THE CONSUMER'S BEHAVIORAL INTENTION TOWARD E-TICKETING SYSTEM OF GOLDEN SCREEN CINEMA (GSC) IN MELAKA

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Report submitted in partial fulfillment for the Bachelor of Technology Management (High Technology Marketing)

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VERIFICATION

"I hereby declare that I have read this thesis and in my opinion this thesis is sufficient in terms of scope and quality for the award of the degree of Bachelor of Technology Management (High Technology Marketing)

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CONFESSION

"Hereby, I declare that this thesis entitled "*The Consumer's Behavioral Intention Towards e-Ticketing of Golden Screen Cinema (GSC) in Melaka*" is the result of my own research except as cited in the reference. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of other degree.

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DEDICATION

I learn patience, perseverance and dedication. Now I really know myself, and I know my voice. It's a voice of pain and victory.

To my beloved Mom and Dad, My siblings, My lecturers, My friends, Those who have helped me during my rough time, Helped shape me into what I've become today, It's not easy, I know, Thank you so much. Thanks ALLAH

Lastly, to my future husband, Giving me courage and strength to move forward, In hoping to meet you one day, And build our family together till Jannah. iv

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ABSTRACT

Golden Screen Cinema (GSC) was the first in cinema industry that introduced the e-Ticketing in Malaysia. e-Ticketing substitutes the paper-based movie ticket by an electronic ticket image that is stored in the cinema database. e-Ticketing can improve the effectiveness of purchasing ticket system and help GSC to get better business performance in future. But, how far is the customer's behavioral intention towards e-Ticketing of Golden Screen Cinema? This is importance to make sure customers are intent to use the e-Ticketing as it solve so many problem at almost GSC cinema especially when processing the ticket. This study is focusing on the behavioral intention related to technology acceptance. Current research has focused on the *Technology* Acceptance Model (TAM) and Theory of Planned Behavior (PTB) because the research seeks to understand the relationship between consumer's behavioral intention to use (BIU) the Golden Screen Cinema e-Ticketing system with selected elements of perceived usefulness (PU), perceived ease of use (PEOU), and social influence. A series of survey (questionnaire) was conducted to collect the respondents, while the data obtained was analyzed using quantitative methods are about 150 questionnaires were distributed to potential respondents.

Keyword: e-Ticketing, Golden Screen Cinema (GSC), behavioral intention,

ABSTRAK

Golden Screen Cinema (GSC) adalah yang pertama dalam industri pawagam yang memperkenalkan e-Tiket di Malaysia. e-Tiket menggantikan tiket berasaskan kertas dengan imej tiket wayang elektronik di mana ia disimpan di dalam pangkalan data. e-tiket boleh meningkatkan keberkesanan sistem pembelian tiket wayang dan membantu GSC untuk mendapatkan prestasi perniagaan yang lebih baik pada masa akan datang. Tetapi, sejauh mana keinginan pelanggan ke arah penggunaan e-Tiket Golden Screen Cinema? Kajian ini mempunyai kepentingan iaitu untuk memastikan bahawa pelanggan berniat untuk menggunakan e-Tiket bagi ia dapat menyelesaikan banyak masalah di pawagam GSC terutamanya apabila membeli tiket. Kajian ini memberi tumpuan kepada keinginan pengguna yang berkaitan dengan penerimaan teknologi. Kajian terkini telah memberi tumpuan kepada Teknologi Penerimaan Model (TAM) dan Teori Kelakuan Dirancang (PTB). Oleh kerana itu, penyelidikan ini bertujuan untuk memahami hubungan antara keinginan pengguna yang terdapat dalam Sistem Golden Screen Cinema e-Tiket, dengan mengenal pasti unsur-unsur terpilih iaitu kegunaan (PU), kemudahan penggunaan (PEOU), dan pengaruh sosial. Satu siri kajian (soal selidik) telah dijalankan untuk mengumpul responden, manakala data yang diperolehi dianalisis dengan menggunakan kaedah kuantitatif Kira-kira 150 borang soal selidik diedarkan kepada responden yang berpotensi.

Kata kunci: e-Tiket, Golden Screen Cinema (GSC), keinginan pengguna

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CHAPTER 1

INTRODUCTION

1.1 Background of study

Over the year of 2008, internet becomes important for almost user worldwide. According to the internet survey by Malaysian Communication and Multimedia Commission (MCMC), Malaysia has an internet usage penetration of 47.8% of its population in 2007. With the growing numbers of online user, many companies change their marketing tool towards internet. It is important for marketers to develop a better understanding of the Internet users, as this will help them in developing the effective marketing strategies and tactics in an effort to attract and retain existing customers.

The development of internet was made the evolution of e-Ticketing. Many industries have been turning to the internet to market their product and services, including cinema industry. Beside airline and public transport industry, the effectiveness of internet usage has lead cinema industry to venture into electronic ticketing or e-Ticketing. e-Ticketing substitutes the paper-based movie ticket by an electronic ticket image that is stored in the cinema database.

Golden Screen Cinema (GSC) was the first in the industry to introduce GSC e-Ticketing and GSC Mobile App. According to its official website (<u>http://www.gsc.com.my</u>), GSC provides this e-Ticketing system through its website and mobile application. Instead of using the web for the e-Ticketing, GSC also has their mobile ticketing system that allows user to purchase movie ticket via mobile phone. This application enables user to purchase ticket on smart phone and enjoy the paperless ticket by just scanning the 2D barcode on their smart phone screen at the cinema checkpoint gate.

Cinema industry is quiet high competitive in market. Thus, GSC has to make sure that the effectiveness of its e-Ticketing can attract customer to use the service. The technology acceptance model (TAM), developed by Davis (1989), states that the success of a system can be determined by user acceptance of the system, measured by three factors: perceived usefulness (PU), perceived ease of use (PEOU), and attitudes towards usage (ATU) of the system (Davis, 1989). The elements that influence customers to use the GSC e-Ticketing system need to be revealed, as it can help GSC to get better business performance in future. This study is focusing on the behavioral intention related to technology acceptance. Current research has focused on the *Technology Acceptance Model* (TAM) and *Theory of Planned Behavior* (PTB) because the research seeks to understand the relationship between consumer's behavioral intention to use (BIU) the Golden Screen Cinema e-Ticketing system with selected elements of perceived usefulness (PU), perceived ease of use (PEOU), and social influence. Demographic characteristics also found out to have some effect on the acceptance.

1.2 Problem statement

First of all, we know about the changes of payment method. From the traditional payment method, it has been changed to the usage of internet payment including the e-Ticketing, in order to make the transaction more effective and easier. To compete with other cinema marketers, Golden Screen Cinema decided to make and improvement on their e-Ticketing in order to make the purchasing ticket system is more effective and easier. Instead of walk-in to purchase the movie ticket, customers are provided with the facilities to purchase the ticket via the official GSC websites and also mobile application.

The biggest improvement of GSC E-payment system is the application of 2D barcode. In Malaysia, only GSC uses this innovation of e-Ticketing by scanning the 2D barcode to pass the entrance gate. By using the selfPrint ticket, customers no more need to queue and collect ticket at counter, but they just need to click on this link <u>http://www.gsc.com.my/Payment/Ticketing-Showtimes</u> to select the movie and also the seat. SelfPrint ticket that contains the barcode must be printed out and presented at the checkpoint to gain admission to GSC hall for the movie screening. Alternatively, customer can collect the movie tickets purchased at the selected cinema by producing the Confirmation ID of the transaction at GSC Reservation or Gold Class counter. SelfPrint ticket will be scanned and its validity verified before customer can proceed to their seats in the cinema hall. Instead of using SelfPrint ticket, GSC provides customer the movie listings with show times and the option to select their seats and purchase movie tickets via Smartphone, data collected from <u>http://www.gsc.com.my</u>.

e-Ticketing help to solve some problems occurs at almost GSC cinema. One of them is customer just threw away the ticket inside the cinema hall and cause the hall looks messy. By the paperless ticket via e-Ticketing, there will be no more problem about the ticket that been thrown away. Moreover, GSC enables to lower the cost of printing the ticket. With e-Ticketing, all associated information will be stored digitally in a central database and therefore there are no chances of customer losing them or having them stolen. e-Ticketing also minimizes the number of customer at the queue line to purchase the movie ticket at the counter. Thus, it makes the time management more efficient neither for GSC team nor customer.

But, this development of technology need to face some limitation, one of it is about the adoption of the technology by consumer. End user acceptance of such sensitive technology as money-circulating payment systems is the critical key aspect of the whole path of payment systems' establishment. According to the Malaysian Communications and Multimedia Commission's, Household use of the internet survey 2005, Malaysian Internet users online activities, online purchases is one of the lowest out of online activity there are merely 2% of it while email usage is the highest in the report of 74%. That is proving to us that Malaysian still very conservative in Internet transaction. Thus, we have to know what is actually influences the user's intention to adopt the changes of technology. Without such acceptance no technology can successfully exist on the market, and payment systems are not an exception.

According to Dillon & Morris (1996) user acceptance is "the demonstrable willingness within a user group to employ information technology for the tasks it is designed to support". According to Davis (1989), practitioners evaluate systems for two purposes, including to predict acceptability and to diagnose the reasons resulting in lack of acceptance and to take proper measures to improve user acceptance. Several models have been developed to investigate and understand the factors affecting the acceptance of technology.

This paper analyses the *Technology Acceptance Model* (TAM) in order to examine customer's behavioral intention to use Golden Screen Cinema (GSC) e-Ticketing system, meaning how they intent to use and appropriate it. Many results of studies confirm that in the e-Ticketing context, traditional adoption model such as TAM could be applied, but need modification and extension in order to increase their prediction and explanation power (Han, 2005). Researcher in this study emphasis that social influence that comes from the Theory of Planned Behavior (PTB) should be included as another factor that influence the behavioral intention to use e-Ticketing system by Golden Screen Cinema (GSC).

1.3 Research questions

This research was guided by the following questions:

- 1) How is the usage of GSC e-Ticketing in Melaka?
- 2) What are the relationship of Technology Acceptance model (TAMs) and Theory of Planned Behavior (PTB) elements that influences the behavioral intention of the GSC e-Ticketing system?
- 3) What are the most element of Technology Acceptance Model (TAMs) and Theory of Planned Behavior (TPB) that influences the behavioral intention to the GSC e-Ticketing system?

1.4 Research objective

The objective of this research was to study the element that influencing customer's intention in using e-Ticketing of Golden Screen Cinema (GSC). Specifically, this study depends on these objectives:

- 1) To investigate the usage of GSC e-Ticketing in Melaka.
- 2) To identify the relationship of Technology Acceptance model (TAMs) and Theory of Planned Behavior (PTB) elements that influences the behavioral intention of the GSC e-Ticketing system.
- 3) To investigate the most element of Technology Acceptance Model (TAMs) and Theory of Planned Behavior (TPB) that influences the behavioral intention to the GSC e-Ticketing system.

1.5 Scope and limitation of the study

In this study was focusing to provide some insight on the intention to use e-Ticketing. So researcher is describing the elements that can make the adoption of e-Ticketing increase, which may effect toward user's behavioral intention to use e-Ticketing of Golden Screen Cinema. For this research, the target groups as the respondent of population is customer who are tend to watch movie in cinema. The customers who are watch movie at Golden Screen Cinema (GSC) and also who come to GSC to buy ticket would become as respondents to complete this research. The respondent's range of age is between 15 to 45 years old, where this target group has most level of tendency to watch movie at cinema. Moreover, they more tend to use internet and mobile phone so they are more familiar with the e-Ticketing system.

To complete the research, the researcher focused only on the selected GSC cinema that was located in Melaka city. There are only two GSC cinemas at Melaka that become as the research location, the first one is situated at Dataran Pahlawan, and another one was at AEON Bandaraya Melaka. This study is significant for cinema industry as the research on this industry was lesser than other industry like airplane and public transport.

However, the problem may occur during completing this research as there are limited references about the e-Ticketing system in cinema industry, compared with other industry like public transportation. We know that the e-Ticketing system is still new in cinema industry especially in Asia. It was struggle to find such article like journal and books that related exactly with the e-Ticketing system in cinema industry. Thus, researcher need to make sure that the research methodology is chosen correctly and strongly implemented for collecting data to get accurate result.

1.6 Importance of study

This study intends to provide some insight on the intention to use e-Ticketing. This study is important for cinema companies to understand the underlying factors that could increase the intention to use e-Ticketing, which help them to better plan their marketing strategies. They can also improve for better return on investment in setting up the e-Ticketing infrastructure. According to this research, the significant of this study are applied to two parties which are researcher itself and cinema industry. The details on how this study significant to those two parties was listed as below:

1) Researcher/Academicians

This research was significant to other researcher and academicians as to become guidance to other research.

2) Cinema industry.

The relevance for this study was that an examination of customer usage of an e-Ticketing system could contribute to their acceptance of an emerging payment technology that has been developed specifically to respond to current demands of market. This research may help in the development of the electronic ticketing system that affects the consumer behavior in the cinema industry.

1.7 Summary

This chapter 1 is briefly explained about the development of the framework of the research. In this chapter consist of 6 elements including the introduction, problem statement, problem objective, scope and key assumption and also the significant of this study. This chapter includes the basic information about e-Ticketing, cinema industry, technology acceptance and also elements that influence intention behavioral toward e-Ticketing.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

In this section, the researcher was briefly reviews on e-Ticketing system in cinema industry that concern on the factors that contribute to the user's behavioral intention toward it. In this section, researcher will look about what the previous study, books and journals that briefly explains about this study. Researcher also reviews the theories adopted for this studies such as TAM and TPB. The analysis of the research also included in this chapter.

2.1 e-Ticketing

An electronic ticket (e-Ticketing) substitutes the paper-based movie ticket by an electronic ticket image that is stored in the cinema's database. e-Ticketing, the new way of issuing and delivering tickets is becoming prevalent and is employed by many companies in and effort to reduce the cost that goes to printing tickets. Previously, before e-Ticketing is used in cinema industry, it is widely used by airline industry in which e-Ticketing involve the digitalization of tickets and allows airline companies to eliminate the use of paper tickets.

To compete with other cinema marketers, Golden Screen Cinema decided to make and improvement on their e-Ticketing in order to facilitate consumer for purchasing the ticket and make the system more effective and easier. Instead of walk-in to purchase the movie ticket, customers are provided the facilities to purchase the ticket via the official GSC websites and also mobile application. The biggest improvement of GSC e-Ticketing system is the application of 2D barcode. In Malaysia, only GSC uses this innovation of e-Ticketing by scanning the 2D barcode to pass the entrance gate, retrieved from (www.gsc.com.my).

2.1.1 Intention to use e-Ticketing

Intention is defined as the "strength of conscious plan to perform the targeted behavior" (Harrison, 1997) and should be the best predictor of behavior if nothing else in the environment has occurred to cause changes.

Theoretically, according to Gattikar (1990), technology acceptance is viewed as an individual's psychological state with regard to his or her voluntary or intended use of a particular technology. Considerable studies report a strong and significant causal link between behavioral intention and targeted behavior (Yu, 2005; Sheppard, 1998; Venkatesh and Dvis, 2000).

Many researcher tried to study the significant factors influencing the behavioral intention toward e-Ticketing such as "perceived usefulness and perceived ease-of-use" (Davis, 1989), perceived risk and so on. Therefore, using behavioral intention as a dependent variable to study technology acceptance is theoretically justifiable (Mathieson, 1991; Chau and Hu, 2001; Leonard, 2004).

2.2 Adoption theories

Several models have been developed to investigate and understand the factors affecting the acceptance of technology. Current research has focused on the *technology acceptance model* (TAM) proposed by Davis (1986) because the research seeks to understand the relationship between perceptions (such as perceived usefulness and perceived ease of use of technologies) and attitude towards it.

Beside TAM, The theory of reasoned action (TRA) is one of the most influential models in predicting human behavior and behavioral intention. The Theory of planned behavior (TPB) (Ajzen, 1991) is the most popular theory employed to explain behavioral intention to use e-Ticketing, hence researcher also focus on this theory. Based upon this theory, researcher propose model of e-Ticketing intention.

2.2.1 Technology Acceptance Model (TAMs)

Since the seventies, researchers have concentrated their efforts on identifying the conditions or factors that could facilitate the integration of information systems into business. Their search has produced a long list of factors that seem to influence the use of technology (Bailey and Pearson, 1983). From the mid-eighties, researchers have concentrated their efforts in developing and testing models that could help in predicting system use. Several models have been developed in the past three decades to investigate variables that influence individuals' technology acceptance (Agarwal & Prasad, 1988; Morris & Dillon, 1997; Thompson, Compeau & Higgins, 2006). One of them, technology acceptance model (TAM) was proposed by Davis in 1989 in his doctoral thesis. Their model is an adaptation of the theory of reasoned action. The technology acceptance model (TAM) proposed by Davis (1989) is the classical information systems model developed to explain computer-usage behavior and factors associated with acceptance of technology. According to this theory, information system usage behavior is predominately explained by behavioral intention that is formed as a result of