiting in lines is needed. They are open in all time and they are accessible anytime and anywhere. These stores provide consumers with free and rich information about products and services. They also have some online tools to help consumers compare and make purchase decisions among various products and services. Hoffman and Novak (1996) indicated that interactivity is the key distinguishing feature between marketing communication on the Internet and traditional mass media.

Today online consumers have more control and bargaining power than consumers of physical stores because the Internet offers more interactivities between consumers and product/service providers as well as greater availability of information about products and services. Geissler and Zinkhan (1998) claimed that the Internet shifted the balance of power in favor of consumers as it became very easy for them to make shopping comparisons and evaluate alternatives without being

pressured by salespeople. Online stores reduce transaction costs and have advantage for both consumers and vendors.

However, online stores also have disadvantages compare to brick-and-mortar stores. In online stores customers can't have any sense about the product they see in the internet (seeing, touching, tasting, smelling, and hearing) as they search for and purchase products. In online stores, consumers may develop low trust and perceive elevated risk highly because of the lack of face-to-face communication. Although, this is difficulty can be reduced by using certain software tools such as the online recommendation agent (Häubl and Murray, 2003, Xiao and Benbasat, 2007) and the online negotiation agent (Huang and Sycara, 2002, Huang and Lin, 2007).

A study by Forrester Research Inc. investigated the top reasons why young consumers do not shop online found that credit card security concern was the most important deterrent to online shopping. Other reasons included inability to see and touch the product, not trusting that online ordering will go smoothly, having concerns about giving out personal information, and the added expense of shipping by George (2004), Swinyard and Smith (2003), Zhou et al., (2007).

2.2 Youth generation towards online shopping

According Taylor and Cosenza (2002) youth generation, known as “echo boomers,” consists of about 56 million people and according Scott (2006) is the largest consumer group in U.S. history .This cohort continues to grow as a powerful buying group and as consumers they “love to shop” (Taylor and Cosenza, 2002). The sheer magnitude of this generation has a profound effect on the retail industry (Kim and Ammeter, 2008). As generation Y College students graduate and enter the work force, their earning potential will make them even more important as a consumer group. The ample purchasing power and technological savvy of this consumer population will play a large part in determining whether online retailers succeed over the long term (Hanford, 2005).

Youth generation has been the focus of a great deal of research related to their marketplace activity. Generally, online shoppers tend to be younger than online non-shoppers. Although larger percentages of older generations are online now than in the past, young people still dominate the online population, according to Pew Research Center's Internet and American Life Project surveys taken from 2006-2008 (Jones and Fox, 2009). Not only is the younger generation more familiar with e-commerce, they also process website information five times faster than older generations by Kim and Ammeter (2008) and O'Donnell (2006). Still, there are some members of the younger generation who do not like to shop online, primarily because they do not feel secure when purchasing online (Sullivan, 2004).

Online shopping holds a great potential for youth marketers. According to Vrechopoulos et al (2001) young are the main buyers who used to buy products through online. Dholakia and Uusitalo (2002) study examined the relationship between age and Internet shopping; found that younger consumers reported more linen to the online shopping.

2.3 Online Purchase Behaviour

According Liang and Lai (2000) online shopping behaviour also called online buying behaviour and Internet shopping or buying behaviour refers to the process of purchasing products or services via the Internet. The process consists of five steps similar to those associated with traditional shopping behaviour. In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the Internet and search for need-related information. However, rather than searching actively, at times potential consumers are attracted by information about products or services associated with the felt need. They then evaluate alternatives and choose the one that best fits their criteria for meeting the felt need. Finally, a transaction is conducted and post-sales services provided. Online shopping attitude refers to consumers.

Also according Haubl and Trifts (2000) online shopping behaviour is defined as a shopping activity performed by a consumer by means of computer based interface, where the consumer's computer is connected to and can interact with a retailer's digital storefront.

The rapid development of internet and e-commerce has influenced the objective for browsing and surfing the internet of consumers by Soopramanien and Robertson (2007) and collecting product information (Moe and Fader 2004). The purchase behaviour of online consumers is different from those in traditional shopping environment (Alba, 1997). The online shopping environments persuade consumers to look for products that enhance the utilitarian and hedonic aspects of shopping (Ha and Stoel 2009).

2.4 The factors of consumer purchasing behaviour online shopping

There are many factors influences and affect customers in related to how consumers make purchasing behaviour. The purchasing behaviour process starts long before actual purchase and continues long after. Usually in more routine purchases, consumers often reserve or skip some of purchase decision process (Kotler & Armstrong, 2004). But as mentioned above, researchers have selected four factors after reading literature in the field on consumer buying behaviour towards online shopping.

2.4.1 Conveniences and save time

According Lee (2000) convenience and saved time were offered by online shopping which were two motivating factors for online purchase. The main reason that motivated consumers to shop online was conveniences (Swaminathan et al., 1999). Convenient access to product information could facilitate and help shoppers'

making an online purchases decision Loshe & Spiller, (1999). Another study by Sorce et al. (2005) found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

Also according Eastlick and Feinberg, (1994) the key behind online shopping is due to the convenience. The tool that measures convenience is by effort savings such as easy to find products and location for example easy to find locate store and finding parking space by Lindquist, (1974). In virtual shopping, the characteristic of conveniences in the sense that product is delivered on time, easy to make order, and product is displayed accordingly (Lohse and Spiller, 1998). Another reason that influence e-shoppers buying decision is due to the ease of ordering (Eastlick, 1989; McDonald, 1993).

Based on the study conducted by A.C.Nielsen Research, the reasons why consumers shop online over the Internet (McGann, 2004) convenience is the most prominent factor that motivates consumers to shop online. The timing, location and purchasing process through the Internet are much more superior to other traditional methods of purchasing goods and services (Hanson, 1999). The 24-hour availability of online storefront and accessibility from almost any location makes online shopping more convenient to consumers and provides consumers with a powerful alternative channel for making purchases.

On the plus side, according MasterCard Worldwide Insights (2008) online stores are available 24/7, unlike traditional retailers, and can be accessed from the convenience of one's own home, second searching and browsing for product online is often quicker than in a physical store, although consumers with dial-up internet access may have trouble accessing content rich website quickly.

According Wang et al., (2005) empirical research shows that convenient of the internet is one of the impacts on consumers' willingness to buy online. Online shopping is available for customers around the clock comparing to traditional store as it is open 24 hours a day, 7 days a week (Hofacker, 2001 and Wang et al., 2005). According The Tech Faq, (2008) research shows that 58 percent chose to shop online because they could shop after-hours, when the traditional stores are closed and 61

percent of the respondents selected to shop online because they want to avoid crowds and wailing lines, especially in holiday shopping. Consumers not only look for products, but also for online services. Some companies have online customer services available 24 hours. Therefore, even after business hours, customers can ask questions; get necessary support or assistance, which has provided convenience to consumers (Hermes, 2000). Some customers use online channels just to escape from face-to-face interaction with salesperson because they pressure or uncomfortable when dealing with salespeople and do not want to be manipulated and controlled in the marketplace (Goldsmith and Flynn, 2005 and Parks, 2008).

Next, according Darian (1987) mention that online shoppers carry multiple benefits in terms of convenience, such as less time consuming, flexibility, very less physical effort and Bhatnagar and Ghose (2004) claims for convenience as one of the most important advantage for online shopping. According to the Robinson, and Riley (2007) the major motivation for online purchasing is convince in terms of shop at any time and having bundles of items delivered at door step. Rohm and Swaminathan's (2004) findings about "convenience and variety seeking" are major motivating factors of online shopping and this study is consistent with Morganosky and Cude's (2000) research findings. Webcheck's (1999) study shows that convenience factor is one of the biggest advantages of online shopping.

2.4.2 Trust towards online shopping

Buyers and sellers develop a degree of trust between each other. Sellers should trust in their customers in that they are able to choose goods and services, purchase them, and pay for them. On the other hand, customers should trust in sellers in that they can provide their needed goods and services and are able to distribute (or deliver) them if necessary (Zargar, 2001). To maintain the business relationship and reach the goal between sellers and buyers, trust is a necessary factor. When people trust in each other, it means that they keep their promises they made during their business relationship.

In the virtual market environment, buyers usually see pictures of their goods to be purchased, not the goods themselves. Many promises about the quality of goods and services are made. In the e-commerce like online shop environment, since it is very hard to take legal actions against sellers or customers in case of any fraud or dispute, therefore, trust is highly important in conducting e-business transactions. When the consumer placing an order in the internet which customer needs to provide financial information and other personal data, enough trust is needed to exist for the transactions to carry on (Eggert, 2006)

According Gefen, Rose, Warkentin & Pavlou, (2005) therefore, trust can be regarded as the foundation of trade and it is crucial in many economic exchanges, especially in the online environment. The success of e-commerce needs consumers to trust the virtual environment. In short, online retailers need to show that they can cater to customers' individual concerns. Clearly communicated return policies and trustworthy customer testimonials are one way to do this. They help to build trust, in the absence of face-to-face assurances

Studies by Mayer et al., (1995) and Hoffman et al., (1999) reveal that trust and consumer motivation have significant relationships. Other studies found that a high level of trust by buyers stimulate favourable attitudes and behaviour (Anderson and Narus, 1990). A consumer's trust in an Internet store can be thought as the consumer's trust directly in the store. Nevertheless, Hoffman et al (1999) argued that the effectiveness of third-party trust, certification bodies and the public key encryption infrastructure for ensuring financial security, are the central success factors for building consumer trust in Internet shopping. Kini and Choobineh (1998) suggested that trust in the Internet business is necessary, but not sufficient, for an Internet buying behaviour to take place. The consumer must also trust the transaction medium for online shopping.

According Coulter and Coulter (2002), customer trust can be defined as a set of beliefs held by an online consumer concerning certain characteristics of the e-supplier, as well as the possible behavior of the e-supplier in the future .Lee and Lin (2005) suggested that trust encourages online purchasing and affects customer attitudes towards purchasing from e-retailers. Loyalty contributes to the on-going

process of continuing and maintaining a valued and important relationship that has been created by trust (Chaudhuri and Holbrook 2001). Cyr (2008) found website trust is strongly related to loyalty in Germany and China, but weakly related in the case of Canada. In addition, Kim et al. (2009) conducted a longitudinal study in the U.S and found that online customer trust is strongly related to loyalty.

Also according to Prabhaker (2000) the bond of trust, especially in the depersonalised setting of the internet is very fragile. If that trust is broken, no matter how or who is responsible for that break, the sale will not be realized and no online purchase will be made. Thus, as long as customers are uncomfortable about business knowing too much about them, it will be difficult for the internet to reach its full potential in term of online shopping.

2.4.3 Website based

Based on Syed et al (2008) Web-based factors influence online purchasing behaviour either positively or negatively. According Ranganathan and Ganapathy (2000) found four key dimensions of online shops web sites such as information content, web design and other. On the other hand, Zeithaml et al. (2002) suggest that entertainment criteria identified in the studies of more general websites are not relevant in the online purchase context. Shergill and Chen (2005) found that website design quality was an important issue in customer satisfaction. When the customers satisfied with the website quality, this will increase their involvement in online purchasing.

In the academic literature, website quality has generally been recognized as a critical factor to drive business online. As such, numerous studies have been devoted to website quality and evaluations (Bai et al., 2008). E-marketers need to address web-based factors which are significantly affecting buyers' online purchase behaviour, especially among young consumers. Young consumers are playing an important role in online shopping and this provides an emerging prospect for online retailers found by Syed et, al (2008). According Feller (2003) Particular to the

behaviours of online consumers, skills in information and communication technology (ICT) and age has been found to be strongly related to adoption and use of information systems, including online retailing web-based systems.

Based on website quality, Ruchi et al (2010) suggested that navigation and content are the most sought after factors consumers are looking for when dealing with a web-site. Categorization of information, colour usage, layout or space usage, graphics usage, establishing website's identity and presentation of information are also the important factors.

Website design one of the important factor motivating consumers for online shopping. Almost 100,000 on-line shoppers's surveyed by Reibstein, (2000) shows that web site design was rated as important factor for online shopping. Another study conducted by Zhang, Dran, Small, and Barcellos (1999, 2000), and Zhang and Dran (2000) indicated that website design features of the website are important and influencing factors that leads consumer's satisfaction and dissatisfaction with a specific website.

The web site design describes the appeal of the user interface design that will increase the willingness of customers to visit a website more often and to stay longer with the site. Content on the web includes text, pictures, graphics, layout, sound, motion and, someday, even smell, making the right web content decisions are critical to effective web design. While studies start to explore marketing strategies that attract visitors to websites, how to convert web surfers to repeat visitors is a not well-understood study by Rosen & Purinton, (2004). In their study they identified underlying dimensions of effective website design and provide insight into site design characteristics that lead to a higher likelihood of revisit. Website features such as hyperlinks, navigation bars and sitemaps provide flexible feature by allowing user to browse in a non-linear fashion and the ability to jump to different parts of the website without backtracking.

Also, information quality one the part website based or quality and refers to the amount, accuracy and the form of information about the products and services offered on a web site (Nusair et al., 2008). The initial purpose of the website is to

attract the attention of the potential customer through a myriad of product and services that offer value (Smith, 2004). Website presentation will ensure potential customer to be initially drawn in, but the website content is still the critical issue in online purchase. Fancy design and presentation will only draw at the initial stage but without good valuable content, consumers might likely to venture elsewhere.

The internet has made the data accessing easier according Wang et al., (2005). Given customers rarely have a chance to touch and feel product and service online before they make decision, online sellers normally provide more product information that customers can use when making a purchase (Lim and Dubinsky, 2004). Customers put the weight on the information that meets their information needs (Keency's, 1999). In addition to get information from its website, consumers can also benefit from products' reviews by other customers. They can read those reviews before they make a decision.

Information quality is defined as the customer perception of the quality of information about the product or service that is provided by a website by Park and Kim (2003). Website content quality has been argued to be an antecedent of online customer trust (Mcknight et al. 2002). In addition, Park and Kim (2003) found that the information quality affects customer satisfaction directly. The study by Cyr (2008) found different results for different cultures. Cyr found that while information design significantly influences trust in Canada, but not in Germany and China, it significantly influences website satisfaction in all three cultures.

2.4.4 Price

Next the factor that influences consumers to shop online is the competitive prices and deals offered by online retailers. The simplest reason for consumers to purchase online is to save money from the cheaper prices offered by online retailers compared to traditional channels. Online retailers are able to offer cheaper prices because of the shrinking cost of information processing, lower operating cost and global reach provided by the Internet (Rowley, 2000). Another main reason that

cheaper prices are offered to online shoppers is because of competitive pressure, especially from new online retailers. New online retailers use price as a main competitive weapon to attract customers (Hanson, 1999).

Consumers' price sensitivity refers to the importance of price in making purchase decision (Hansen & Sorensen, 1993). Price, one of the major factors to consider before consumer making purchase decision earlier research showed that consumers are sensitive with product's price when they buy green products (Mandese, 1991). However, study conducted by Jacoby and Olson (1977) showed opposite findings, customers were first interested with brand then price was next. Also, research done by Grunet and Kristensen (1992) shown that 60% of consumers are willing to pay a premium for ecological products. In addition, recent findings by Roos and Nyruud (2008) showed green consumers are less price sensitivity compared to non-green consumers.

The degree that consumers distinguish and react to price levels and price changes is price sensitivity (Goldsmith et al, 2005). Price sensitivity can work as an indicator of how much a consumer willing to pay. Therefore, price has an important effect on consumers' purchase behaviour and as a result on sales and profits of the business (Han et al, 2001).

Also, because online shopping customers are often offered a better deal, they can get the same product as they buy at store at a lower price (Rox, 2007). Since online stores offer customers with variety of products and services. It gives customers more chances to compare price from different websites and find the products with lower prices than buying from local retailing stores (Lim and Dubinsky, 2004). Some websites, Ebay for example, offer customers auction or best offer option, so they can make a good deal for their product. It also makes shopping a real game of chance and treasure hunt and makes shopping a fun and entertainment (Prasad and Aryasri, 2009). Again, since online shopping can be anywhere and anytime, it make consumers' life easier because they do not have to stuck in the traffic, look for parking spot, wait in checkout lines or be in crowd in store (Childers et al., 2001). As such, customers often find shop from the website that is offering convenience can reduce their psychological costs (Prasad and Aryasri, 2009).

Price was a critical factor for customer on online shopping (Heim and Sinha, 2001). However, Li et al. (1999) argued that often online shoppers were not price-sensitive, cause of these consumers' price comparisons among different e-retailers on each product was time consuming and the price difference was very small.

2.5 Theoretical Framework

In this study also introduces the theoretical framework used for the research. According Henning et al., (2004) a theoretical framework is important as it positions you're in the discipline or subject in which you are working and enables you to theorise about your research. Furthermore, it reflects the stance the researcher adopts in this research. The theoretical framework in this study contains constructs that have demonstrated literature support, based on a number of research done in this area, particularly online shopping on end-user perspective (refer to Figure 2.5). The research framework examines the factors that affect online. The research model is shown at Figure 2.5.

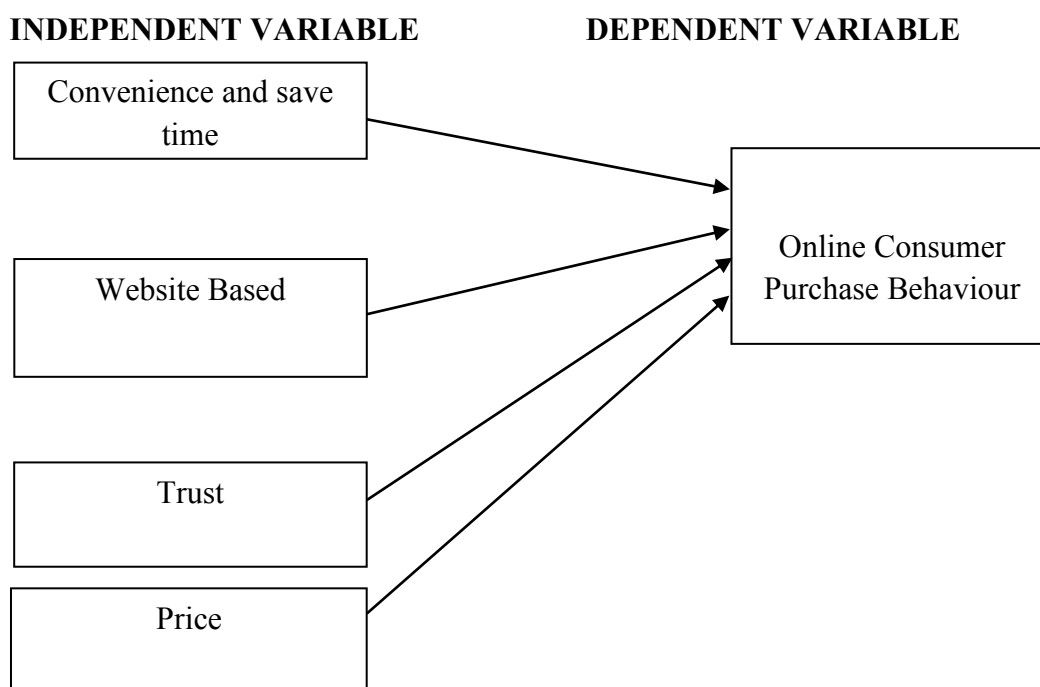


Figure 2.5.A Conceptual Framework of factors influencing youth's generation in Malacca to purchase online shopping.

The theoretical framework above shows the relationship between the dependent and independent variables. Essentially, the theoretical framework shows above is the foundation on which the entire research is based upon. Online shopping is the dependent variable in this research. The dependent variable is analysed in this research in order to find out the answers or solution to the problem. Meanwhile, the independent variables in this research are convenience and save time, website based, price and trust. The independent variables are believed to be the variables that influence the dependent variable (online shopping purchasing behaviour) in either a positive or a negative way.

2.6 Summary

In this chapter, the literature concern about the consumer purchase behaviour especially the consumers' online purchase behaviour was reviewed. Based on these theories, the online purchase behaviour was studied. Both factors that affect online consumers' purchase behaviour were identified in many previous studies. Literature review was carried out on convenience and save time, website based, trust and price. Also provide the theoretical framework.

CHAPTER 3

RESEARCH METHODOLOGY

3.0 Introduction

This chapter covers an overview of methodology used in the study. The discussion in the chapter is structured around the research design, qualitative or quantitative research, and location of the research and research strategy. Population sampling, data collection and data analysis also discussed.

According to Polit and Hungler (2004), methodology refers to ways of obtaining, organising and analysing data. Methodology decisions depend on the nature of the research question. Methodology in research can be considered to be the theory of correct scientific decisions (Karfman as cited in Mouton & Marais 1996).

In this study methodology refers to how the research was done and its logical sequence. The main focus of this study was the explanatory to study that the relationship between variable. Therefore the research approach was quantitative

Mouton (1996) describes methodology as the means or methods of doing something. According to Burns and Grove (2003), methodology includes the design, setting, sample, methodological limitations, and the data collection and analysis techniques in a study. Henning (2004) describes methodology as coherent group of methods that complement one another and that have the ability to fit to deliver data and findings that will reflect the research question and suit the researcher purpose. According to Holloway (2005), methodology means a framework of theories and principles on which methods and procedures are based.

3. 1 Research Design

“A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In fact, the research design is the conceptual structure within which research is conducted. According Selltitz, et.al 1962 it constitutes the blueprint for the collection, measurement and analysis of data. Thus research design provides an outline of what the researcher is going to do in terms of framing the hypothesis and the final data analysis.

The research design in this study is survey research by descriptive method or explanatory studies. Explanatory studies that the causal relationship between variables. Researcher has taken explanatory because researcher's includes the knowing of the relationship between the consideration factors and purchasing behaviours toward online shopping.

3.2 Methodological choices

In general two types of research methods are being used quantitative and qualitative. Researcher would like to go for quantitative method in this research as it is a precise way. According to Creswell (1994) time is vital attribute for decision making while selecting research method. Saunders, Lewis, and Thornhil (2000) suggests that quantitative research can be faster as compare to qualitative as it is possible to forecast the time schedule, whereas qualitative can be relatively long in duration.

Use a quantitative methods may use either a deductive approach or all about theory testing. It also because this research is want to study the relationship of purchasing behaviour between variable as convenience and save time, website based, trust, and price and will use statistical analysis that will testing the hypothesis of the research. Data in questionnaire produce use numerical and numeric stage that represents each scale of number.

According Bogdan & Biklen, (1998) based on quantitative aspect, the goal of research is “collecting facts of human behaviour, which when accumulated will provide verification and elaboration on a theory that will allow scientists to state causes and predict human behaviour” and qualitative research is to “better understand human behaviour and experience grasp the processes by which people construct meaning and to describe what those meaning are”. In more succinct terms, the goal of quantitative research can be to show relationships between variables, statistical description, establishing facts (Bogdan & Biklen, 1998), validation (Krathwohl, 1998), prediction and control (Gage, 1989), and testing hypotheses (Gall, et al., 1996).

3.3 Research Strategy

3.3.1 Hypothesis test

Both factors affect consumers' purchasing behaviour when shopping online. These factors also affect the repeat purchasing behaviour of online consumers. In this study, the demographic background of consumers also be considered in the analysis, and they include age, monthly income and online shopping frequency and expenses.

The following figure explains the relationship between the factors and the online consumer purchase behaviour. Therefore, there were totally four hypotheses drawn:

1. Price

Hi: Price has an influence on online consumer purchase behaviour

Ho: Price has no influence on online consumer purchase behaviour

2. Trust

Hi: Trust has an influence on online consumer purchase behaviour.

Ho: Trust has influence on online consumer purchase behaviour.

1. Convenience and save time

Hi: Convenience and save time has an influence on online consumer purchase behaviour.

Ho: Convenience and save time has no influence on online consumer purchase behaviour.

1. Website based

Hi: Website based has an influence on online consumer purchase behaviour

Ho: Website based has no influence on online consumer purchase behaviour

3.3.2 Questionnaire design

Questionnaires are an efficient method of data collection when the researcher knows exactly what should be asked and how to measure the variables of interest in order to achieve relevance and accuracy (Sekaran 2000; Zikmund 1997). The questionnaire development process in this study is divided into a number of steps and guided by the objectives of the study (Aaker, Kumar & Day 1998; Dilman 1978). In order to create questionnaire, the basis were built by deciding on the main variables that needed to be investigated.

The first part of the questionnaire included questions about the demographic characteristics of the respondents such as age, gender, occupation, education, and monthly income. Second part is pattern of customer purchasing behaviour online of the respondents such as level of online shopping experience, kind of product purchased through online and main reason for online shopping

The third part consisted of questions measuring all the dependent and independent variable to measure the online shopping. All the questions were utilizing on a Likert scale ranging from 1= strongly disagree to 5 = strongly agree.

Questionnaire layout

Questionnaires are designed to be brief, neat, attractive, and easy to follow with the objectives of obtaining accurate data, minimizing respondent fatigue, increasing completion rates, and keeping respondents interested throughout the survey (Zikmund 1997). A total design approach, combining both theoretical and practical considerations, was used to get effective results in this study. The

questionnaire was designed in such a way that it motivated respondents to participate and complete the survey by using simple and easy to follow layout design (Malhotra et al. 1996; Salant and Dillman 1994). The longest time required for any respondent to complete this survey should be under 10 minutes. The University of Southern Queensland was named as the sponsor of this study and the names of the researcher's academic supervisors were added to help increase both the credibility and the legitimacy of the survey.

According to WaiChingleung, questionnaire should fulfil two main objectives: to maximize the response rate and to obtain accurate relevant information for our research (Leung, 2001). Personalized cover letter was included in which it was explained why are asking these questions and the importance of the respondents' participation, who is responsible for the survey and was guaranteed of confidentiality. Questionnaire was designed in such a way that all questions are arranged in general to particular, easy to difficult, start with closed format questions, only relevant question are asked to maximize the response rate.

To make more ease to our respondent, closed format style questionnaire include checklist questions which included maximum extend asking respondents to tick one or multiple choice depending on the type of question. Ambiguous question are avoided such as many, few, good, bad, frequently etc. these kinds of answer make two problems; introduce response bias and make the statistical analysis of the data difficult. The following will represent and discuss the results of the survey based on the 150 active internet users among youth who actually participated and filled the questionnaire.

Two types of mechanism were practiced to send the questionnaire to respondents: online link at Google docs and hand delivery. Subjects were requested to e-mail the filled questionnaire back to the researcher, go through the provided link of Google docs and submit or provide the hard copy filled questionnaire.

3.4 Primary data sources

There are two ways to collect data, when collecting data to approach the purpose of a research. Primary data is gathered for a particular research (Gilbert A Churchill, 2009, p. 142). Primary data can be collected through interviews, observations, experiments and questionnaire.

In research, the main concern is to collect primary data and analyse questionnaire and respondents in order to analyse factors involved in online shopping purchasing behaviour and how these are related to respondents. According to Sekaran (1992) questionnaire is a simple data collection tool because a lot of data can be gathered in a short period of time. The primary data is conducted in a way that it will be able to approach the research and conclude answers to research questions. It is the most popular method used when the population and sample size are large. In Chapter 4, Questionnaire will be explained in more detail.

3.5 Secondary data sources

On the other hand, secondary data is data collected from any sources that has been published already in any form is known as secondary data published research or printed material. Secondary Data already exists; it was gathered for previous purpose. It is not gathered for particular basis study. These data are usually from researchers who have studied the same or similar topic as the researcher conducting the current research. Good sources of secondary data sources are journals, newspapers, magazines and online websites. Major advantages of obtaining information using the secondary sources are because such information is usually easier and cheaper to obtain. The downside of secondary sources, the information can be obsolete and not meet the specific need of the researcher

3.6 Data analysis method

After collected the data from the respondents, SPSS2.0 for windows was used for data analysis, primary data analysis and descriptive statistics, Primary data analysis and descriptive statistics show the sample sizes, frequencies and percent variables. They are used for describing the demographic data, the profile of respondents are described.

The tool that researcher will use for data analysis is a 5 Point Likert Scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree). The Likert scale is a scale that is commonly used for questionnaires, and is mostly used in survey research. This research is also survey based research so it would be easy for us to interpret the analysis. The advantage of using likert scale can be to create interest among respondents as according to Robson (1993) as likert scale can be interesting for users and they often enjoy completing a scale like this. Another advantage can be simplicity as Neuman (2000) suggests the real strength of Likert scale is the simplicity and ease of use

3.7 Location of research

Scope of the study report is limited to survey area in Malacca. Respondents in selected area to distribute the questionnaire are shopping centre and university.

3.8 Population and sample

A population in this research is comprised of youth generation in Malacca. This research are where focus to youth generation such as student and workers in Malacca that who are have experience and know about online shopping.

This research study shall focus mainly on the factors influencing youth generation in Malacca to purchase online shop. Hence, the questionnaire will be designed targeting on youth in Malacca. The population in Melaka is 842,500 as of at year 2012. The population consists of Malay 65.7%, Chinese 26.2% and Indian 6.2% (Portal Kerajaan Negeri Melaka, 2012).

The total of the sample size would be 300 respondents. A self-administered questionnaire will be distributed to 150 respondents. Hair et al. as cited by Raoprasert and M.N.Islam. (2010) recommended minimum samples size of 100-150 to ensure the stable Maximum Likelihood Estimation (MLE) solution. Respondents will be randomly identified based on their online purchasing behaviour

3.9 Validity and reliability

3.9.1 Validity

Validity and reliability were considered carefully in this study. Validity refers to the accuracy of measurement, whether the conceptual and operational definitions are truly a reflection of the underlying concept to be measured (Burns & Bush 1995; Neuman 1994).

3.9.2 Reliability

Refers to the degree to which measures are free from error and yields consistent results from the study (Zikmund 1997; Mahhotra et al. 1996). The results from this study must not only be reliable but they must be valid and practical in terms of operational requirements. Cronbach alpha Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale; it is expressed as a number between 0 and 1. Internal consistency describes the extent to which all the items in a test measure the same concept or construct and hence it is

connected to the inter-relatedness of the items within the test. Internal consistency should be determined before a test can be employed for research or examination purposes to ensure validity. In addition, reliability estimates show the amount of measurement error in a test.

Cronbach's Alpha reliability co-efficient normally ranges between 0 and 1 however; there are actually no lower limit to the co-efficient. The closer Cronbach's Alpha co-efficient is to 1.00 the greater the internal consistency of the items in the scale. Cronbach's Alpha is calculated by following formula:

$$\text{Cronbach's Alpha} = \frac{rk}{[1 + (k - 1) r]}$$

Where k = number of items considered

r = the mean of the inter-item correlations.

Table 3.9.2.1: Cronbach's Alpha reliability co-efficient

Sources: George & Mallory (2003)

A	> 0.90	Excellent
B	0.80 - 0.89	Good
C	0.70 - 0.79	Acceptable
D	0.60 - 0.69	Questionable
E	0.50 - 0.59	Poor
D	0.50 - 0.59	Unacceptable

3.10 Pilot Test

Pilot test was done prior to the actual research. This is involved 30 respondents in order to ensure that the questions are understandable by the actual respondents. It was also aimed to determine the reliability alpha for each instruments used beside to achieve research precise research objectives. Moreover, pilot test allow researcher to improve the scarifying that existed in questionnaire form and to make sure that the items was suit with the study's requirement. Below are the results of each question:

Table 3.10 : Validity of 30 respondents for pilot test

Variable	Pearson Correlation	r Product Moment	Validity
X1.1	0.705	0.361	Valid
X1.2	0.736	0.361	Valid
X1.3	0.634	0.361	Valid
X1.4	0.803	0.361	Valid
X1.5	0.542	0.361	Valid
X1.6	0.855	0.361	Valid
X1.7	0.555	0.361	Valid
X1.8	0.696	0.361	Valid
X2.1	0.751	0.361	Valid
X2.2	0.717	0.361	Valid
X2.3	0.856	0.361	Valid
X2.4	0.801	0.361	Valid
X2.5	0.506	0.361	Valid
X2.6	0.695	0.361	Valid
X2.7	0.856	0.361	Valid
X2.8	0.734	0.361	Valid
X2.9	0.776	0.361	Valid
X3.1	0.563	0.361	Valid

X3.2	0.690	0.361	Valid
X3.3	0.643	0.361	Valid
X3.4	0.817	0.361	Valid
X3.5	0.806	0.361	Valid
X3.6	0.750	0.361	Valid
X3.7	0.749	0.361	Valid
X3.8	0.733	0.361	Valid
X3.9	0.712	0.361	Valid
x.4.1	0.645	0.361	Valid
X4.2	0.881	0.361	Valid
X4.3	0.724	0.361	Valid
X4.4	0.676	0.361	Valid
X4.5	0.831	0.361	Valid
X4.6	0.721	0.361	Valid
X4.7	0.723	0.361	Valid
X4.8	0.636	0.361	Valid
X4.9	0.776	0.361	Valid
X4.10	0.642	0.361	Valid
X4.11	0.637	0.361	Valid
Y1.1	0.745	0.361	Valid
Y1.2	0.729	0.361	Valid
Y1.3	0.808	0.361	Valid
Y1.4	0.465	0.361	Valid

From the pilot test, all the items are valid. This is because the values are greater than the critical value for N=30 which are 0.361 mean the indicator in this pilot test for this study. The values are comparing based on Pearson Product Moment Table. Thus, all items can be included in further questionnaires.

Table 3.11: Interpretation of reliability based on Cronbach's alpha for 30 respondents

Variable	Cronbach's alpha	N of Items	Result
Price	0.836	8	Good
Convenience and save time	0.897	9	Good
Trust	0.881	9	Good
Website based	0.904	11	Excellent
Online purchase	0.635	4	Questionable

Table 3.11 shows the Interpretation of reliability based on Cronbach's alpha for 30 respondents. Based on table the Cronbach's alpha value of price, convenience and save time and trust is 0.836, 0.897 and 0.881 respectively which are good. Besides that, Cronbach's alpha for the online consumer purchase behaviour are 0.635 and it is questionable because Cronbach's alpha value is 0.60-0.69.

It should be noted that while a high value for Cronbach's Alpha indicates a good internal consistency of the items in the scale. The Cronbach's Alpha of websites based is 0.904 which are excellent and most reliable to internal items consistency.

3.11 Summary

In this chapter, the methodology used in this dissertation has been justified and explained. Quantitative questionnaire have been chosen as a mean to collect data since they are found to be more appropriate for soliciting responses in relation to attitudes, opinions and behavior. In the course of data collection, the combination of convenience and process of development questionnaire was being used. In addition, the schedule of questionnaire was discussed with a view to providing some general ideas about the underlying reasons for asking such questions. The research findings will be presented and discussed in the next chapter.

CHAPTER 4

DATA ANALYSIS AND DISCUSSION

4.0 Introductions

In this chapter the results from the questionnaire and the distribution of collected data among the respondents has been discussed and presented. The questionnaire was designed to collect the primary data and further on to analyse the data and how consumers behave against the importance of price, convenience and save time , trust, and website based when youth in Malacca purchase online. The questionnaire was divided to, first, the demographics segmentation among the respondents and second to, collect the data about the factors like price, convenience, trust, website based and ultimately highlight the typical behaviour of consumer while shopping online. Bivariate frequency distributions of the respondents were done according to age, gender, and other questions related to online shopping behaviour. To test the hypotheses of this study, regression and correlation were used. The analysis enabled us to examine the individual impact of the independent variables on online shopping purchase behaviour.

4.1 Frequency analysis

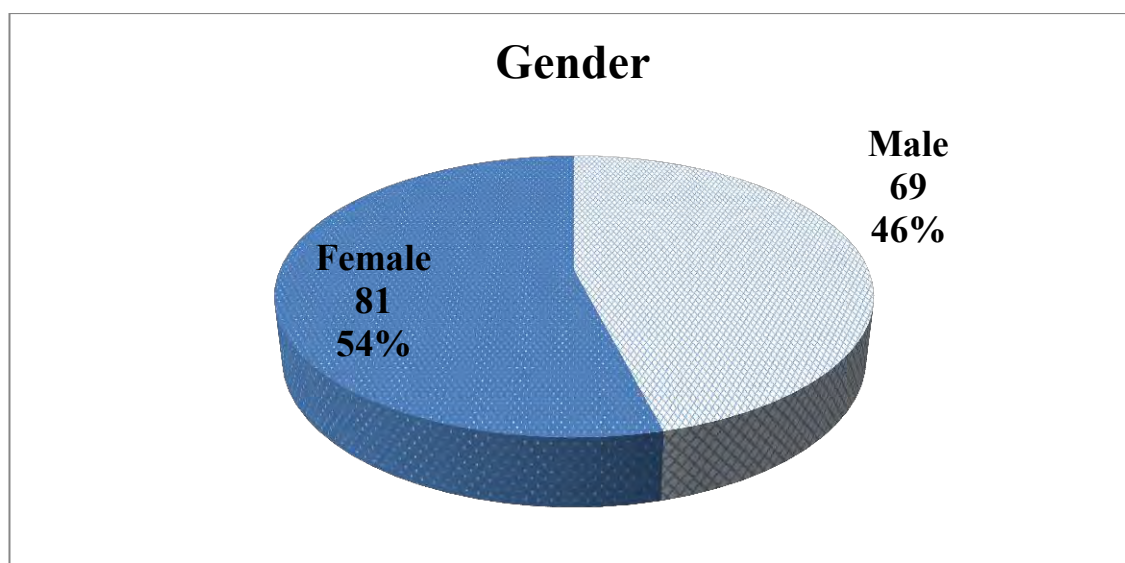
Frequency analysis is used for the study of the frequency of letter or groups of letters in a cipher text. The method is used as an aid to breaking classical ciphers. Frequency analysis is based on the fact that, in any given stretch of written language, certain letters and combinations of letter occur with varying frequencies.

4.1.1 Demography profile

Table: 4.1.1.1 Gender analysis
(Source: Primary data from output SPSS)

		Gender			
		Freque ncy	Percent	Valid Percent	Cumulative Percent
Valid	Male	69	46.0	46.0	46.0
	Female	81	54.0	54.0	100.0
	Total	150	100.0	100.0	

Figure 4.1.1.1: Respondent's gender

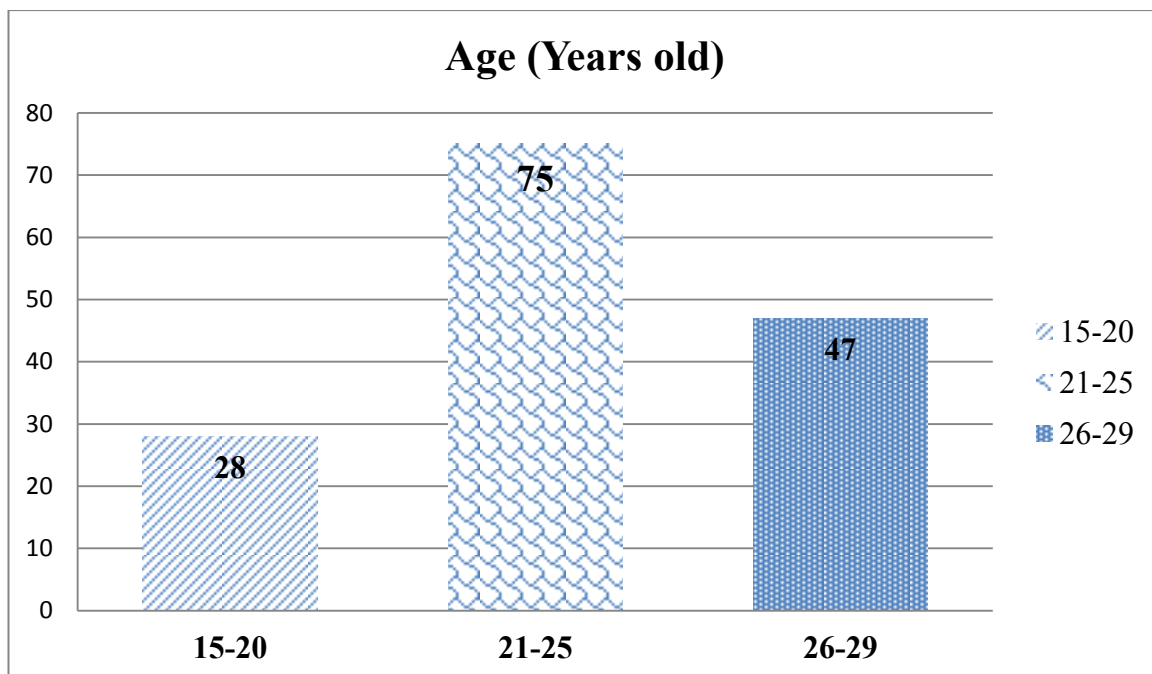


Analysis of data indicated that of the 150 respondents that participated in this research, 69 of them or 46.6% were male and the remainder 81 or 53.4% were females as shown in Table 4.1.1.1. While, Figure 4.1.1.1 shows the percentage of distribution of respondents by gender. What can be concluded from this research finding implied that females dominated in this research.

Table 4.1.1.2: Age
(Source: Primary data from output SPSS)

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15-20	28	18.7	18.7	18.7
	21-25	75	50.0	50.0	68.7
	26-29	47	31.3	31.3	100.0
	Total	150	100.0	100.0	

Figure 4.1.1.2: Respondent's age

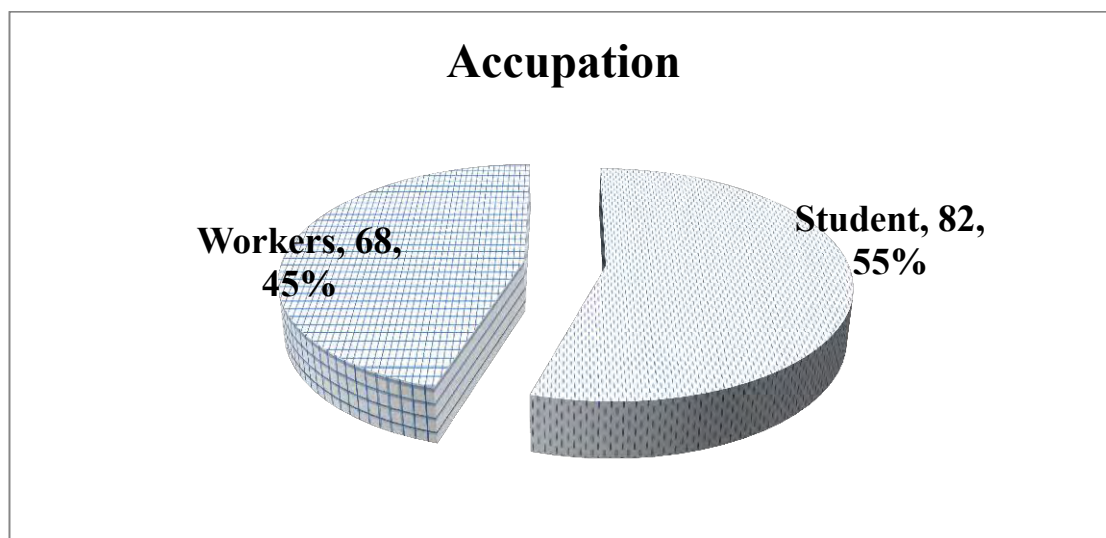


From the table and figure named as age analysis, it is clear that in this survey we have 75 frequencies in the age of 21-25 with percentage 50% which is the highest percentage among other age distribution. In age distribution of 26-29 we have 31.3% and 18.7% fall in 15-20 age year's old respondents. The questionnaire responses mainly show the young generation around 21-25 which is actively part of the research.

Table 4.1.1.3: Occupation
(Sources: Primary data from SPSS)

		Occupation			
		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	student	82	54.7	54.7	54.7
	Workers	68	45.3	45.3	100.0
	Total	150	100.0	100.0	

Figure 4.1.1.3: Respondent's occupation

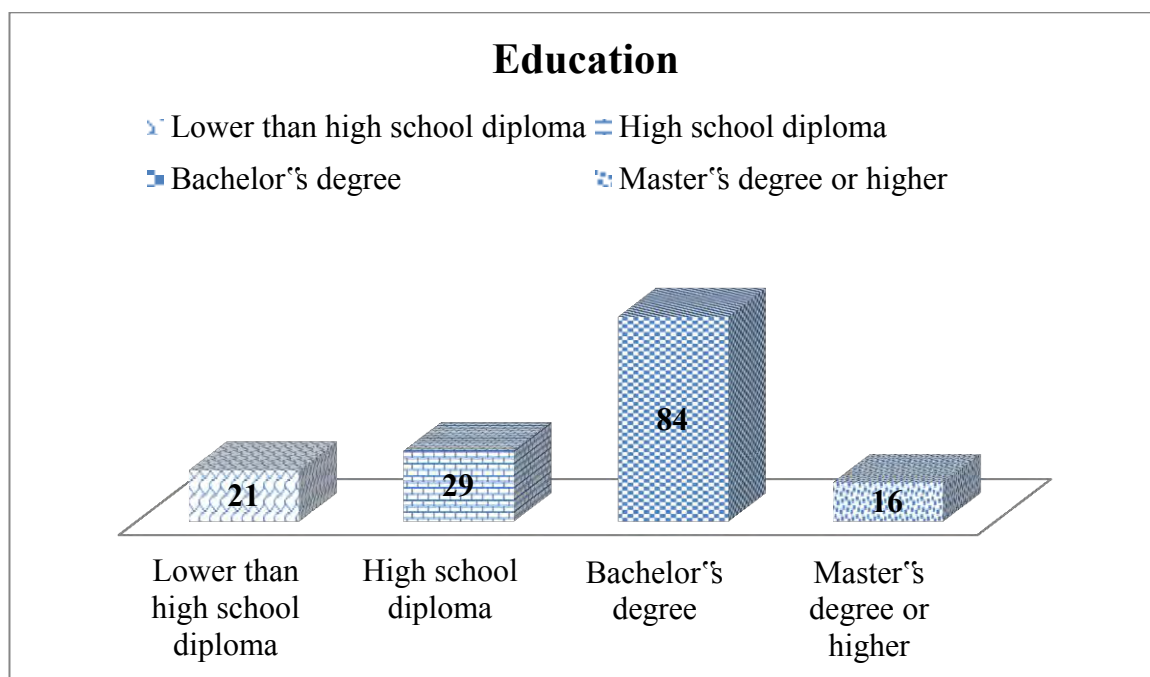


The table 4.1.1.3 shows the frequency of respondent's occupation. For this research 150 respondents participated in the survey. 82 of them or 54.7% were the students while the other 55 persons or 45.3% are work

Table 4.1.1.4: Education
(Sources: Primary data from SPSS)

Education				
	Frequency	Percent	Valid Percent	Cumulative Percent
Lower than high school diploma	21	14.0	14.0	14.0
High school diploma	29	19.3	19.3	33.3
Valid Bachelor's degree	84	56.0	56.0	89.3
Master's degree or higher	16	10.7	10.7	100.0
Total	150	100.0	100.0	

Figure 4.1.1.4: Education



The Table 4.1.1.4 show the highest frequency 56 % among the respondents falls under the category of bachelor's level of studies followed by the 19.3% who has the high school diploma. A very nominal percentage of almost 37 % categorized in the lower than high school diploma and master's degree level of studies.

Table 4.1.1.5 Income Distribution among respondents

(Sources: Primary data from SPSS)

		Monthly income			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than RM1000	81	54.0	54.0	54.0
	Less than RM3000	46	30.7	30.7	84.7
	RM3000 and above	23	15.3	15.3	100.0
	Total	150	100.0	100.0	

Figure 4.1.1.5: Income Distribution among respondents

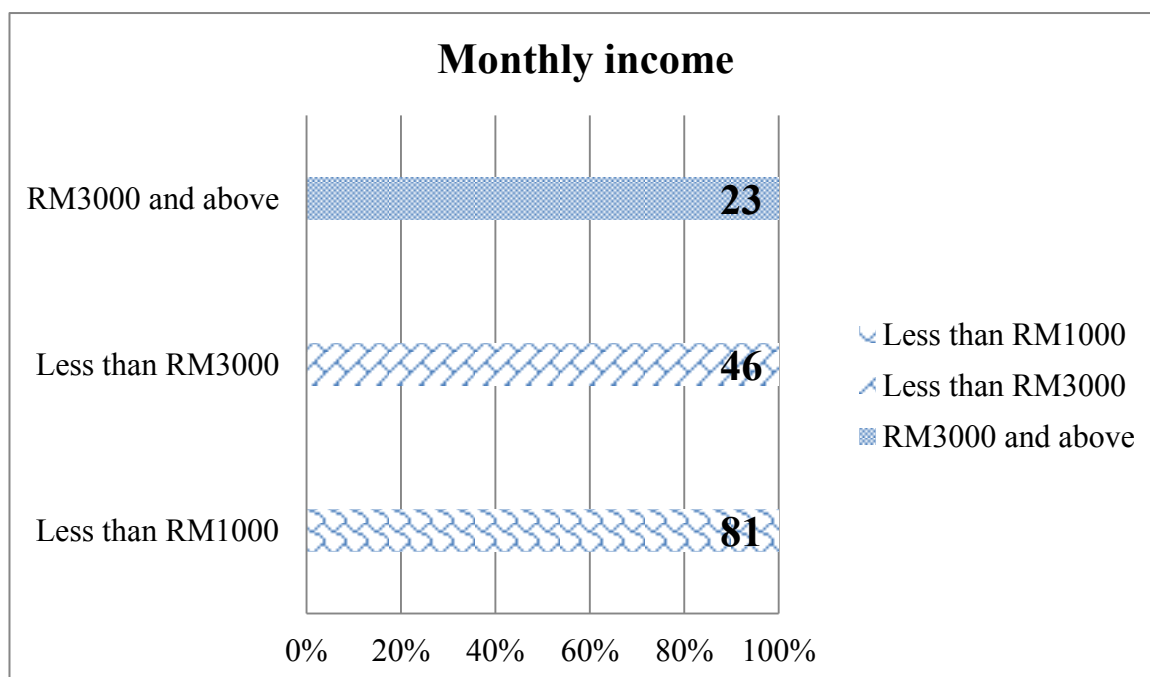


Table 4.1.1.5 show that the monthly income of respondents. Based on the 150 total numbers of respondents, 81 of them or 54% were monthly income around less than rm1000 . Next 46 of the respondents or 30.7% were in the category less than rm3000. Lastly 23 or 15.3% of respondent were come from rm3000 and above.

The result show that category of less than rm1000 of monthly income was higher compared to another category.

4.1.2 Pattern of customer purchasing behaviour online shopping

Table 4.1.2.1: Online shopping experience
(Sources: Primary data from SPSS)

Online shopping experience				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid e	Beginner	50	33.3	33.3
	Intermediate	63	42.0	75.3
	Expert	37	24.7	100.0
	Total	150	100.0	100.0

Figure 4.1.2.1: Online shopping experience

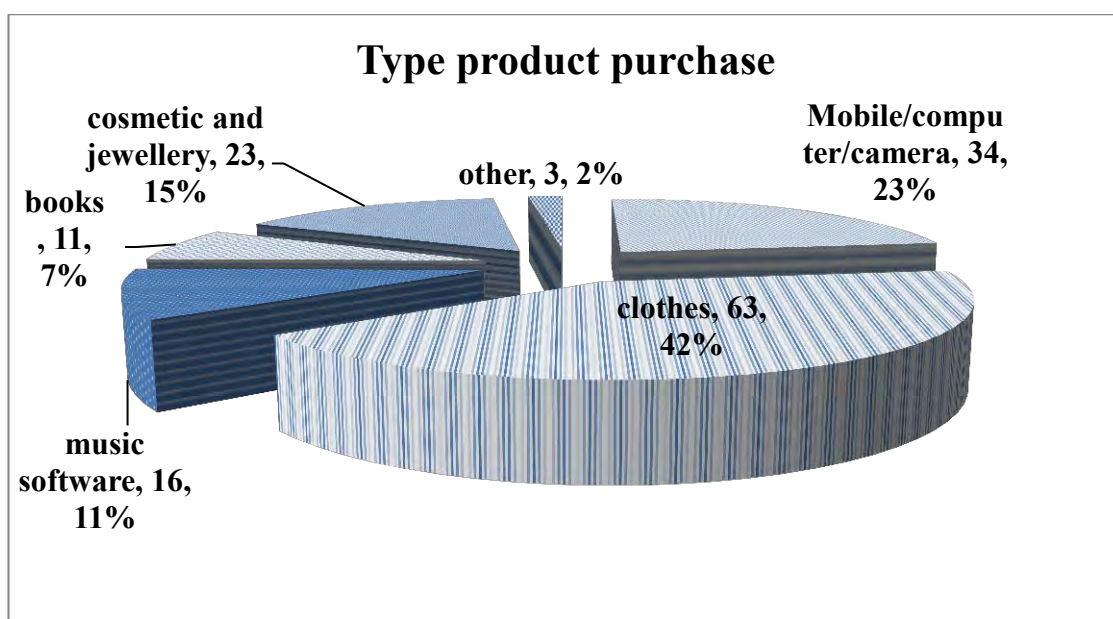


Analysis of data indicated that level of online shopping experience of the 150 respondents that participated in this research. The category of beginner has 50 or 33.3% participant. Category of intermediate experience is a higher were 63 respondent and 42 %. Lastly is expert category and only 37 respondents or 24.7%.

Table 4.1.2.2 Kind of products you purchased through online store
(Sources: Primary data from SPSS)

Type product purchase				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Mobile/computer/camera (electronic products)	34	22.7	22.7	22.7
Clothes	63	42.0	42.0	64.7
Music software	16	10.7	10.7	75.3
Books	11	7.3	7.3	82.7
Cosmetic and jewellery	23	15.3	15.3	98.0
other	3	2.0	2.0	100.0
Total	150	100.0	100.0	

Figure 4.1.2.2 Kind of products you purchased through online store

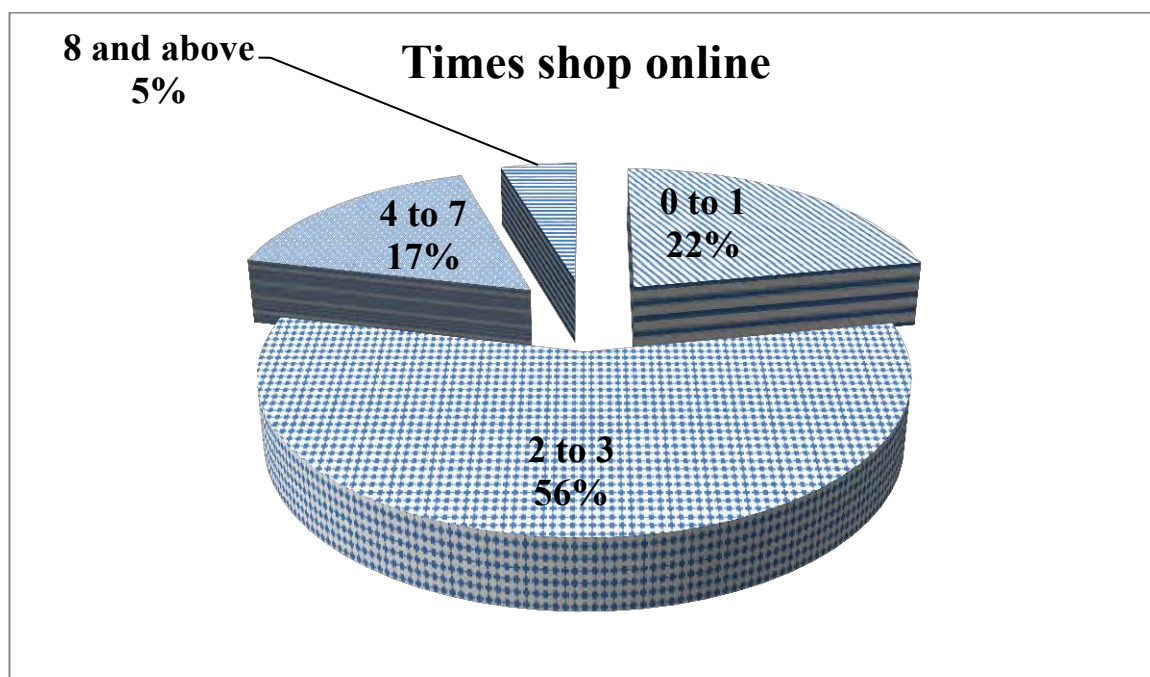


Based on the chart above, the total respondents are 150 who had made online purchasing out of which 63 respondents bought clothes. It is the highest frequency of 42 % followed by clothes products of 22.7 %. Cosmetics and jewellery are bought by 15.3 % of consumers who are buying online. Music and software, books and other are bought by 11 %, 7 % and 2 % respectively.

Table 4.1.2.3: Times shop online
(Sources: Primary data from SPSS)

Times shop online				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-1	33	22.0	22.0
	2-3	85	56.7	78.7
	4-7	25	16.7	95.3
	8 and above	7	4.7	100.0
	Total	150	100.0	100.0

Figure 4.1.2.3: Times shop online

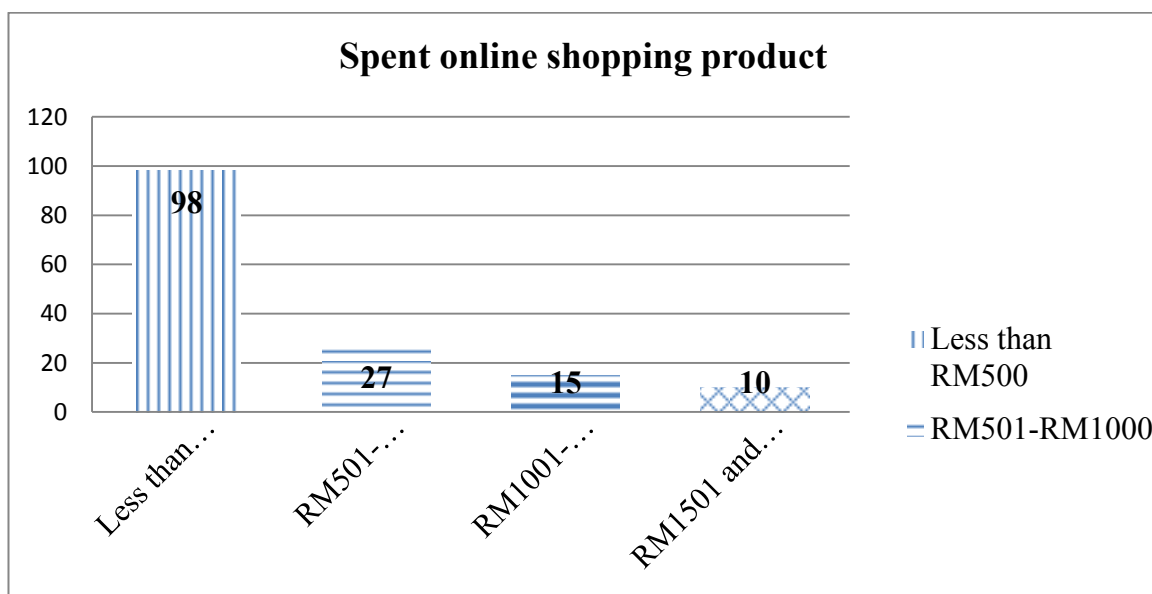


The Table 4.1.2.3 above shows the age composition of the respondents that participated in this study. From the 150 total numbers of respondents, 33 of them or 22% were respondents within the category 0-1. Another 85 of the respondents or 56.7% were in the category of 2-3 of times shop online. Next, of the respondent with 25 respondents or 16.7% were in the range of 4-7. Lastly 8 and above were 7 or 4.7%.

Table 4.1.2.4 Spent online shopping product
(Sources: Primary data from SPSS)

Spent online shopping product				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than RM500	98	65.3	65.3	65.3
RM501-RM1000	27	18.0	18.0	83.3
RM1001- RM1500	15	10.0	10.0	93.3
RM1501 and above	10	6.7	6.7	100.0
Total	150	100.0	100.0	

Figure 4.1.2.4: Spent online shopping product

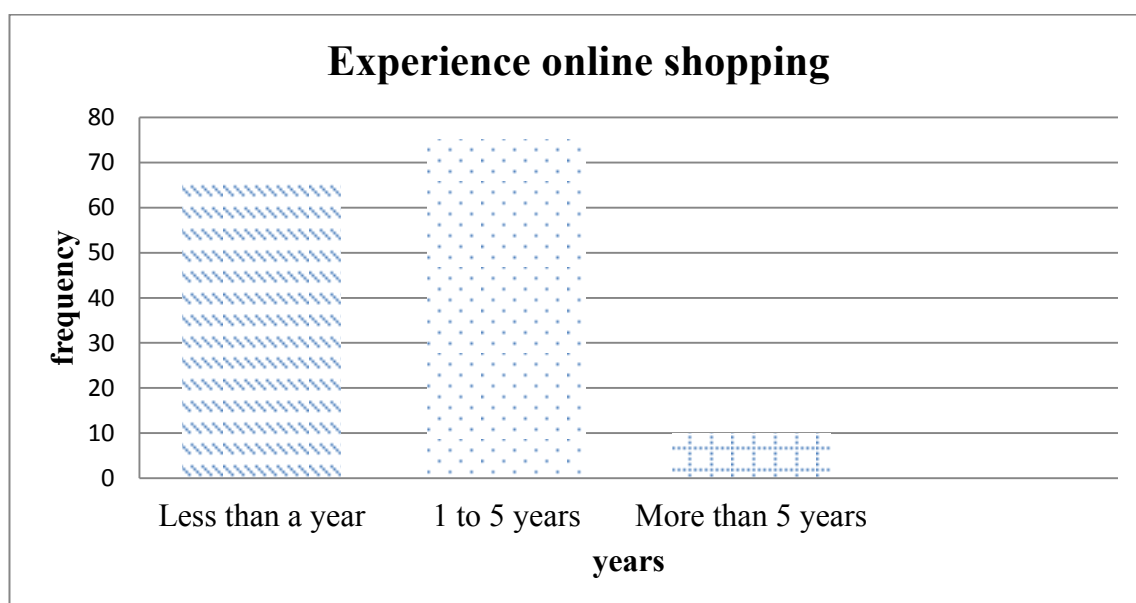


The Table 4.1.2.4 above shows how much respondents spent on online shopping products last month. From the 150 total numbers of respondents, 98 of them or 65.3% were respondents within less than rm500. Another 27 of the respondents or 18% were in the category of rm501-rm1000. Lastly but not least, 15 or 10 % were in the range of rm1001-rm1500. Lastly, category of rm1501 and above was 10 or 6.7% only by respondents. High domination is less than rm500

Table 4.1.2.5: Experience online shopping
(Sources: Primary data from SPSS)

Experience online shopping				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than a year	65	43.3	43.3	43.3
1 to 5 years	75	50.0	50.0	93.3
More than 5 years	10	6.7	6.7	100.0
Total	150	100.0	100.0	

Figure 4.1.2.5: Experience online shopping

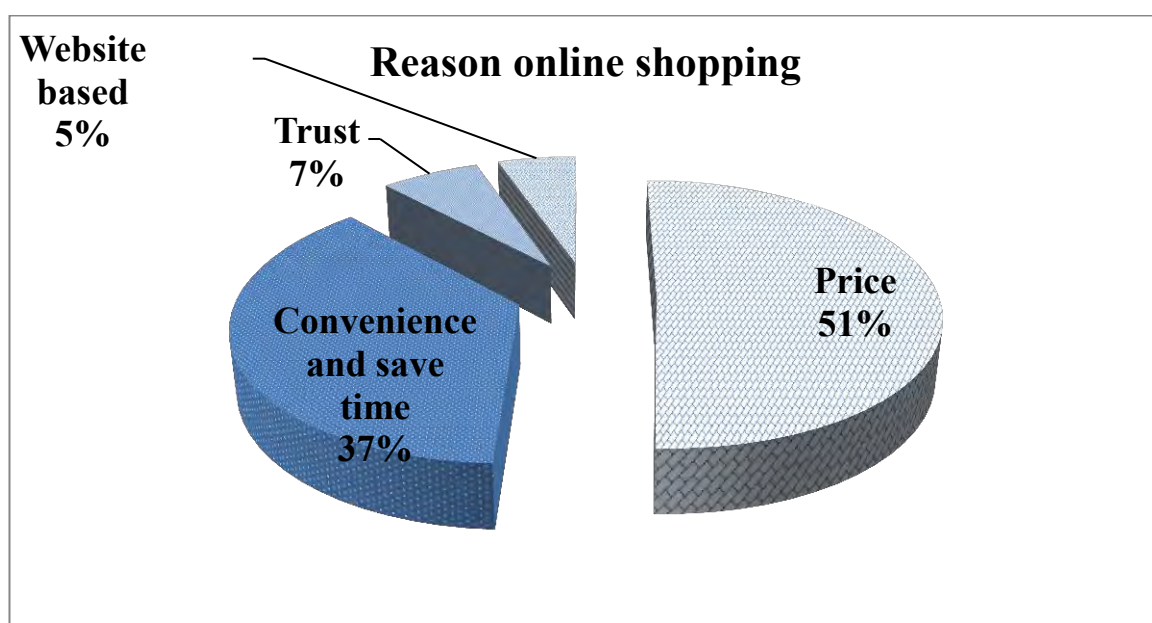


From the above question, it is clear that from 150 of respondents have been doing online shopping from which 43.3 % of respondents have been doing online shopping for less than a year, it indicates that people in Malacca are not addicted to online shopping and just currently involve in it. While 50 % respondents have been doing online shopping since 1 to 5 years and 6.7% have been doing online shopping more than 5 years.

Table 4.1.2.6: Reason online shopping
(Sources: Primary data from SPSS)

Reason online shopping				
	Frequency	Percent	Valid Percent	Cumulative Percent
Price	76	50.7	50.7	50.7
Convenience and save time	56	37.3	37.3	88.0
Trust	10	6.7	6.7	94.7
Website based	8	5.3	5.3	100.0
Total	150	100.0	100.0	

Figure 4.1.2.6: Respondent's reason online shopping



As analysed from the result in online shopping in youth in Malacca, consumer concerns are price factor, convenience and time saving 51% of respondents consider price as the most important factor followed by 37% people who consider convenience and time saving. The remaining percentage of 7 % falls under the category of those respondents for whom the particular product trust and website based. In Malacca, consumer mind is not different, youth behaviour is normal as other states youth behaviours norms. They are very conscious about cost cutting and time saving; majority of the peoples" decision is affected by the best price offer, therefore, the sellers of the product online shop must take price into consideration in their online stores in order to increase their sales.

Table 4.1.2.7: Visit to retail store first before final purchase

(Sources: Primary data from SPSS)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	92	61.3	61.3	61.3
No	58	38.7	38.7	100.0
Total	150	100.0	100.0	

Figure 4.1.2.7: Respondent"s Visit to retail store first before final purchase



This question was asked to judge the consciousness of consumer and approach regarding the selection of product about offered online products. It is analysed that 61 % or 52 of respondents do visit the retail store to see and check the actual product before actually buying from an online store while 39 % of them don't bother to see the actual product in offline store.

4.2 Descriptive statistics

Once the data has been collected and prepared for analysis, basic statistical and descriptive analysis will be developed for the study.

1. The measurement of central tendency is used to examine the different values for a given variable. Descriptive statistics, such as frequency and mean are used for this purpose.
2. The measurement of dispersion. Range and standard deviation will be used to determine the similarities and differences in respondents' opinions, behaviour and experience in this survey.

Table 4.2.1: Descriptive statistics
(Sources: Primary data from SPSS)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
PRICE	150	1.88	5.00	3.9725	.67724
TRUST	150	1.78	5.00	4.1467	.65782
CONVENIENCE AND SAVE TIME	150	1.67	5.00	4.2193	.64184
WEBSITES BASED ONLINE CUSTOMER	150	1.73	5.00	4.0739	.66841
PURCHASE BEHAVIOUR	150	1.50	5.00	4.0783	.72938
Valid N (listwise)	150				

Table 4.2.1 shows that mean value of price is 3.9725 and it means that most of the respondent response near 4 for likers scale and it positively. Even this response is the lowest mean value among other variable but standard deviate is 0.67724 and higher compared to another variable.

The mean value of trust and website based is near to 5 likers scale and it means that of the respondent positively influence. Response for this variable value can be deviate is lower than price.

Mean of value of convenience and save time was highest mean value among another variable. It is 4.2193 and it is nearly to 5. It shows that mostly people agree that trust has positive influence their online consumer purchasing behaviour .These response can deviate 0.65184 for trust and 0.72938 for online consumer purchase behaviour disposal at 5 likers scale from strongly disagree to strongly agree.

4.3 Validity and reliability test for research

4.3.1 Validity

Table 4.3.1: Validity of 150 respondents for the research
(Sources: Primary data from SPSS)

Variable	Pearson Correlation	r Product Moment	Validity
X1.1	0.646	0.159	Valid
X1.2	0.704	0.159	Valid
X1.3	0.770	0.159	Valid
X1.4	0.662	0.159	Valid
X1.5	0.700	0.159	Valid
X1.6	0.689	0.159	Valid

X1.7	0.689	0.159	Valid
X1.8	0.456	0.159	Valid
X2.1	0.754	0.159	Valid
X2.2	0.769	0.159	Valid
X2.3	0.655	0.159	Valid
X2.4	0.829	0.159	Valid
X2.5	0.750	0.159	Valid
X2.6	0.844	0.159	Valid
X2.7	0.633	0.159	Valid
X2.8	0.809	0.159	Valid
X2.9	0.768	0.159	Valid
X3.1	0.547	0.159	Valid
X3.2	0.728	0.159	Valid
X3.3	0.822	0.159	Valid
X3.4	0.847	0.159	Valid
X3.5	0.834	0.159	Valid
X3.6	0.591	0.159	Valid
X3.7	0.792	0.159	Valid
X3.8	0.821	0.159	Valid
X3.9	0.726	0.159	Valid
X4.1	0.658	0.159	Valid
X4.2	0.811	0.159	Valid
X4.3	0.660	0.159	Valid
X4.4	0.795	0.159	Valid
X4.5	0.733	0.159	Valid
X4.6	0.782	0.159	Valid
X4.7	0.773	0.159	Valid
X4.8	0.723	0.159	Valid
X4.9	0.563	0.159	Valid
X4.10	0.757	0.159	Valid
X4.11	0.658	0.159	Valid
Y1.1	0.817	0.159	Valid
Y1.2	0.797	0.159	Valid

Y1.3	0.809	0.159	Valid
Y1.4	0.820	0.159	Valid

From the validity testing for all research, all the items are valid. This is because the values are greater than the critical value (r product moment) are 0.159. Based on Pearson Product Moment Table the total of respondent $N = 150$ which r product moment is 0.159. Thus, all items can be included in further questionnaires.

4.3.2 Reliability test for research

Table 4.3.2: Interpretation of reliability based on Cronbach's alpha for 150 respondents

Variable	Cronbach's alpha	N of Items	Result
Price	0.818	8	Good
Convenience and save time	0.904	9	Excellent
Trust	0.896	9	Good
Website based	0.900	11	Excellent
Online consumer purchase behaviour	0.822	4	Good

Table 4.3.2 show the Interpretation of reliability based on Cronbach's alpha for 150 respondents. Based on table the Cronbach's alpha value of price, trust, and online consumer purchase behavior is 0.818, 0.896 and 0.822 respectively which are good. Based on table 3.9.1 cronbach's alpha 0.80-0.89 is good.

Besides that, Cronbach's alpha for the convenience and save time are 0.904 and website based are 0.900. It is excellent because Cronbach's alpha value is more than 0.90. Convenience and save time, and Website based have the highest

Cronbach's Alpha of 0.904 and 0.90. Convenience and save time was measured through nine (9) questions, whereas website based was measured through eleven (11) questions. The result is excellent relationship with online consumer purchase behavior.

4.4 Multiple regression analysis

Multiple regression analysis is a powerful technique used for predicting the unknown value of a variable from the known value of two or more variables also called the predictors. (Amit & Choudhury, 2009). Multiple regression analysis is helping to predict outcome the value of A given by B. While the dependent variable the online purchasing. Multiple Linear Regression analysis is conducted to check the significant difference among the independent variables such as price, trust, convenience and save time and websites based.

Table 4.4.1: Model summary multiple regression Analysis

(Source: primary data from output SPSS)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.565 ^a	.319	.300	.61025

a. Predictors: (Constant), WEBSITES BASED, PRICE, TRUST, CONVENIENCE AND SAVE TIME

Table 4.4.1 indicates the entire summary of findings. In this section display the value of $R=0.565$ and the coefficient of determination (R^2) of 0.319. This suggest the notion that online consumer purchase behaviour (dependent variable) is influenced 31.9 % by independent variables (price, trust, convenience and save time, and websites based), while the rest ($100\%-31.9\%=68.1\%$) is explained by other causes

Table 4.4.2: Coefficients Multiple Regression Analysis
(Sources: Primary data from SPSS)

Model		Coefficient ^{as}				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.257	.352		3.575	.000
	PRICE	.052	.113	.048	.459	.647
	TRUST	.195	.138	.172	1.418	.158
	CONVENIENCE AND SAVE TIME	.346	.147	.312	2.356	.020
	WEBSITES BASED	.087	.152	.080	.575	.566

a. Dependent Variable: ONLINE CUSTOMER PURCHASE BEHAVIOUR

Table 4.4.2 shows that beta values which mean individual independent variables influences on dependent variable. Result indicated that convenience and save time has highest Beta value among other variables and strong influences on online consumer purchase behaviour with Beta Value 0.312. It explained that 14.7% variation in online consumer purchase behaviour cause convenience and save time.

The coefficient for price is 0.052. So for every unit increases in price, a 0.052 unit increase in online consumer purchase behaviour are disposal, holding all other variable constant.

The coefficient for trust is 0.195. So for every unit increase in trust, a 0.195 unit increases in online consumer purchase behaviour disposal is predicted, holding all other variable constant.

The coefficient for convenience and save time is 0.346. So for every unit increase in convenience and save time, a 0.346 unit increases in online consumer purchase behaviour disposal is predicted, holding all other variable constant.

For every unit increase in websites based the researcher expect a 0.087 unit decrease in the online consumer purchase behaviour disposal, holding all variable constant

4.5 Hypothesis testing

The researcher using significant value for interpreting hypothesis testing in this study based on chapter two. The significant value as result shows in table 4.7.1.

Table 4.5.1 Guidelines for interpreting hypothesis testing

Sources: Aronson (2011)

<ul style="list-style-type: none"> ▪ Significance level, $0.05 >$ than significance value mean significant, indicating the acceptance of H_i ▪ Significance level, $0.05 <$ than significance value mean significant, indicating the acceptance of H_o
--

Table 4.5.2: The overall result hypothesis testing

IV	Significant value	Conclusion
Convenience and save time	$0.05 > \mathbf{0.020}$	Accepted H_i Rejected H_o
Price	$0.05 < \mathbf{0.647}$	Rejected H_i Accepted H_o
Trust	$0.05 < \mathbf{0.158}$	Rejected H_i Accepted H_o
Website based	$0.05 < \mathbf{0.566}$	Rejected H_i Accepted H_o

**Significant value refer table 4.7.1

Hypothesis 1

H_i: Convenience has an influence on online consumer purchase behaviour among youth generations.

H_o: Convenience has no influence on online consumer purchase behaviour among youth generations.

The significance value convenience and save time is $0.020 < 0.05$, it can be concluded that the convenience and save time has significant effect on online consumer purchase behaviour among youth in Malacca. Therefore, H_i is accepted and H_o is rejected. This convenience and save time significant influence online consumer purchase behaviour disposal.

Convenience is the most prominent factor that motivates youth to shop online in Malacca. The timing, location and purchasing process through the internet are much more superior to other traditional methods of purchasing goods and the 24-hour availability of online storefront and accessibility from almost any location makes online shopping more convenient and provides youth with a powerful alternative channel for making purchases

Youth in Malacca not only look for products, but also for online services. Therefore, even after business hours, customers can ask questions; get necessary support or assistance, which has provided convenience to consumers. Some generation Y use online channels just to escape from face-to-face interaction with salesperson because they pressure or uncomfortable when dealing with salespeople and do not want to be manipulated and controlled in the marketplace.

Hypothesis 2

Hi: Price has an influence on online consumer purchase behaviour.

Ho: Price has no influence on online consumer purchase behaviour.

The significance value price is $0.647 > 0.05$, it can be concluded that the convenience and save time insignificant effect on online consumer purchase behaviour. Therefore, Hi is rejected acceptance Ho. This price does no significant influence online consumer purchase behaviour disposal

From the questionnaire result, the main groups of youth engaged in online shopping are mainly students and, their monthly personal income is relatively low and thus they are price sensitive. The relatively lower amount of online purchase behaviour spent reflected that they are not concern about the price of products online. The questionnaire result also showed that price has not significant relationship with online purchase behaviour among youth in Malacca. That means, a lower price for the same product may be not advantage in this case. Price sensitive consumers tend to choose sellers that offered products with a lower price. But youth reject the idea of online shopping due to high international shipping cost involved and do prefer local stores due to value added tax and custom duties in Malacca. Price advantages not necessarily gain by lower in direct price. From the questionnaire result, consumers also not regard free delivery and free gifts.

Hypothesis 3

Hi: Trust has an influence on online consumer purchase behaviour.

Ho: Trust has no influence on online consumer purchase behaviour.

The significance value trust is $0.158 > 0.05$, it can be concluded that the trust insignificant effect on online consumer purchase behaviour. Therefore, H_1 is rejected acceptance H_0 .

Trust does not significant influence online consumer purchase behaviour disposal. Based on significant the trust not affected the online customers purchase behaviour among youth in Malacca. One of the reason maybe youth in Malacca is revealed that safety of payment in online shopping and do not trust much on online store. But, the trust is also playing an important role in an online buying situation. As such, it is recommended that the online companies to build this kind of trusting relationship by developing strategy that could instil sense of belongingness between them and the young consumers.

Hypothesis 4

H_1 : Website based has an influence on online consumer purchase behaviour

H_0 : Website based has no influence on online consumer purchase behaviour

The significance value website based is $0.566 > 0.05$, it can be concluded that the convenience and save time insignificant effect on online consumer purchase behaviour. Therefore, H_1 is rejected and acceptance H_0 . This website based does not positively affect online consumer purchase behaviour disposal.

The results prove that, the null hypothesis that there is no significant between web site based and online customer purchase behaviour. Even though the web site based is to be one of the important factors in previous study, in this study it proved otherwise. From the analysis, researcher found that Malacca young consumers who are browsing Internet web site based as less important factor that would likely to influence their online buying behaviour. This may be due to the low level of involvement of the young consumers whom have experience in online shopping which only 24.7% or 37 expert respondents buy through online regularly. However, researcher can expect to get stronger association towards the perception on web-site design if the level of involvement is high. Similarly, further analysis on those

youngsters, we found that they considered that their online purchasing will be influenced by good web site design. Therefore, it is believed that website design does help in enhancing the young consumers in Malacca to buy online.

4.6 Inferential analysis

4.6.1 Pearson correlation coefficient

Correlation is a technique for investigating the relationship between two quantitative, continuous variables, for example in this study price and online customer purchase behaviour. Pearson's correlation coefficient (r) is a measure of the strength of the association between the two variables.

Table 4.6.1: Rules of Thumbs for interpreting correlation

Sources: Hinkle, Wiersma, &Jurs (2003)

Size of Correlation	Interpretation
.90 to 1.00 (-.90 to -1.00)	Very high positive (negative)correlation
.70 to .90 (-.70 to -.90)	High positive (negative)correlation
.50 to .70 (-.50 to -.70)	Moderate positive (negative)correlation
.30 to .50 (-.30 to -.50)	Low positive (negative)correlation
.00 to .30 (-.00 to -.30)	Little if any correlation

Table 4.6.2: Result of Pearson Correlation Coefficient
(Sources: Primary data from SPSS)

Correlations

		PRICE	TRUST	CONVE NIENCE AND SAVE TIME	WEBSITE S BASED	ONLINE CUSTOMER PURCHASE BEHAVIOU R
PRICE	Pearson Correlation	1	.704**	.684**	.718**	.440**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
TRUST	Pearson Correlation	.704**	1	.768**	.779**	.508**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	150	150	150	150	150
CONVENIE NCE AND SAVE TIME	Pearson Correlation	.684**	.768**	1	.831**	.544**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	150	150	150	150	150
WEBSITES BASED	Pearson Correlation	.718**	.779**	.831**	1	.508**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	150	150	150	150	150
ONLINE CUSTOME R PURCHASE BEHAVIOU R	Pearson Correlation	.440**	.508**	.544**	.508**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	150	150	150	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.6.3: Summary result Pearson correlation coefficient

Variables	Correlation	Interpretation
Price	0.440	Low positive correlation
Trust	0.508	Moderate positive correlation
Convenience and save time	0.544	Moderate positive correlation

Websites based	0.508	Moderate positive correlation
----------------	-------	-------------------------------

The table that shows the correlation between independent variables that is price, trust, convenience and save time, and website based while the dependent variable is online consumer purchase behaviour.

Based on table price have low positive correlation with online purchase behaviour because of coefficient correlation value is 0.440, falls under the coefficient correlation size is „0.30 to 0.50“ (refer the table 4.6.1)

Trust, convenience and save time, and website based have a moderate positive correlation with dependent variable (online purchase behaviour).The correlation value is 0.508, 0.544 and 0.508 respectively. The sizes of correlation this factors are „0.50 to 0.70“ based on table of Rules of Thumbs for interpreting correlation. The value correlation coefficient of convenience and save time is higher compared to another variable and it is have a strong relationship between online customer purchase behaviour.

4.7 Summary

Based on the data obtained, the researcher had analysed all data to get the results. The method used for analysing this quantitative data in order to investigate the factors influencing consumer purchasing behaviour online shopping among youth generation in malacca is by identifying the mean score. Meanwhile, the method of finding correlation is used to identify the best online customer purchase behaviour youth in Malacca. The data represented vary in form of diagrams, charts and table. All of the items namely as price, convenience and save time, trust and website based showed mostly high mean score and show positive and negative relation effect to online customers purchase behaviour among youth in Malacca.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter will discuss the summarizing and providing recommendations on what can be done for the purpose of improving whether towards the surveyed organizations or the researchers that will execute the research of leadership style and learning organization so that the future research is able to give a clearer and detailed review regarding these two aspects.

5.1 Limitations

It is necessary to recognize the limitations of the current study. Firstly, since the survey was conducted among a group of youth generation in Malacca and have only 150 respondents, the results should be interpreted with caution, particularly with respect to the generalization of research findings of Malacca consumers as a whole. Next, the sample size itself is relatively small. To accurately evaluate Malacca consumers' perceptions of online shopping, a larger sample size is desirable.

Besides, the study only covered the opinions of youth in Malacca that are experienced online shoppers and it would be interesting to analyse the opinions of non-experienced online shoppers independently and compare the result.

5.2 Conclusion

Online shopping is an alternative way for generation Y to purchase their products or services. It is evident that the numbers of internet users are growing from time to time, thus it foresees that online shopping will provide a good opportunity in these generations to come. However, the usage of online shopping amongst the online shoppers in Malacca is still at the stage of infancy. The growing of this alternative provides a window opportunity for the business people in other methods of doing business besides opening a physical shop.

The conclusion: To investigate the factors influencing online shopping among youth's?

Based on the research objective (1) can conclude trust, convenience and save time, and website based in this study have moderate positive of correlation with dependent variable (online customer purchase behaviour). It is because correlation coefficient value in category „0.50 to 0.70“ (refer table 4.6.1). Although this independent variable at the same category moderate positive of correlation but convenience and save time have highest value with 0.544 compared to another independent variable. That means convenience and save time of correlation coefficient value has highest and strength value affected the dependent variable. Second is trust and website based. While, price in category low positive of correlation because size of correlation is „0.30 to 0.50“

The conclusion: To find out to extent the factor influencing youth's to purchase online?

Based on research objective (2), the number of youth is engaging in online shopping increases rapidly and most effecting because of its convenience and save time. It is show that pattern of youth behaviour in Malacca no have time to shop at physical store after study or works. Convenience and save time is significant influence the consumers“ online purchase behaviour. While the three factors including price, trust and website based, are no significant to affect the consumers“

online purchase behaviour in Malacca. The factor convenience and save time give them advantage compared to another factors

According to Miyazaki and Fernandez (2001) it was found that online purchases are made by approximately half of the United States population. Thus, these opportunities provide room for growth in online shopping as well as bringing the consumers to another level of doing their shopping. Since online shopping is giving a whole lot of convenience for the e-shoppers, thus, online vendors should to take this opportunity to give a try in this online shopping business as this market could see potential growth in the future. In online shopping, online vendors have to keep up with their services by meeting the consumers' needs and wants. In online shopping consumers have varieties of options to choose the products and services from online.

Thus, when an online seller wants to be success, he or she needs to understand those factors and implement the appropriate strategy. Based on result the factor of price has a lowest significant to compared another factors. As most of the online consumers are price sensitive, consumers needed to promote a suitable pricing strategy to satisfy the needs of consumers. Not only by setting a lower price of the product, sellers can also create price advantage through indirect price. Sellers can provide free delivery charge for the product and also give out some small gift of last seasons' product to consumers like youth, to increase their purchase intention.

As gaining consumers especially generation Y trust is very important for sellers and trust lays the underpinning for the possibility of repeat purchase behaviour, sellers should be animated, patient and honest when dealing with consumers, respond quickly to consumers' problems and explain the product situation honestly and in detail. After building a good relationship with consumers, sellers should discover other customers sources based on him or her. The simplest way is to ask the customer to give a feedback and comment on the online stores' website. Positive feedback and comments can attract other consumers to purchase.

Finally a website should not only design as attractive and appealing to consumers but also to assist consumer them in finding the exact product in finding

wanted products or services. A user-friendly websites would normally attract more consumers rather than a complicated and messy website which contain unnecessary information. Security is a concern for consumers, as many do not trust giving out personal information of financial information as they are afraid their privacy is being invaded by third party. It is suggested that online vendors to provide a third party seal approval in their website.

5.3 Recommendations for future study

Future research should focus on this aspect. This is because consumers'' may react differently on trusting an online system transaction compared to the actual real world physical traditional system. Such study may lead to an understanding of consumers'' behaviour reaction especially youth towards trusting an online system and real world system. Also, this may also indicate whether consumers'' are ready to accept to an alternative way to purchase their product or services with just a click away on a mouse.

Future research needs to focus on a larger cross section of Internet users and more diversified random samples to verify the findings of the current study. Moreover, to further studies clarity of the factors influence on online shopping, Technology Acceptance Model (TAM) or behavioural model could be used. Future inquiries could also examine the causal relationships between factors and how consumers'' perceive overall online shopping by employing a structural equation modelling technique. In addition, future research needs to examine business to-business purchase in the context of cross-national and cross cultural differences.

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APPENDIX I



Survey Questionnaire

Factors That Influence Consumers Purchasing Behaviour among Youth's Generation in Malacca

Dear Participant:

My name is Fatin Nur Izzati Binti Ab.Rahman and I am a graduate student at Universiti Teknikal Malaysia Melaka. For my final project, I am '*investigate the factors that influence consumers purchasing behaviour among youth's in Malacca*' and you are target group, I am inviting you to participate in this research study by completing the attached surveys.

The following questionnaire will require approximately ten minutes completing. There is no compensation for responding nor is there any known risk. In order to ensure that all information will remain confidential, please do not include your name. Copies of the project will be provided to my supervisor. If you choose to participate in this project, please answer all questions as honestly as possible and return the completed questionnaires promptly. Participation is strictly voluntary and you may refuse to participate at any time.

Thank you for taking the time to assist me in my educational endeavours. The data collected will provide useful information regarding factors that influence consumers purchasing behaviour online shopping among youth in Malacca. If you require additional information or have questions, please contact me at the number listed below.

Name : Fatin Nur Izzati Binti Ab. Rahman
C .Number : 013-9882583
Email : izz_ati91@yahoo.com

Supervisor Name : Murzidah Binti Ahmad Murad

Email : murzidah@utem.edu.com

SECTION A: DEMOGRAPHIC PROFILE

Instruction: Please answer the entire question by „X” the appropriate answer.

1. What is your gender?
 - Male
 - Female

2. What is your age
 - 15-20
 - 21-25
 - 26-29

3. Occupation
 - Student
 - Workers
 - Others: _____

4. Education
 - Lower than high school diploma
 - High school diploma
 - Bachelor's degree
 - Master's degree or higher

5. What your monthly income:
 - Less than RM 1000
 - Less than RM 3000
 - RM 3000 and above

SECTION B: PATTERN OF CUSTOMER PURCHASING BEHAVIOUR ONLINE SHOPPING

Instruction: Please answer the entire question by „√“ the appropriate answer.

1. Level of online shopping experience
 - None
 - Beginner
 - Intermediate
 - Expert

2. Kind of products you purchased through online store?
 - Mobile/computer/camera (Electronics Products)
 - Clothes
 - Music Software
 - Books
 - Cosmetic and Jewellery
 - Others: _____

3. How many times you shop online last month?
 - 0-1
 - 2-3
 - 4-7
 - 8 and above

4. How much you spent on online shopping products last month?
 - Less than RM 500
 - RM 500-RM 1,000
 - RM 1,001-RM 1500
 - RM 1,501 and above

5. For how long have you been shopping online?
 - Less than a year
 - 1 to 5 years
 - More than 5 years

6. Main reason for online shopping?
 - Price
 - Convenience and save time
 - Trust
 - Website based

7. Do you go to a retail store first before making your final purchase online?

- Yes
- No

SECTION C: PRICE, TRUST, CONVENIENCES & SAVE TIME, AND WEBSITED BASED OF ONLINE SHOPPING

Instruction: Please answer the entire question by “√” the appropriate answer, where (1) means strongly disagree and (4) strongly agree.

Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
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PART I :PRICE		1	2	3	4	5
1	The lower price of the same product at real shops is an advantage when I shop online.					
2	Free delivery charge is a price advantage when I shop online.					
3	I am willing to pay a higher price for product that is limited edition when I shop online.					
4	More discounts for purchasing more is an advantage when I shop online.					
5	Product price is important to me when I shop online.					
6	I am willing to pay for a higher price for product that is not available in solid shops.					
7	Free gift is a price advantage when I shop online.					
8	I will purchase the product when the price is acceptable to me when I shop online.					

	PART II: TRUST	1	2	3	4	5
1	The proper layout of the online seller's website indicates higher credibility and trust of the store					
2	When I shop online, the pictures attached to the products in the seller's website increase my trust towards the store					
3	Online stores of well-known brand have higher trust					
4	The more details and descriptions on the seller's website, the higher trust of the online store to me.					
5	The longer history of the online store indicates higher credibility					
6	The recommendation in the seller's website increase my trust towards that online store					
7	The method of identifying realness of the products sold in the online store can increase my trust towards the store					
8	When I shop online, the more the positive comments indicates the higher the trust of the seller					
9	Trusted of the online stores is important to affect my purchasing decision					

	PART III: CONVENIENCES & SAVE TIME	1	2	3	4	5
1	The 24-hours operation attracts me to shop online as it is convenience					
2	I shop online because I do not have time to shop at solid shops after work or study					
3	I save a lot of time by shopping on the internet					
4	The internet is a convenient way of shopping					
5	It is easy to choose and make comparison with other products while shopping online.					
6	I get on time delivery by shopping online					
7	Detail information is available while shopping online					
8	Online shopping takes less time to purchase.					
9	Online shopping doesn't waste time					

	PART IV: WEBSITED BASED	1	2	3	4	5
1	The website design is user friendly					
2	The website adopts a third party payment system for transaction.					
3	The website adopts a customer review system to help me make purchasing decisions					
4	The website includes details such as the time of delivery, refund, and retailer's warranty.					
5	The website has a good customer support system to any required and solve the problem.					
6	Information of product details can help me with no have experience in online shopping or purchasing.					
7	The website layout helps me in searching and selecting the right product while shopping online					
8	I prefer to buy from website that provides me with quality of information					
9	The colour of the website can give effect to attract me to shop online					
10	When shopping online, I often purchase at the website which assure me of safety and easy of navigation and order.					
11	When shopping online, I often purchase at the website which can provide me more information of product and selection.					

SECTION D: UNDERSTANDING OF ONLINE CUSTOMER PURCHASE BEHAVIOUR

	ONLINE CUSTOMER PURCHASE BEHAVIOUR	1	2	3	4	5
1	I intend to use an online purchase to buy the products					
2	Online purchasing is more advantages compared to traditional purchasing.					
3	I tend to repeat purchases from online that has a good safety					
4	purchasing online is a big to shop quickly					

THANK YOU FOR COOPERATION

APPENDIX II

GANTT CHART 1st Semester

NO.	ITEM	WEEK	SEPTEMBER				OCTOBER				NOVEMBER				DECEMBER	
			W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2
1.	Briefing PSM 1															
2.	Topic Proposal															
3.	Topic Selection															
4.	Topic Confirmation															
5.	Possess Information for Chapter 1															
6.	Construct Chapter 1															
7.	Possess Information for Chapter 2															
8.	Construct Chapter 2															
9.	Possess Information for Chapter 3															
10.	Construct Chapter 3															
11.	Revision by Supervisor															
12.	Prepare presentation slide															
13.	Presentation PSM 1															
14.	Report Submission															

GHANT CHART 2nd Semester

NO	WEEK ITEM	MARCH				APRIL				MAY				JUNE			
		W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4
1.	Develop questionnaire	■	■	■													
2.	Sending the questionnaire to selected company			■	■												
3.	Data collection					■	■	■	■								
4.	Data analysis and writing							■	■	■	■						
5.	Chapter 4										■	■	■				
6.	Submission draft of chapter 4											■	■				
7.	Chapter 5											■	■	■			
8.	Submission draft full report PSM II													■	■		
9.	Preparation for presentation																■